

**ICCSL's Project to Assist the
Development of Enabling Legislation
for the NPO Sector in Viet Nam**

From the Fall 2005 Newsletter of Vietnam Assistance for the Handicapped (VNAH):

Members of Drafting Committee Go Abroad for Study of Legal and Fiscal Issues (edited for accuracy and language)

As part of VNAH's NGO Law project, Vietnamese experts involved in the drafting of a Vietnam Association Law, which will provide a new legal framework for the creation and operation of non-governmental organizations in Vietnam, participated in three study tours to the US, Japan and Korea during the past 6 months. The trips were to help members responsible for writing new legislation (including the tax exemption legislation) for the NGO sector in Vietnam to learn from the experiences with respect to legal and fiscal rules for NGOs in the US and the two Asian countries. Members of the Association Law drafting team from the Ministry of Home Affairs (MOHA), the Commission of Legislative Affairs (CLA) of the National Assembly of Vietnam and other organizations participated in these study tours.

During their visits to Japan and South Korea in January 2005, which were organized by VNAH in cooperation with the International Center for Civil Society Law (ICCSL), delegation members met with both government officials and various segments of the NGO sector, including those that will be affected by the current reforms. Discussions of tax incentives for giving and the extent to which they encourage a culture of giving in Korea provided excellent additional support for the need for such tax incentives in Vietnam. See report available at http://www.iccsl.org/pubs/Viet_Nam_Report_of_Study_Tour.pdf.

In late June 2005, VNAH coordinated with the International Center for Not-for-profit Law (ICNL) to organize a study tour to Washington, DC, for key members of the NGO Law Drafting Team. Again, this trip was to learn from the American experience with NGOs, in particular tax benefits and IRS oversight, as well as NGO internal governance in the US.

The study tours provided an excellent opportunity for exchanges between the Government of Vietnam and the governments of Japan, Korea and the United States on a matter of technical legal reform that has particular significance for the growth of democratic governance in Vietnam.

VNAH Sponsored Dialogue and Training on NGO Financial and Tax Issues

Financial and tax incentives for charity and donations are important for the growth of the not-for-profit sector in many countries. Earlier this year, under its NGO Law Project which is funded by the USAID, VNAH sponsored a series of workshops, dialogue and training for members of drafting team for the Association Law various local NGOs and relevant government agencies. The most important events included three regional seminars organized in Ha Noi, Hai Phong and Ho Chi Minh cities to discuss about law governing and financial and tax incentives for NGOs. Each seminar drew 70 to 80 participants, who involved in open dialogue and discussion with drafting team members, VNAH experts and consultants from the US and Viet Nam. During this period, VNAH also sponsored a training course for leaders of local NGOs on management/governance, research on issues relevant to the new draft associations law, and an evaluation of the current Decree on Associations (available at http://www.iccsl.org/pubs/Viet%20Nam_Association_Decree.pdf), provided by ICCSL and available at http://www.iccsl.org/pubs/03-10_IJCSL.pdf.