



KEY UPDATES UNDER DECREE NO. 105/2026/ND-CP GUIDING THE MANAGEMENT AND USE OF TRADE UNION FINANCE

TIGHTENING MANAGEMENT OF CULTURE AND ADVERTISING: SHARPLY INCREASING FINES UNDER DECREE 87/2026/ND-CP



THE GOVERNMENT ISSUES NEW RESOLUTIONS TO PROMOTE THE REDUCTION OF BUSINESS CONDITIONS AND SIMPLIFICATION OF ADMINISTRATIVE PROCEDURES FOR ENTERPRISES





Dear Clients,

Lac Duy & Associates would like to send you the legal newsletter of May 2026 with some notable updates and articles as follows:

- Key updates under Decree No. 105/2026/ND-CP guiding the management and use of trade union finance.
- Tightening management of culture and advertising: Sharply increasing fines under Decree 87/2026/ND-CP.
- The Government issues new Resolutions to promote the reduction of business conditions and simplification of administrative procedures for enterprises.
- Legal updates in May 2026.



KEY UPDATES UNDER DECREE NO. 105/2026/ND-CP GUIDING THE MANAGEMENT AND USE OF TRADE UNION FINANCE



On 31 March 2026, the Government issued Decree No. 105/2026/ND-CP detailing and guiding the implementation of certain provisions of the Law on Trade Unions regarding trade union finance (“**Decree 105**”). This Decree replaces Decree No. 191/2013/ND-CP on trade union finance (“**Decree 191**”) and officially takes effect from May 16, 2026.

Decree 105 consists of 06 Chapters and 18 Articles, and supplements a number of new provisions aimed at further improving the framework for the management, use, and supervision of trade union finance in a more transparent and detailed manner. Some notable highlights include:

1. Additional regulations on methods and timelines for payment of trade union fees

Under Article 29.1(b) of the Law on Trade Unions, the trade union fee contribution rate applicable in 2026 remains at **2%** of the salary fund used as the basis for compulsory social insurance contributions for employees. Under Article 4 of Decree 105, the Government supplements specific regulations on the methods and timelines for payment of trade union fees as follows:

- Trade union fees must be paid on a monthly basis and **at the same time** as compulsory social insurance contributions for employees in respect of: (i) public non-business units not fully funded by the state budget; (ii) public non-business units partially self-financing recurrent expenditures; and (iii) agencies, organizations, enterprises, cooperatives, and other employers.
- For organizations and enterprises operating in the agriculture, forestry, fishery, and salt production sectors that pay salaries based on production or business cycles, Decree 105 allows payment either monthly or once every three months, subject to registration with the trade union organization.

- Regarding payment deadlines, where payment is made monthly, it must be completed no later than the last day of the following month. Where payment is made every three months, it must be completed no later than the last day of the month immediately following the relevant contribution cycle.

2. Cases of late payment and non-payment of trade union fees

Under Article 6 of Decree 105, the Government specifically provides for cases of late payment and non-payment of trade union fees, including:

- **Late payment of trade union fees:** where an obligated entity fails to make payment or fails to fully pay the required amount after the prescribed deadline.

- **Non-payment of trade union fees:** including cases where: (i) the entity fails to deduct and pay trade union fees; or (ii) the entity fails to pay, or fails to fully pay, the required amount or the required number of subjects subject to contribution within 60 days from the expiry of the statutory payment deadline.



- The Decree also clarifies that cases eligible for **temporary suspension or reduction** of trade union fee contributions in accordance with the law will not be considered acts of late payment or non-payment.

3. Additional mechanisms for exemption, reduction, and temporary suspension of trade union fee contributions

Under Articles 11 and 12 of Decree 105, the Government supplements and provides more detailed guidance on the mechanisms for exemption, reduction, and temporary suspension of trade union fee contributions applicable to enterprises, cooperatives, and unions of cooperatives in certain cases of hardship, specifically as follows:

- Cases eligible for exemption from trade union fee contributions: enterprises, cooperatives, or



unions of cooperatives undergoing dissolution or bankruptcy in accordance with law may be considered for exemption from unpaid trade union fee amounts.

- Cases eligible for reduction of trade union fee contribution rates: enterprises, cooperatives, or unions of cooperatives that continue to face financial difficulties and are required to reduce their workforce after the expiration of the temporary suspension period may be considered for reduced contribution rates. Applicable conditions include workforce reductions of at least 30% of existing employees or meeting the minimum number of reduced employees corresponding to each labor scale as prescribed by the Decree.
- The maximum reduction rate is 20% of the statutory trade union fee contribution rate under the Law on Trade Unions, applicable on a monthly basis for a maximum period of six months.



4. Additional regulations on management and use of trade union finance

Based on the inheritance and further guidance of certain provisions under the 2024 Law on Trade Unions, Article 16 of Decree 105 clarifies the principles for management, use, and

disclosure of trade union finance, including: (i) use of trade union funds for proper purposes; (ii) monitoring, storage, and provision of information regarding the use of trade union funds; (iii) opening accounts at the State Treasury and banks; and handling unused trade union funds remaining at year-end.

In addition, Decree 105 also promulgates together with (i) Appendix I: Template request for reduction of trade union fee contribution rates; and (ii) Appendix II: Template request for temporary suspension of trade union fee contributions, thereby contributing to the further improvement of the legal framework in a more transparent and detailed manner, while strengthening the mechanisms for management and supervision of the payment and use of trade union finance.



TIGHTENING MANAGEMENT OF CULTURE AND ADVERTISING: SHARPLY INCREASING FINES UNDER DECREE 87/2026/ND-CP

On March 27, 2026, the Government officially issued Decree No. 87/2026/ND-CP regulating administrative penalties in the fields of culture and advertising (“**Decree 87**”). Decree 87 shall take effect from May 15, 2026, and will replace the former regulations in Decree No. 38/2021/ND-CP (“**Decree 38**”) with certain notable points regarding penalizing regulations in the cultural and advertising sectors, specifically:



1. Penalties for certain administrative violations in the cultural and advertising sectors

Pursuant to Article 6 of Decree 87, the maximum monetary fine for a single administrative violation in the cultural sector is VND 50 million for individuals and VND 100 million for organizations. Meanwhile, the maximum monetary fine for an administrative violation in the advertising sector is VND 100 million for individuals and VND 200 million for organizations.

Specifically, regarding violations against regulations on advertisements for banned products, goods, and services, Decree 87 maintains the fine ranging from VND 50 to 70 million for violations specified in Article 49.1, including:

- a) *Advertisements for cigarettes/tobacco;*
- b) *Advertisements for alcohol with an alcohol by volume (ABV) of 15 degrees or above;*
- c) *Advertisements for breast-milk substitutes intended for children under 24 months old; nutritional supplements intended for children under 06 months old; feeding bottles and artificial nipples; the use of images of fetuses or young children in advertisements for milk intended for pregnant women;*
- d) *Advertisements for prescription drugs; non-prescription drugs that are recommended by competent state authorities to be restricted from use or used under a physician's supervision;*
- đ) *Advertisements for other banned products, goods, and services.*

In addition, Decree 87 maintains the fine ranging from VND 70 to 100 million for violations such



as advertisements for banned goods and services or products of an aphrodisiac/erotic nature, etc as detailed in Article 49.2.

Note: The aforementioned administrative violation penalties are applicable to individuals. For the same administrative violation, the monetary fine for an organization is twice (02 times) the monetary fine for an individual.

2. Competence to substantiate administrative violation minutes and impose administrative penalties

Pursuant to Article 82.1, persons competent to impose administrative penalties include:

- Chairpersons of People's Committees;
- Heads of agencies performing specialized state management tasks and fields, and certain other titles;
- Inspectorates;
- People's Public Security;
- Border Guards;
- Coast Guard;
- Customs;
- Market Surveillance;
- Maritime Port Authorities, Airport Authorities, and Inland Waterway Port Authorities.

Persons authorized to substantiate administrative violation minutes as regulated include:

- Civil servants, public employees, and inspectors who are members of an inspection delegation; heads of inspection delegations; and members of the People's Army or People's Public Security forces who are on duty or assigned tasks within the fields of culture and advertising.
- Aircraft commanders, train masters, and captains on duty according to their assigned functions and powers within the fields of culture and advertising are authorized to substantiate administrative violation minutes for violations occurring on aircraft, seagoing vessels, and inland waterway craft.

3. Heavy penalties imposed on spam advertising and untruthful advertising

In order to protect urban aesthetics and consumer rights, Decree 87 stipulates:

- Advertising on utility poles, electricity pylons, traffic light poles, and public trees by forms such as hanging, placing, pasting, or drawing products pursuant to Article 50.1: The fine **increases fivefold**, ranging from **VND 5 - 10 million** for individuals (Article 34.1 of Decree 38 only stipulated a fine of VND 1 to 2 million for individuals).



- Untruthful or misleading advertising regarding the business capability or capacity to supply products, goods, and services; or regarding the quantity, quality, price, utility, design, packaging, trademark, origin, type, service method, or warranty period of products that have been registered or declared, shall be **heavily fined from VND 80 to 100 million** for individuals pursuant to Article 50.5(c) (Article 34.5 of Decree 38 stipulated a fine ranging from VND 60 to 80 million for individuals).

Note: The aforementioned administrative violation penalties are applicable to individuals. For the same administrative violation, the monetary fine for an organization is twice (02 times) the monetary fine for an individual.

4. Remedial measures and supplementary penalties

A notable new feature is the enhancement of supplementary sanctions aimed at stripping away benefits derived from violations:

- The act of allowing another organization or individual to use one's business eligibility license to operate karaoke or dance hall (discotheque) businesses shall result in the **deprivation of the right to use the license for 18 - 24 months** pursuant to Article 21.9 of Decree 87.

- The act of altering or erasing contents of a business eligibility license for karaoke or dance hall services: organizations and individuals are compelled to **return the erased or altered license** and, most notably, are **compelled to remit all illegal profits** obtained from the administrative violation pursuant to Article 21.10 of Decree 87.

THE GOVERNMENT ISSUES NEW RESOLUTIONS TO PROMOTE THE REDUCTION OF BUSINESS CONDITIONS AND SIMPLIFICATION OF ADMINISTRATIVE PROCEDURES FOR ENTERPRISES

1. On May 15, 2026, the Government issued Resolution No. 66.17/2026/NQ-CP on the reduction and amendment of conditional business investment lines and sectors (“**Resolution 66.17**”). According to Resolution 66.17, from July 01, 2026, until the end of February 28, 2027, the List of conditional business investment lines and sectors provided in Appendix IV of the Law on Investment 2025 is reduced from 198 to 142 lines and sectors (the “**List**”), specifically:

(i) Certain notable business lines removed from the List, including: liquor trading; accounting services business; insurance agency services; maritime transport business; seaport operation business, ...



(ii) Certain other lines and sectors remain on the List, including: trading of tobacco products, tobacco materials, machinery and equipment specialized for the tobacco industry (excluding electronic cigarettes and heated tobacco products); seal engraving services; legal practice; notarial practice; audit services business; securities business; petroleum trading;...

For the business lines removed from the List pursuant to Resolution 66.17, licenses, certificates, and approval documents issued prior thereto shall continue to remain valid until the expiry date stated therein.

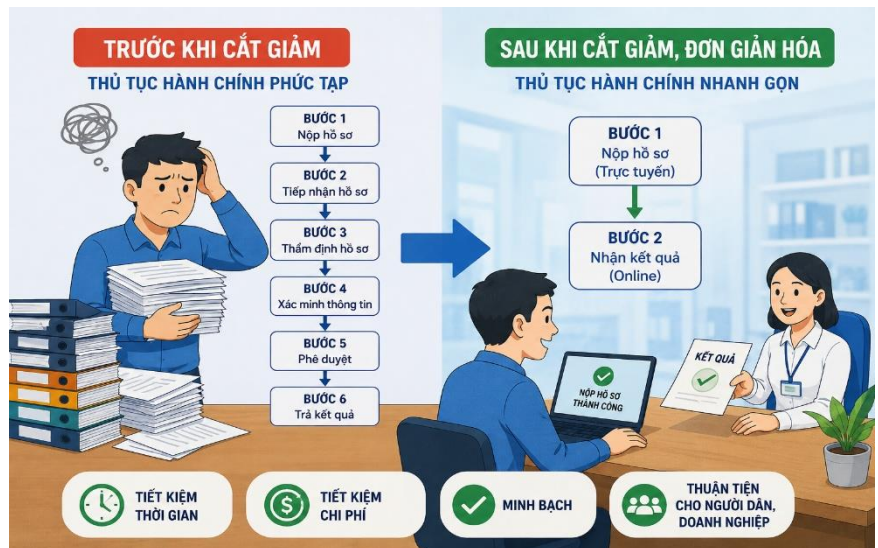
2. On May 18, 2026, the Government issued Resolution No. 66.18/2026/NQ-CP on the decentralization, reduction, and simplification of administrative procedures and business conditions (“**Resolution 66.18**”). This Resolution is effective until the end of February 28, 2027, and regulates the decentralization, reduction, and simplification of administrative procedures and business conditions under the management scope of 11 Ministries and sectors, including: Ministry of Public Security; Ministry of Industry and Trade; Ministry of Science and Technology; Ministry of Home Affairs; Ministry of National Defence; Ministry of Justice; Ministry of Finance; Ministry

of Construction; Ministry of Culture, Sports and Tourism; Ministry of Health; and Ministry of Education and Training.

(i) Typical examples within the management scope of the Ministry of Industry and Trade under Resolution 66.18 include:

- Pursuant to Section E, Sub-section 2.1, Appendix I.2 on the reduction of administrative procedures in the tobacco business sector, the regulations on tobacco trading licenses under Clauses 1 and 3, Article 19, and Point a, Clause 1, Article 25 of the Law on Prevention and Control of Tobacco Harms No. 09/2012/QH13 shall not be implemented.

- Pursuant to Section B, Sub-section 3.1, Appendix I.2 on the reduction of administrative procedures in the liquor business sector, the procedures for issuance, amendment, supplementation, and re-issuance of licenses in the liquor business sector shall not be implemented, including Liquor Distribution Licenses, Liquor Wholesale Licenses, Liquor Retail Licenses,



Liquor Production Licenses...; and pursuant to Section B, Sub-section 3.2 on the reduction of investment and business conditions, the following shall not be required to be implemented: the regulation on “conducting liquor business without a license or registration” under Clause 11, Article 5 of the Law on Prevention and Control of Alcohol-related Harms No. 44/2019/QH14; conditions for liquor distribution, wholesale, retail, sale, and importation....

- At the same time, Appendix II - List of documents proposed for amendment and supplementation of Resolution 66.18 also proposes that the Ministry of Health and the Ministry of Industry and Trade need to amend and supplement certain sections and articles of the Law on Prevention and Control of Harmful Effects of Alcohol and Beer No. 44/2019/QH14, the Law on Prevention and Control of Tobacco Harms No. 09/2012/QH13, Decree No. 67/2013/ND-CP, Decree No. 77/2013/ND-CP,...



(ii) Typical examples within the management scope of the Ministry of Finance include that Appendix I.7 of Resolution 66.18 significantly reduces business conditions and administrative procedures relating to accounting services business activities. Accordingly, various requirements relating to: accounting practitioner certificates; registration for accounting service practice; Certificates of Eligibility for Accounting Services Business; as well as certain conditions applicable to cross-border accounting service provision activities... shall no longer continue to apply during the effective period of Resolution 66.18.

In addition, Appendix II - List of legal documents proposed to be amended and supplemented under Resolution 66.18 also proposes amendments and supplements to various circulars of the Ministry of Finance relating to the management of accounting service activities in order to ensure consistency, synchronization, and simplification of administrative procedures.



NEW LEGAL DOCUMENTS IN 05/2026

NO.	EFFECTIVE DATE	NAME
ENTERPRISE		
1.	May 18, 2026	Decree 109/2026/ND-CP stipulates the sanctioning of administrative violations in the field of judicial assistance; judicial administration; marriage and family; civil judgment enforcement; rehabilitation and bankruptcy of enterprises and cooperatives issued by the Government
COMMERCIAL		
1.	May 10, 2026	Circular 14/2026/TT-BCT stipulating the rules of origin of goods in the Free Trade Agreement between Vietnam and the European Union issued by the Minister of Industry and Trade
2.	May 15, 2026	Decree 87/2026/ND-CP stipulating penalties for administrative violations in the field of culture and advertising issued by the Government
3.	May 20, 2026	Decree 102/2026/ND-CP amending Decree 75/2019/ND-CP on sanctioning administrative violations in the field of competition issued by the Government
BANK CURRENCY		
1.	May 01, 2026	Circular 02/2026/TT-NHNN amending Circular 35/2025/TT-NHNN regulating special loans to credit institutions issued by the Governor of the State Bank of Vietnam
2.	May 01, 2026	Circular 33/2026/TT-BTC regulating the financial regime of Vietnam Deposit Insurance issued by the Minister of Finance
SOCIAL INSURANCE		
1.	May 01, 2026	Law on Deposit Insurance No. 111/2025/QH15 issued by the National Assembly
2.	May 01, 2026	Circular 04/2026/TT-NHNN guiding the content of deposit insurance activities issued by the Governor of the State Bank of Vietnam



3.	May 01, 2026	Decree 78/2026/ND-CP amending Decree 174/2024/ND-CP on sanctioning administrative violations in the field of insurance business issued by the Government
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4.	May 10, 2026	Decree 85/2026/ND-CP on supplementary pension insurance issued by the Government
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LABOUR – SALARY

1.	May 15, 2026	Circular 04/2026/TT-BNV stipulating economic-technical characteristics for services of sending workers to work abroad, brokerage services under brokerage contracts for sending workers to work abroad issued by the Minister of Home Affairs
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2.	May 16, 2026	Decree 105/2026/ND-CP guiding the Law on Trade Unions on trade union finance issued by the Government
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ADMINISTRATIVE VIOLATIONS

1.	May 15, 2026	Decree 90/2026/ND-CP stipulating penalties for administrative violations in the field of health issued by the Government
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2.	May 18, 2026	Decree 109/2026/ND-CP stipulates the sanctioning of administrative violations in the field of judicial assistance; judicial administration; marriage and family; civil judgment enforcement; rehabilitation and bankruptcy of enterprises and cooperatives issued by the Government
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3.	May 20, 2026	Decree 114/2026/ND-CP amending Decree 87/2024/ND-CP stipulating penalties for administrative violations in price management issued by the Government
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4.	May 21, 2026	Decree 132/2026/ND-CP amending Decree 41/2018/ND-CP stipulating penalties for administrative violations in the field of accounting and independent audit issued by the Government
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PROCEEDINGS

1.	May 01, 2026	Law on Judicial Expertise No. 105/2025/QH15 promulgated by the National Assembly
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