EDUCATION IN VIETNAM

- Legal Services
- Market Research & Development Advisory
- Architecture & Design
- Financial Services
Having the 3rd largest population in ASEAN and a young age structure, Vietnam has enormous potential for the education industry.

The education market is expected to surge in enrolments following the new decree which will raise the limit of local student enrolments at foreign-invested schools.

A collaboration of Vietnam’s leading advisors for all educational requirements.

From legal, market entry, development advisory and in-depth studies to architectural design and operations.
Establishment OfForeign Invested
Educational Institutions

Legal Services

Legal update

Decree No. 73/2012/ND-CP
(invalid from 1st August 2018)
- Pre-school: Only foreign students;
- Elementary and Junior schools: 10% maximum of Vietnamese students;
- High school: 20% maximum of Vietnamese students.

Decree No. 86/2018/ND-CP (effective from 1st August 2018)
- Pre-school, Compulsory schools (elementary, junior and high schools):
  Up to 49.9% of Vietnamese students per foreign program

Investment capital

<table>
<thead>
<tr>
<th>Total minimum capital (exclusive of expenses incurred from land tenancy)</th>
<th>Vocational training centers</th>
<th>Vocational training schools and Colleges</th>
<th>Short-term training institutions</th>
<th>Pre-schools</th>
<th>Compulsory schools</th>
<th>Universities and Academies</th>
</tr>
</thead>
<tbody>
<tr>
<td>50 million VND per student</td>
<td>100 million VND per student</td>
<td>20 million VND per student</td>
<td>30 million VND per student</td>
<td>50 million VND per student</td>
<td>1,000 billion VND</td>
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Notes
- For projects leasing (minimum of 5 years) existing or contributed facilities from a Vietnamese partner, total minimum capital requirements are lowered by 30%.
- The number of students shall be based on the project's highest estimations.

Abbreviations

IRC: Investment Registration Certificate
ERC: Enterprise Registration Certificate
MPI: Ministry of Planning and Investment
DPI: Department of Planning and Investment
MET: Ministry of Education and Training
DET: Department of Education and Training
DOC: Department of Construction
MOLISA: Ministry of Labor, Invalids and Social Affairs
DOLISA: Department of Labor, Invalids and Social Affairs
DRET: Directorate of Education and Training

Universities, Academies, Pre-schools, Compulsory Schools

- Approval of land use (if leasing State land)
  - IRC
  - DPI
  - MPI (and relevant ministries)
- Construction permit (if new construction)
  - ERC
  - DOC
  - Provincial People's Committee
- Approval of the establishment
  - Universities & Academies
  - MET
  - The Prime Minister
- License to provide education
  - Universities & Academies
  - DET
Notice:
The above timelines are based on the laws of Vietnam and on the assumption that the facilities are located outside of economic/industrial zones.

It may take longer in practice since competent authorities are still waiting for guidance on Decree 86/2018/ND-CP.

Based on our experience, key success factors are the investment capital, facilities, equipments, education programs and teaching staffs.
Market Research & Development Advisory

- Economic and Social trends
- In-depth understanding of the education market
- Forecasting future supply and demand

Economic indicators:
- GDP growth, FDI, income level
- Key national and expatriate: Population, Age Cohorts, Disposable Income
- Policy: current and future legal framework and effects
- Infrastructure

Macro Background

- Supply v Demand Analysis, Performance and Growth, Future competitive landscape
- Case Studies: Local and Regional Benchmarks

Catchment Modelling

- Conceptual Development advisory: via market inputs and modellings
  - Market inputs: Optimal scale, performance estimation, target
  - SPM: Strategic Population Model to derive quantitative demand for subject site
  - GIS: understanding catchment radius, transportation analysis, premium location mapping

Feasibility Study:
- Highest and Best Use Study: Establish maximum returns on assets and minimize risk exposure.
- Financial analysis: Determine the viability of projects and their market based returns

Survey, Rent/Lease Develop, Structuring

- Refined Knowledge
- Optimised Strategies
- Highest Return/Lowest Risk
GIS with multi-layers: site selection
- Demographic enhanced layers: population, density, income level
- Infrastructure: current and future
- Market-based enhanced layers: current future supply, average rent by location
- Catchment Mapping and Analysis

HCMC is one of only 27 cities worldwide that has more than 50 English-medium international schools

Case Studies

School Development

The Client wished to determine appropriate locations for an International School and International Training Centre within HCMC. Savills conducted research regarding school development in relation to demography, urban development and population growth and characteristics.

The Client wished to identify premium locations for the development of an international school in HCMC. Savills provided research on wealthy households sorted by property value by tracking future high-end residential projects in HCMC.

School Development

A 2.9 ha site reserved for public services in Bac Lieu. Savills conduct a specific market study of high-standard education in Bac Lieu to identify future demand and provided concept development recommendations.

Education Center

A proposed 4.7ha international school located next to a villa project, with a total GFA of 32,000 m². Savills provided Valuation services for the Client.
GroupGSA are willing to listen to new ideas, different perspectives and open to accommodating requests where possible.

Peter Johnston, Principal
Bourke Street Public School
NEW WAYS OF LEARNING

Trends in learning methods inside the classroom are changing, more and more small investigative group work is replacing the traditional methods of ‘blackboard lectures’.

This sees a greater need for presentation spaces, flexible seating arrangements and integration of digital technologies such as projectors, shared screens and tablet based integrated systems. The modern classroom is more like a learning hub akin to some modern co working spaces.

Learning is no longer limited to the classroom. Not only outside the classrooms are there undercover learning pod spaces that are furnished allowing students to move beyond the classroom, but overt building systems are also exposed allowing the building itself to become a learning opportunity.

Additional rooms are now given over to ‘Maker spaces’ which allow the students to create and experiment in a dedicated space to do so. An extension of these grade specific spaces is the Information Centre which augments the services of a traditional library to create a full range of offerings for students as they train to enter an increasingly complicated world.
Financial Services

Corporate Secretarial services
- Attend and draft of minutes of board meetings and annual shareholders’ meetings
- Prepare administrative reports
- Act as company secretary
- Custody services for safe keeping
- Other secretarial services as required by law

International Incorporations services
- Assist in business start-up
- Assist in offshore business expansion
- Perform secretarial work
- Open offshore bank accounts
- Provide correspondence addresses

Human Resources and Payroll services
We provide payroll and human resource services for companies of any size. Our services are tailored to your environment and size.
- Payroll preparation
- Payments on behalf of clients to staff and relevant local authorities
- Deal with local authorities such as tax department, social insurance department and labour department
- HR support

Tax Compliance services
- Prepare and submit Business Licensing Tax ("BLT")
- Prepare and submit Value Added Tax ("VAT")
- Prepare and submit Corporate Income Tax ("CIT")
- Prepare and submit Report on Related Party (Affiliates) transactions and transfer pricing documentation
- Prepare and submit Withholding tax ("WHT")
- Tax health-check prior to tax inspection
- Work with tax officer for tax inspection on behalf of the Clients
- Tax Legislation - Application and Updates to the Clients

Accounting services
- Initial set up of accounting system
- Bookkeeping and reporting services
- Prepare financial statements in compliance with accounting standards and practices (Vietnamese Accounting Standards and System, International Financial Reporting Standards and other jurisdictions relevant generally accepted accounting principles)
- Act as Chief Accountant
- Assist with bank accounts and payment management service
- Assist with invoice printing process
- Prepare and submit statistic reports
- Validate the legitimacy of invoices/receipts attached with expense claims and payment requests
- Accounting review for local compliance
- On-site support to client's internal accounting department for all accounting tasks
- Work with client's external/internal auditors for annual/periodical audit
- Financial and tax due diligence

Who is TMF Group?
TMF Group helps global companies expand and invest seamlessly across international borders. Its expert accountants, corporate secretarial and HR and payroll professionals are located around the world, helping clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations.

TMF Group Vietnam has a team of qualified and dedicated accountants and payroll specialists to provide both standard and tailor-made services.

With operations in more than 80 countries providing global business services, TMF Group is the global expert that understands local needs.

GLOBAL REACH, LOCAL KNOWLEDGE
80+ COUNTRIES
6,500+ LOCAL EXPERTS
Shorelight Education LLC is a U.S. company providing educational services. In particular, Shorelight Education is reinventing the international education experience for both students and universities. In partnership with leading U.S. institutions, Shorelight Education builds innovative degree programs—whether on campus or cloud-based, in the U.S. or students’ home countries—that help students thrive and create a new generation of successful, globally minded alumni. (Web url: www.shorelight.com)

**TMF Vietnam’s Assistance to Shorelight Education in their business in Vietnam**

**Market Entry Analysis & Advice**

- TMF provided Client with comprehensive responses on various issues associated with the establishment and operation of a FIE, including but not limited to investment licensing issues, corporate governance issues, employee issues analysis etc.;
- TMF approached the relevant authorities to assess their attitude and approach on Client’s business in Vietnam.

**Licensing & Post-licensing Support**

- TMF is assisting the Client in the application for establishment of a 100% FIE to carry out overseas education consultancy services;
- TMF will prepare corporate governance and creation documentation;
- TMF will assist Client in obtaining full investment licences & required sub-license;
- TMF will conduct post-licensing services including official seal applications, labour issues, key personnel registration, insurance and accounting system registration.

**Company Operation Support**

- TMF will provide to the Client’s FIE with the following services upon its operation commencement:
  - Annual Corporate Secretarial Services;
  - Registration of Foreign Loans to the State Bank of Vietnam;
  - Support to Expats working in Vietnam (work permit, landing visa, temporary residence card);
  - Bookkeeping & Reporting Services;
  - Preparation of Annual Financial Statements;
  - Chief Accountant Services;
  - Preparation of Statistics Reports;
  - Tax Compliance Services; and
  - Payroll Services.
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