

# Why Should A Lawyer Be Hired When Setting Up A Business In Vietnam?

After more than 20 years since Vietnam's first opening market, it has gradually become one of the most attractive locations for investment among South East Asian countries. [Foreign direct investment into Vietnam](#) rose 6.3% year-on-year to 11.96 billion USD in January to August 2019 and the top three areas receiving the largest amount of investment are Manufacturing and Processing industry, [Real estate](#), and Wholesale and Retail sectors. In addition, it is being recommended to [set up a business in Vietnam](#) rather than in China as the latter is on the verge of being adversely affected by the current economic war with the USA.

However, [setting up a business in Vietnam](#) is not an easy task for foreign investors. Although procedure for **establishing a business in Vietnam** has been much less complex recently, it is still far from comfortable, especially when your business lines relate to or presumed to influence environment, health, security, land, etc.. Some require specific procedures and approval from governmental organs which include red tape and excessive bureaucracy. It would take months or even years to complete if you are not well-informed on the legal climate and how the bureaucracy works in Vietnam.

Another requirement is that you must be catching up with the dynamic of laws while maintaining your business. In 2018, 21 new laws came into force, not to mention subsidiary legislation (Decree, Circular, etc.). Being ambiguous about laws could increase the risk of unintentional violation and even result in facing a huge penalty, particularly when it comes to complicated matters such as tax, trade union, competition law, etc. You would also find yourself at a disadvantage in a lawsuit. Long delays, plus unpredictable costs are known to be common in Vietnam's judicial system.

A good investment means you and your business are well-protected. That is why, before investing and [setting up a business in Vietnam](#), you require a law expert, namely, a lawyer. A business lawyer will help ensure your compliance with the laws, prepare for upcoming updates of laws, and deal with excessive bureaucracy. In case of a lawsuit, he/she will provide vital assistance to preventing potential damage. It is important to note that the fee a lawyer will charge to keep you out of trouble is significantly smaller than the fee a lawyer will charge to get you out of trouble once it is happened. So that the sooner you consult a lawyer about your business, the more well-protected your business is.

*If you are having difficulty in how to **set up a business in Vietnam**, please contact us: P & Associates is a [professional law firm established in Vietnam](#) and currently has nearly 100 members working at three offices in Ho Chi Minh City, Hanoi and Da Nang. P & Associates are also considered to be one of the [leading law firms specialising in law on business in Vietnam](#), which has a number of notable practice fields in the legal market such as [Labour and Employment](#), [Banking Law](#), [Taxes](#), [Purchases](#), [Selling and Merging](#), [Litigation](#), and [IPO advisory services](#). We are confident to provide clients with legal services optimally and effectively.*

