

GUIDELINES ON SUPPORT FOR SMALL AND MEDIUM-SIZED ENTERPRISES

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On May 10, 2022, the Minister of Planning and Investment promulgated Circular 06/2022/TT-BKHDT guiding the implementation of Decree 80/2021/ND-CP providing details for the Law on Support for Small and Medium-Sized Enterprises (**SMEs**) (**Circular 06**). The Circular comes into effect from June 25, 2022 with the following noteworthy contents:

First, the Circular guides the procedures of SMEs support and specifies components of the dossier proposing support needs to be submitted by SMEs to the competent support agencies/organizations for consideration. The dossier includes:

- A declaration under the form stipulated in Appendix 1 Decree 80/2021/ND-CP providing details for the Law on Support for SMEs (**Decree 80**), which clearly states the contents and budget requested for support and quotations by suppliers (if any).
- Documents, dossier relative to the proposal for support: documents identifying innovative start-up SMEs under clause 1, clause 2, Article 14 of Circular 06; documents proving that the SMEs engage in industrial clusters, value chains in manufacturing and processing area under Article 16, Article 17 of Circular 06; other directly related documents (if any).

Besides, Circular 06 provides additional regulations on phases of support review and decision, whereby SMEs support agencies/organizations will review the proposal dossier, summarize enterprises' proposed support needs and approve the SMEs support plan annually or quarterly.

Second, certain SMEs support contents have been supplemented. Specifically, in addition to the applicable provisions on support contents and amounts under Decree 80, Circular 06 supplements the contents of:

- Technology support: costs to hire and purchase digital transformation solutions that have been announced on the Portal or website of the

Ministry of Information and Communications or website of the suppliers.

- Human resource development support: offline training courses on corporate governance including basic and intensive corporate governance training courses; online training courses via available online teaching tools such as Zoom Cloud Meeting, Microsoft Teams, Google Classroom and other similar tools.
- Innovative start-up SMEs support: support for students from SMEs to participate in domestic and foreign in-depth training and coaching courses, including: tuitions, materials, meals, accommodation, transportation (including airfare); support for SMEs to maintain accounts on e-commerce platforms; and support for SMEs to participate in international competitions on innovative start-ups, including: costs and fees for competition participation; meals, accommodation in the host country; transportation (including airfare); transportation of documents, products, equipment for competition.
- Support for SMEs to participate in industrial clusters, manufacturing and processing value chains: In-house training support; support for students from SMEs to participate in domestic and foreign training courses and support for SMEs to maintain accounts on e-commerce platforms.

Third, the Circular also provides in detail the trainings related to business start-up and corporate governance for SMEs through both offline and online methods. Accordingly, specific regulations are stipulated on training topics; training duration; target students; minimum number of students per course; the procedure of organizing training courses in support areas namely (i) business start-up; (ii) basic corporate governance; (iii) in-depth corporate governance; (iv) direct training in manufacturing and processing enterprises. Online trainings will be conducted through the E-Learning online training system and online teaching tools applied to the training topics of business start-up, basic and in-depth corporate governance.



Comments and recommendations

The detailing of Decree 80 is expected to facilitate SMEs in accessing support policies from the Government. During the socio-economic recovery period after the Covid-19 pandemic, SMEs are suggested to actively research and exploit available support programs in order to boost their labor force quality and also approach new technologies in the digital transformation era to maintain operations and scale up their businesses. Document templates under Section 2, Appendix 3.3 of Circular 06, Appendix of Decree 80 should be taken into account for application by SMEs to receive supports.