

**CIRCULAR**  
**STIPULATING ON PROVISION OF FOREIGN CURRENCY LOANS OF THE CREDIT  
INSTITUTIONS AND BRANCHES OF FOREIGN BANKS WITH CUSTOMERS BEING  
RESIDENTS**

*Pursuant to the Law on the State bank of Vietnam No. 46/2010/QH12, of June 16, 2010;*

*Pursuant to the Law on credit institutions No. 47/2010/QH12, of June 16, 2010;*

*Pursuant to the Foreign Exchange Ordinance No. 28/2005/PL-UBTVQH11, of December 13, 2005;*

*Pursuant to Government's Decree No. 160/2006/ND-CP, of December 28, 2006 detailing the implementation of the Foreign Exchange Ordinance;*

*Pursuant to Government's Decree No. 96/2008/ND-CP, of August 26, 2008 providing functions, tasks, powers and original structure of the State bank of Vietnam;*

*At the proposal of the Director of the monetary policy department;*

*The Governor of the State bank of Vietnam promulgates Circular stipulating on provision of foreign currency loans of the credit institutions and branches of foreign banks with customers being residents,*

**Article 1. Scope of regulation**

This Circular stipulates provision of foreign currency loans of the credit institutions and branches of foreign banks with customers being residents.

**Article 2. Subjects of application**

1. Credit institutions, branches of foreign banks that are permitted to operate foreign exchange and implement provision of foreign currency loans with customers.

2. The customers being residents who are loaning capital at the credit institutions and branches of foreign banks as prescribed by law on loan activities.

**Article 3. Demand of foreign currency capital loans**

1. Credit institutions, branches of foreign banks may consider deciding provision of foreign currency loans for demands of capital loan as follows:

a) The short-term, mid-term and long-term loans in order to overseas paying for imported goods and services in foreign exchange on condition that customers have sufficient foreign currency in order to paying of debt rely on the income source from production and business.

b) The short-term loans for wholesale enterprises importing petrol and have been assigned the 2013 petrol import limit by the Ministry of Industry and Trade and have demand to loan in foreign currency in order to overseas paying for import petrol when the loan customers have sufficient or insufficient foreign currency in order to paying of debt rely on the income source from production and business. Provisions in this clause shall be implemented until end of December 31, 2013.

c) The short-term loans in order to meet the domestic capital demands aiming to implement plan on production and business of export goods passing the border gate of Vietnam on condition that customers have sufficient foreign currency from export revenue in order to paying debt; when being disbursed the loan capital by credit institutions or branches of foreign bank, the loan customers must sell that loaning foreign currency amount for credit institutions or branches of foreign bank have provided loans in according to form of foreign exchange spot transaction, except for case whether demand of capital loan of customers for

payment transactions which law stipulated that the transaction currency must be in foreign currency. Provisions in this clause shall be implemented until end of December 31, 2013.

d) Loans in order to perform overseas direct investment for national important projects, works that have been decided on investment guidelines by National Assembly, Government or the Prime Minister and have been issued certificate of overseas investment by the Ministry of Planning and Investment.

2. Credit institutions, branches of foreign banks may consider deciding provision of foreign currency loans for demands of capital loan, apart from provisions in clause 1 this Article, but in fields prioritized, encouraged for production and business development in according to guidelines of Government after the State bank of Vietnam has accepted in writing under the orders and procedures specified in Article 4 of this Circular.

#### **Article 4. The order of and procedures for acceptance of provision of foreign currency loans**

1. When having demand of provision of foreign currency loans, credit institutions, branches of foreign banks must have written request to the State bank of Vietnam for acceptance of provision of foreign currency loans.

The written request for acceptance of provision of foreign currency loans includes the principal contents: Credit institutions, branches of foreign bank have appraised and ensure that projects, plans on production and business of customers are feasible, effective; the loan customers meeting sufficient conditions of capital loan as prescribed by law on loan activities, having ability to withdraw debt on schedule (principal and interest); credit institutions, branches of foreign bank ensure to balance their foreign currency capital source in order to loan, provision of foreign currency loans not affect to limit of credit grant and rate to assure safety in operation of credit institutions, branches of foreign bank as prescribed by the State bank of Vietnam; demand of foreign currency loans of customers for implementation of projects, plans on production and business in fields prioritized, encouraged for production and business development in according to guidelines of Government; credit institutions, branches of foreign bank commit to have responsibility for result of appraisal and contents, information supplied in the written request.

2. The order of and procedures for acceptance of provision of foreign currency loans

a) Credit institutions, branches of foreign banks send directly or by post written request for acceptance of provision of foreign currency loans to the State bank of Vietnam (the Monetary policy department).

b) Based on guidelines of Government on fields prioritized, encouraged for production and business development, happening of foreign exchange market, provisions in this Circular and content of written request of Credit institutions, branches of foreign banks, the State bank of Vietnam shall consider to accept the provision of foreign currency loans of Credit institutions, branches of foreign banks.

c) Within 30 (thirty) working days after receiving the written request for acceptance of the provision of foreign currency loans of credit institutions, branches of foreign banks, the State bank of Vietnam shall send a written notice on acceptance or refusal for credit institutions, branches of foreign banks in the provision of foreign currency loans.

#### **Article 5. Responsibilities of credit institutions, branches of foreign banks**

1. Credit institutions, branches of foreign banks that conduct provision of foreign currency loans as prescribed in this Circular, regulations on loans, management of foreign exchange, rate of safety assurance in operation of credit institutions, branches of foreign banks and other relevant regulations.

2. Monthly, not later than 12<sup>th</sup> day of month next to the report month, credit institutions, branches of foreign banks shall report to the State bank of Vietnam on the provision of foreign currency loans in according to the report form enclosed to this Circular.

#### **Article 6. Organization for implementation.**

1. This Circular takes effect on January 01, 2013 and replaces the Circular No. 03/2012/TT-NHNN, of March 08, 2012 of the Governor of the State bank of Vietnam stipulating on provision of foreign currency loans of the credit institutions and branches of foreign banks with customers being residents.

2. For loans applying methods of provision of loans for each times, provision of loans under investment project, provision of syndicated loans under credit contracts have been signed before the effective day of this Circular, credit institutions, branches of foreign banks and the loaning customers may implement contents in the signed credit contracts in conformity with provisions of law that are effect at time of signing such credit contracts or agreement to amend, supplement credit contracts to be suitable with provisions in this Circular. For loans applying methods of provision of loans based on credit limit, revolving credit (recirculation) under credit contracts have been signed before the effective day of this Circular, and disbursed from January 01, 2013, credit institutions, branches of foreign banks and the loaning customers comply with provisions in this Circular.

3. The Chief of office, the Director of the Monetary policy department and heads of units of the State bank of Vietnam, Directors of the State bank of Vietnam's branches of central-affiliated cities and provinces; presidents of Board of Directors or of Members' Council and Directors General (Directors) of credit institutions, branches of foreign banks, other relevant organizations and individuals shall implement this Circular.

**FOR THE GOVERNOR  
DEPUTY GOVERNOR**

**Nguyen Dong Tien**

**Name of credit institution or name of branch of foreign bank: .....**

**REPORT OF LOAN OUTSTANDING BALANCE IN FOREIGN CURRENCY**

**Month .... year.....**

*(Promulgated together with the Circular No. 37/2012/TT-NHNN, of December 28, 2012)*

<b>Norms</b>	<b>Outstanding loan balances (convert to billion dong)</b>	<b>The growth rate of outstanding loan balances compared to the preceding month (%)</b>
<b>I. Outstanding loan balances of borrowers being residents</b>		
<b>1. Outstanding loan balances classified by duration</b>		
a) Short term		
b) Medium and long term		
<b>2. Outstanding loan balances classified by loan purposes</b>		
a) The short-term, mid--term and long-term loans in order to overseas paying for imported goods and services in foreign exchange on condition that customers have sufficient foreign exchange in order to paying of debt rely on the income source from production and business as prescribed in point a clause 1 Article 3.		
In which: Loans for import of goods and services in order to perform production and business of export goods through Vietnam's frontiers and border gates		
b) The short-term loans in order to overseas paying for		

petrol import as prescribed in point b clause 1 Article 3.		
c) The short-term loans in order to meet domestic capital demands aiming to perform plan on production and business of export goods as prescribed in point c clause 1 Article 3.		
d) Loans to conduct overseas direct investment for projects that are important and national meaningful as prescribed in point d clause 1 Article 3		
dd) Loans for other capital demands accepted by state bank in writing as prescribed in clause 2 Article 3.		
e) Loans for other capital demands of credit contracts have been signed as prescribed by the State bank of Vietnam in documents promulgated before the effective date of the Circular No. 37/2012/TT-NHNN.		
<b>3. Outstanding loan balances classified by objects being borrowers</b>		
a) FDI enterprises		
b) Other borrowers		
<b>II. Bad debt ratio of loans in foreign currency</b>		
1. Ratio of bad debt of foreign currency loans per the total outstanding loan balance (%)		
2. Ratio of bad debt of foreign currency loans per the total outstanding loan balance in foreign currency (%)		

**Composer**

**Controller**

....., date..... month.....  
year.....

**General Director**

**Notes:**

1. Outstanding loan balances in part I: (1) = (2) = (3).
2. Outstanding loan balances in point e item 2 part I excludes outstanding loan balances in points a, b, c, d item 2 part I
3. The limit time for sending report: Monthly, not later than the 12<sup>th</sup> day of the next month of the report month.
4. Recipient units: The Monetary Policy Department – The State Bank of Vietnam, 49 Ly Thai To – Hoan Kiem – Ha Noi (email: phongcstd@sbv.gov.vn, fax: 04.38246953 – 04.38240132)
5. Be suggested to write full name and telephone number of the person in charge of answering the report in details at the State Bank of Vietnam's requirement.