No. 37-2006-ND-CP

Hanoi, 4 April 2006

# DECREE PROVIDING DETAILED REGULATIONS FOR IMPLEMENTATION OF COMMERCIAL LAW WITH RESPECT TO COMMERCIAL ENHANCEMENT ACTIVITIES

#### The Government

Pursuant to the Law on Organization of the Government dated 25 December 2001;

Pursuant to the Commercial Law dated 14 June 2005;

On the proposal of the Minister of Trade;

#### Decrees:

#### CHAPTER I

#### **General Provisions**

#### Article 1 Governing scope

This Decree provides detailed regulations for implementation of the *Commercial Law* with respect to a number of commercial enhancement activities, comprising promotions, commercial advertising, and trade fairs and exhibitions.

#### Article 2 Applicable entities

- 1. Business entities directly conducting commercial enhancement activities and business entities engaged in the business of commercial enhancement services.
- 2. Organizations with trade-related activities and entities with the right to conduct commercial enhancement activities as stipulated in articles 91, 103 and 131 of the *Commercial Law* must comply with the provisions in this Decree when conducting commercial enhancement activities.
- 3. Individuals who conduct commercial activities independently and regularly but who are not required to have business registration as stipulated in article 2.3 of the *Commercial Law* shall be permitted to conduct the commercial enhancement activities regulated in this Decree in the same manner as business entities, except for the activities stipulated in articles 11, 12, 13, 34 and 36 of this Decree.

#### Article 3 State administrative bodies for commercial enhancement activities

1. The Ministry of Trade shall be responsible before the Government to carry out the function of State administration of the commercial enhancement activities regulated in the *Commercial Law* and in this Decree.



- 2. Ministries, ministerial equivalent bodies and Government bodies shall, within the scope of their respective duties and powers, be responsible to co-ordinate with the Ministry of Trade to carry out State administration of commercial enhancement activities.
- 3. People's committees of provinces and cities under central authority (hereinafter referred to as *provincial people's committees*) shall, within the scope of their respective duties and powers, instruct Departments of Trade and Departments of Trade and Tourism (hereinafter both referred to as *Departments of Trade*) to carry out the function of State administration of commercial enhancement activities in accordance with law.

#### CHAPTER II

#### **Promotions**

#### SECTION 1

Principles for Holding Promotions, Maximum Limit on Value of Goods and Services Used in Promotions, and Maximum Price Reduction of Promoted Goods or Services

#### **Article 4** Principles for holding promotions

- 1. Promotional programs must be held lawfully, honestly, publicly and transparently, and without infringing the lawful interests of consumers and of other business entities, organizations and individuals.
- 2. There must not be any discrimination between the customers participating in any one promotional program.
- 3. A business entity which holds a promotional program must facilitate the receipt of prizes by customers which win prizes, and shall be obliged to resolve clearly and promptly any complaints about the promotional program.
- 4. A business entity which holds a promotional program shall be responsible to ensure the quality of the promoted goods and services and of the goods and services used in the promotion.
- 5. It shall be prohibited to take advantage of the trust, lack of knowledge or lack of experience of customers in order to hold a promotion aimed at serving the specific objectives of any business entity, organization or individual.
- 6. Holding a promotion must not create a direct comparison between the goods and services of the business entity holding the promotion with the goods and services of another business entity, organization or individual with the aim of unfair competition.
- 7. It shall be prohibited to use medicines used for treating humans (including medicines permitted to be circulated) in promotions.

#### Article 5 Maximum limit on value of goods and services used in promotions

- 1. The value of items used to promote any one unit of the promoted goods or service shall not exceed fifty (50) per cent of the price of such unit of the promoted goods or service prior to the date of the promotion, except in promotions in the forms stipulated in articles 7, 8, 11, 12 and 13 of this Decree.
- 2. When a business entity holds any one promotional program, the total value of goods and services used in a promotion shall not exceed fifty (50) per cent of the total value of the promoted goods or service, except in promotions in the form stipulated in article 7 of this Decree.



- 3. The value of goods and services used in a promotion means the expenses which the business entity holding the promotion must pay in order to have such goods and services to use in the promotion as at the time of the promotion and falling within one of the following cases:
  - (a) If the business entity holding the promotion does not directly manufacture or import the goods or does not directly provide the services used in the promotion, such expenses shall be calculated as the price paid by the business entity holding the promotion in order to purchase the goods and services used in such promotion;
  - (b) If the goods used in the promotion are those which the business entity holding the promotion directly manufactures or imports, or the services used in the promotion are those which the business entity holding the promotion itself normally provides, such expenses shall be calculated as the cost price or import price of the goods and services used in such promotion.

#### Article 6 Maximum price reduction of promoted goods or service

The maximum price reduction of promoted goods or services shall not exceed fifty (50) per cent of the price of such promoted goods or services prior to the date of the promotion.

#### **SECTION 2**

#### **Forms of Promotion**

**Article 7** Giving sample goods and providing sample services to customers for trial use free of charge

- 1. Any sample goods given to customers and any sample services provided to customers for trial use must be goods and services in which business is conducted lawfully and which the business entity is currently selling or providing or will sell or provide on the market.
- 2. Upon receipt of sample goods or sample services, customers shall not be required to fulfil any payment obligation.
- Any business entity holding a promotional program in the form of giving sample goods and providing sample services must accept responsibility for the quality of such sample goods and services and must supply customers with complete information on the use of such sample goods and services.

**Article 8** Giving goods as gifts to customers or providing free services not involving purchase and sale of such goods or services

Business entities shall be permitted to hold a promotional program in the form of giving goods as gifts or providing free services to customers which does not involve the purchase and sale of such goods or services, and must accept responsibility for the quality of goods given as gifts or free services provided to customers, and must supply customers with complete information on the use of such goods and services.

**Article 9** Selling goods or providing services at prices lower than prior selling price of goods or prior service charge

- 1. In the case of a promotion in the form of a price reduction, the price of promoted goods and services during any point of time throughout the duration of the promotion must comply with the provisions in article 6 of this Decree.
- 2. Where the promoted goods and services are goods and services for which the State fixes the specific price, the selling price of such promoted goods and the charge for providing such promoted services may not be reduced.



- 3. Where the promoted goods and services are goods and services for which the State fixes the framework of prices or a minimum price, the selling price of such promoted goods and the charge for providing such promoted services may not be reduced below such minimum price.
- 4. The total duration of a promotional program in the form of a price reduction for any one type of goods or service shall not exceed ninety (90) days in any one year, and the duration of any one promotional program shall not exceed forty five (45) days.
- 5. It shall be strictly prohibited to take advantage of this form of promotion in order to dump goods and services.

**Article 10** Selling goods or providing services to customers together with coupons for purchase of goods or use of services

- Coupons for purchase of goods or coupons for use of services which are given together
  with goods sold or services provided means coupons for the purchase of goods or
  coupons for receipt of services of the same business entity which is holding the
  promotion, or coupons for goods and services of another business entity or organization.
- 2. The maximum value of coupons for purchase of goods or coupons for use of services given together with any one unit of the goods sold or service provided during the duration of a promotion must comply with the provisions on the maximum limit on the value of items used in promotions stipulated in article 5 of this Decree.
- 3. The relevant information stipulated in article 97 of the *Commercial Law* must be specified on coupons for purchase of goods or coupons for use of services.
- Article 11 Selling goods or providing services together with contest forms for customers, from amongst which winners will be selected in accordance with announced rules and announced prizes
- 1. The relevant information stipulated in article 97 of the *Commercial Law* must be specified on contest forms.
- 2. The contents of a contest must not be contrary to the historical, cultural and ethical traditions and fine customs of Vietnam.
- 3. The contest and the opening of prizes must be organized publicly, must be witnessed by a representative of customers, and must be notified to the Department of Trade [of the locality]<sup>2</sup> where the contest and opening of prizes is held.
- 4. Any business entity holding a promotion must organize the contest and present prizes in accordance with the rules and prizes announced by the business entity.

**Article 12** Selling goods or providing services together with participation in lucky draw programs

- 1. The opening of prizes during a lucky draw program must be conducted publicly [and] in accordance with the announced rules, and must be witnessed by customers. If the value of prizes is one hundred million (100,000,000) Vietnamese dong or more, the business entity must notify the competent State administrative body for commerce in accordance with the provisions in article 15.1 of this Decree.
- 2. If the winning of prizes is decided on the basis of the participant having a winning coupon amongst the goods [purchased], the business entity holding the promotion must provide notification to the competent State administrative body for commerce in accordance with the provisions in article 15.1 of this Decree of the time and location where winning coupons will be placed in goods.

<sup>2</sup> Phillips Fox Note: Throughout this translation, words not appearing in the Vietnamese text have been inserted in italics in square parentheses to aid comprehension.



- 3. If the lucky draw program takes the form of issuance of numbered tickets for participation in a draw, the following provisions must be complied with:
  - (a) The form of the numbered tickets for participation in the draw must be different from that of the tickets issued by the State for the construction lottery, over which the State has a monopoly, and the winning results of that State lottery may not be used as the winning results of the promotion;
  - (b) The numbered tickets for participation in the draw must have printed [on them] the following information: the quantity of tickets issued, the number of prizes and the value of each type of prize, the location for presentation of prizes, the date and location of conducting the draw, and the details stipulated in article 97 of the Commercial Law;
  - (c) The opening of prizes shall only apply with respect to tickets which have been issued.
- 4. The total duration of the promotion of any one type of trademark of goods or service shall not exceed one hundred and eighty (180) days in any one year, and the duration of any one promotional program shall not exceed ninety (90) days.
- 5. If there are no winners of prizes in a lucky draw program within thirty (30) days from the expiry of the time-limit for presentation of prizes, fifty (50) per cent of the value of the announced prizes shall be paid into the State Budget in accordance with article 97 of the *Commercial Law*.
- 6. The Ministry of Finance shall co-ordinate with the Ministry of Trade to provide specific guidelines on implementation of clause 5 of this article.

#### **Article 13** Holding programs for regular customers

- 1. A business entity holding this form of promotion must comply with the provision on reporting relevant information stipulated in article 97 of the *Commercial Law*, and shall be responsible to acknowledge promptly and accurately the participation of customers in the program for regular customers.
- 2. The customer card or coupon recording the purchase of goods or services must contain all of the following basic particulars:
  - (a) Name of the card or coupon;
  - (b) Conditions for and means of recording the participation of customers in the program for regular customers and the purchase of goods and services by customers; if it is not possible to record all of the particulars stipulated in this clause, all such particulars must be provided promptly to customers when they commence participation in the program;
  - (c) The relevant details stipulated in article 97 of the Commercial Law.

#### Article 14 Promotions of goods and services via internet and other electronic means

In the case of a promotional program in which the promoted goods are purchased and sold or the promoted services are provided via the internet and other electronic means, the business entity holding the promotion must comply with the provisions on promotions in the *Commercial Law* and in this Decree.



#### **SECTION 3**

#### **Order and Procedures for Holding Promotions**

#### **Article 15** Announcement that promotion is to be held

- 1. Any business entity holding the promotional activities stipulated in Section 2 of this Chapter must, within at least seven working days prior to holding the promotion, forward a written notification about the promotional program to the Department of Trade in the place where the promotion is to be held.
- 2. The following details must be included in the notification about the promotional program:
  - (a) Name of the promotional program;
  - (b) Geographical area in which the promotional program will be held; and geographical area in which the goods being the subject of the promotional program are sold;
  - (c) Form of the promotion;
  - (d) Promoted goods and services, and goods and services used for the promotion;
  - (dd) Commencement and completion dates of the promotional program;
  - (e) Customers of the promotional program;
  - (g) Prize structure and total value of prizes of the promotional program.
- 3. With respect to the form of promotion being a sale of goods or provision of services together with contest forms for customers from amongst which winners will be selected in accordance with announced rules and announced prizes as stipulated in article 11 of this Decree, within a time-limit of seven working days from the expiry of the date for presentation of prizes, the business entity holding the promotion shall be responsible to:
  - (a) Forward a written report about the winning results to the Department of Trade in the place where the promotion was held;
  - (b) Make a public announcement of the winning results on at least one [form of] mass media in the province or city under central authority where the promotion was held and at the sales outlets for the goods being the subject of the promotional program.
- Article 16 Order and procedures for registration to hold promotional programs in form of selling goods or providing services together with participation in lucky draw programs
- 1. Promotional programs in the form of selling goods or providing services together with participation in lucky draw programs as stipulated in article 12 of this Decree shall require registration with the following competent State administrative body for commerce:
  - (a) The Department of Trade, if the promotional activity is to be held within the area of one province or city under central authority;
  - (b) The Ministry of Trade, if the promotional activity is to be held within the area of two or more provinces or cities under central authority.
- 2. An application file for registration to hold a promotion shall comprise:
  - (a) Application to hold the promotion on the sample form stipulated by the Ministry of Trade. Registration to hold a promotion shall comprise the following details: name of the promotional program; geographical area in which the promotion will be held; promoted goods and services; goods and services used for the promotion; duration of the promotion; and customers of the promotional program;

- (b) Rules of the promotional program;
- (c) Sample numbered ticket for participation in the draw in cases where the promotional program takes the form of issuance of numbered tickets for participation in a draw;
- (d) Pictures of the promoted goods and services and of the goods and services used for the promotion;
- (dd) Sample winning coupon (if any);
- (e) Copy certificate of confirmation of goods quality of the promoted goods and services and of the goods and services used for the promotion.
- 3. Within a time-limit of seven working days from the date of receipt of a valid application file for registration to hold a promotional program, the competent State administrative body for commerce stipulated in clause 1 of this article shall consider the application and issue the business entity with written confirmation of registration to hold the promotional program or, in the case of refusal, provide a written response specifying the reasons for the refusal.
- 4. A letter of confirmation of registration to hold a promotional program shall contain the following particulars:
  - (a) Name of the promotional program;
  - (b) Form of the promotion;
  - (c) Name, address and telephone number of the business entity holding the promotion;
  - (d) Promoted goods and services;
  - (dd) Goods and services used for the promotion; total value of prizes;
  - (e) Duration of the promotion;
  - (g) Geographical area in which the promotion is to be held; and geographical area in which the goods being the subject of the promotional program are sold;
  - (h) Means of dealing with unawarded prizes;
  - (g) Rules of the promotional program;
  - (k) Other obligations of the business entity holding the promotion.
- 5. Where the Ministry of Trade is the body to provide confirmation [of registration] to hold the promotional program, the business entity holding the promotion shall be responsible to forward written notice to the Department of Trade in the place where the promotion is to be held, enclosing a copy of the letter of confirmation from the Ministry of Trade, prior to holding the promotional program.
- 6. Within a time-limit of forty five (45) days from expiry of the date for presentation of prizes won in the promotional program, the business entity holding the promotion shall forward a written report to the competent State administrative body for commerce stipulated in clause 1 of this article about the results of the promotional program and about how the business entity has dealt with fifty (50) per cent of the value of any prizes which did not have a winner.

The business entity holding the promotion shall make a public announcement of the winning results on at least one [form of] mass media in the province or city under central

authority where the promotional program was held and at the sales outlets for the goods being the subject of the promotional program.

#### Article 17 Order and procedures for registration to hold other forms of promotional programs

- 1. Promotional programs in other forms than those stipulated in Section 2 of this Chapter may be held only with written approval from the Ministry of Trade.
- 2. An application file for registration to hold a promotional program shall comprise the particulars stipulated in article 16.2 of this Decree.
- 3. Within a time-limit of seven working days from the date of receipt of a valid application file for registration to hold a promotional program, the Ministry of Trade shall consider the application and issue the business entity with written confirmation of registration to hold the promotional program or, in the case of refusal, shall provide a written response specifying the reasons for the refusal.
- 4. Prior to holding the promotional program, the business entity holding the promotion shall be responsible to forward written notice to the Department of Trade in the place where the promotion is to be held, enclosing a copy of the letter of approval from the Ministry of Trade.
- 5. Within a time-limit of forty five (45) days from expiry of the date for presentation of prizes won in the promotional program, the business entity holding the promotion shall forward a written report to the Ministry of Trade about the results of the promotional program.

## **Article 18** Public announcement of winning results and presentation of prizes in promotional programs

If a promotional program involves presentation of prizes, the time-limit for public announcement of winning results and presentation of prizes shall not exceed thirty (30) days from the date of completion of the promotional program.

#### **Article 19** Termination of implementation of promotional programs

Any business entity holding a promotion shall not be permitted to terminate implementation of the promotional program prior to expiry of the announced duration or prior to expiry of the duration confirmed by the competent State administrative body, except in the following cases:

- 1. A business entity may terminate a promotional program prior to expiry of the [announced or confirmed] duration in the case of [an event of] force majeure, but must make a public announcement to customers and to the competent State administrative body for commerce.
- 2. Where the competent State administrative body for commerce suspends implementation of the promotional program prior to expiry of the [announced or confirmed] duration pursuant to article 20 of this Decree.

#### **Article 20** Suspension of implementation of promotional programs

- 1. The competent State administrative body for commerce may suspend implementation of all or part of a promotional program being held by a business entity upon discovery of a breach in one of the following circumstances:
  - (a) Breach of the provisions of article 100 of the *Commercial Law* and of article 4 of this Decree;
  - (b) Failure to implement, or failure to implement properly or completely, the details of a promotional program as registered with the competent State administrative body for commerce.



- 2. Any business entity with a promotional program which is suspended shall be obliged to announce publicly the suspension and to implement fully the undertakings made to customers participating in such program, except in the cases stipulated in clause 3 of this article.
- 3. In the case of a business entity using goods and services in which business is prohibited; goods and services in which business is restricted; goods the circulation of which is not yet permitted or services the provision of which is not yet permitted; wines and beer targeted at persons under eighteen (18) years of age; tobacco or wines with an alcoholic content of thirty (30) degrees or more, or medicines used for treating people to conduct a promotion in any form, upon such business entity being suspended from implementing such promotional program, such business entity must terminate the holding of all promotional programs.

#### CHAPTER III

#### **Commercial Advertising**

#### **SECTION 1**

#### **Contents of Commercial Advertising Products**

#### Article 21 Protection of intellectual property rights in commercial advertising activities

- 1. The use of a commercial advertising product with contents about an object with respect to which intellectual property rights are protected shall be subject to the agreement of the owner of such object.
- 2. Business entities shall have the right to register intellectual property rights with respect to commercial advertising products in accordance with law.

**Article 22** Commercial advertising products with contents making comparison with counterfeit goods or with goods in breach of intellectual property rights

Business entities shall have the right to compare their goods with counterfeit goods or goods in breach of intellectual property rights in a commercial advertising product after the competent State body has certified such use of counterfeit goods or goods in breach of intellectual property rights in order to make a comparison.

#### Article 23 Protection of children in commercial advertising activities

- Commercial advertisements for goods being nutritious products used for children must comply with the law on conducting business in and using nutritious products used for children.
- 2. It shall be prohibited to take advantage of the lack of knowledge or lack of experience of children in order to include the following information in advertising products:
  - (a) Information which reduces children's faith in their parents and society;
  - (b) Information which directly suggests that children should ask, or which encourages children to ask, their parents or others to purchase the goods and services which are being advertised;
  - (c) Information which persuades children that, if they use the goods and services which are being advertised, they will have an advantage over children who do not use such goods and services;
  - (d) Information which creates in children thoughts, speech or actions which are contrary to ethical traditions and fine customs and which are detrimental to the health, safety or normal development of children.



#### Article 24 Commercial advertising of goods and services relating to health

Commercial advertisements for goods and services relating to pharmaceutical drugs, vaccines, medical biological products, medical apparatus and equipment, medical treatment methods, treating medicines and functional foods must comply with the law on health.

**Article 25** Commercial advertisements of goods and services relating to veterinary drugs, plant protection agents, fertilisers, animal feed, and plant and animal varieties

Commercial advertisements of goods and services relating to veterinary drugs, plant protection agents, fertilisers, animal feed, and plant and animal varieties must comply with the relevant law and shall not be permitted to contain the following information:

- 1. Assertions about safety or non-toxicity, without confirmation from the competent State administrative body.
- Assertions about the effectiveness and ability of veterinary drugs, plant protection agents, fertilisers, animal feed, and plant and animal varieties without any scientific basis for same
- 3. Use of spoken or written language or of images which breach the procedures and methods for safe use of veterinary drugs and plant protection agents.

**Article 26** Commercial advertisements of goods in category subject to compulsory application of standards and technical regulations on goods quality

Apart from goods not in the category subject to application of standards and technical regulations on goods quality apply, business entities shall be permitted to conduct commercial advertisements of goods in the category subject to compulsory application of standards and technical regulations on goods quality only after such goods have been issued with a certificate of compliance with such standards or technical regulations by the competent State administrative body or only after the quality standards have been declared.

#### **SECTION 2**

#### **Responsibilities in Conducting Commercial Advertising**

#### Article 27 Responsibility for contents of commercial advertising products

- Commercial advertising service providers shall be liable before the law if the contents of their commercial advertising products are in breach of the provisions on prohibited commercial advertisements in the *Commercial Law* and of the provisions on contents of advertising products in this Decree; and commercial advertising service providers must comply with the provisions on use of means of commercial advertising stipulated in the current law.
- 2. The head of a body managing a [form of] mass media, a [form of] media for disseminating information, an electronic newspaper or any type of publication shall be responsible for the contents of any commercial advertising product published on the means of advertising managed by such body.

#### **Article 28** Suspension of implementation of commercial advertising

- The State administrative body for commerce in co-ordination with the body issuing permission to conduct commercial advertising shall suspend a commercial advertisement if it is discovered that the contents of the commercial advertising product are in breach of the law.
- 2. If a commercial advertisement is suspended, the business entity which has the commercial advertising product and the body managing the means of advertising must



comply with the decision of the State administrative body stipulated in clause 1 of this article.

#### CHAPTER IV

#### Trade Fairs and Exhibitions

#### **SECTION 1**

#### Goods and Services Displayed and Introduced at Trade Fairs and Exhibitions

**Article 29** Provisions on labelling of goods displayed and introduced at trade fairs and exhibitions in Vietnam

- 1. Goods which are displayed and introduced at trade fairs and exhibitions in Vietnam must be labelled in accordance with the law on labelling of goods.
- 2. The temporary importation of goods for participation in a trade fair or exhibition in Vietnam must comply with the law on labelling of goods.<sup>3</sup>

**Article 30** Display of counterfeit goods or goods in breach of intellectual property rights in order to make comparison with genuine goods

- 1. The display of counterfeit goods or goods in breach of intellectual property rights in order to make a comparison with genuine goods must be approved by the competent State administrative body for commerce in accordance with law.
- 2. Where counterfeit goods or goods in breach of intellectual property rights are displayed in order to make a comparison with genuine goods, the former goods must be certified by the competent State administrative body in accordance with law as being counterfeit goods or goods in breach of intellectual property rights.
- 3. Where counterfeit goods or goods in breach of intellectual property rights are displayed, there must be a notice specifying that such goods are counterfeit goods or goods in breach of intellectual property rights.

#### **Article 31** Use of names and themes of trade fairs and exhibitions

- 1. When a business entity or organization with trade-related activities holds a trade fair or exhibition, it shall have the right to choose the name and theme of the trade fair or exhibition.
- 2. If the name and theme chosen for a trade fair or exhibition uses words which advertise the quality or brand name of any goods and services or the reputation or trade name of a business entity, organization or individual participating in the trade fair or exhibition, the business entity or organization with trade-related activities holding the trade fair or exhibition must comply with the following provisions:
  - (a) Must have proof that the quality or brand name of the goods and services participating in the trade fair or exhibition is consistent with the registered name or theme of such trade fair or exhibition:
  - (b) Must have proof that the reputation or trade name of the business entity, organization or individual participating in the trade fair or exhibition are consistent with the registered name or theme of such trade fair or exhibition.



Article 32 Issuance of awards, quality certificates and brand name certificates for goods and services, and issuance of prestige certificates and trade name certificates for business entities, organizations or individuals participating in trade fairs and exhibitions

Issuance of awards, quality certificates and brand name certificates for goods and services, and issuance of prestige certificates and trade name certificates for business entities, organizations or individuals participating in trade fairs and exhibitions must be implemented in accordance with the relevant law.

Article 33 Temporary import and re-export of goods and services participating in trade fairs and exhibitions in Vietnam; and temporary export and re-import of goods and services participating in overseas trade fairs and exhibitions

The temporary importation and re-exportation of goods for participation in a trade fair or exhibition in Vietnam and the temporary exportation and re-importation of goods for participation in an overseas trade fair or exhibition must comply with the law on customs and other relevant law.

#### **SECTION 2**

## Order and Procedures for Registration to Hold and to Participate in Trade Fairs and Exhibitions

Article 34 Holding trade fairs and exhibitions in Vietnam

- 1. The holding of a trade fair or exhibition in Vietnam must be registered with the Department of Trade in the place where the trade fair or exhibition is to be held, prior to 1 October in the year prior to the year in which the trade fair or exhibition is to be held.
- 2. The Department of Trade shall, prior to 1 November at the latest in the year prior to the year in which the trade fair or exhibition is to be held, send confirmation of registration to hold the trade fair or exhibition to the business entity or organization with trade-related activities. In the case of refusal to confirm such registration, the Department of Trade shall provide a written response specifying the reasons for the refusal.
- 3. If two or more business entities or organizations with trade-related activities register to hold trade fairs or exhibitions with overlapping names, themes, duration [and/or] the same location, the Department of Trade shall organize a negotiation in order to select the business entity or organization with trade-related activities permitted to hold the trade fair or exhibition.
- 4. If the negotiation stipulated in clause 3 of this article is unsuccessful, the Department of Trade shall issue a decision confirming registration for one of the business entities or organizations with trade-related activities to hold the relevant trade fair or exhibition, based on the following grounds:
  - (a) Results of similar trade fairs and exhibitions previously held;
  - (b) Ability to hold trade fairs and exhibitions;
  - (c) Experience in holding a trade fair or exhibition of the same name or theme or in holding similar trade fairs and exhibitions;
  - (d) Assessment from relevant industrial associations.
- 5. Within thirty (30) days from the date of completion of a trade fair or exhibition, the business entity or organization with trade-related activities must forward a written report to the Department of Trade on the results of the trade fair or exhibition in accordance with the contents registered with the Department of Trade.



## **Article 35** Amending or adding to contents registered for holding trade fair or exhibition in Vietnam

- 1. Any business entity or organization with trade-related activities which amends or adds to the contents registered for holding a trade fair or exhibition must send a written document to the Department of Trade no later than thirty (30) days but not more than forty five (45) days prior to the opening day of the trade fair or exhibition, depending on the contents registered as stipulated in guidelines of the Ministry of Trade.
- Within a time-limit of ten (10) working days from the date of receipt of a valid written document for registration, the Department of Trade shall provide written confirmation of the amendment of or addition to the registration for holding the trade fair or exhibition. In the case of refusal to confirm such amendment of or addition to the registration, the Department of Trade shall provide a written response specifying the reasons for the refusal within the time-limit stipulated in this clause.

## **Article 36** Arranging for business entities, organizations and individuals to participate in overseas trade fairs and exhibitions

- 1. Any arrangement for a business entity, organization or individual to participate in an overseas trade fair or exhibition must be registered with the Ministry of Trade prior to 1 October in the year prior to the year [in which the trade fair or exhibition] is to be held.
- 2. The Ministry of Trade shall, prior to 1 November at the latest in the year prior to the year [in which the trade fair or exhibition] is to be held, send confirmation of registration of the arrangement for the business entity, organization or individual to participate in the overseas trade fair or exhibition. In the case of refusal to confirm registration, the Ministry of Trade shall provide a written response specifying the reasons for refusal within the time-limit stipulated in this clause.
- 3. If two or more business entities or organizations with trade-related activities register to arrange trade fairs or exhibitions with overlapping names, themes, duration [and/or] the same location overseas, the Ministry of Trade shall organize a negotiation in order to select [the entity] to arrange for other business entities, organizations or individuals to participate in the overseas trade fair or exhibition.
- 4. If the negotiation stipulated in clause 3 of this article is unsuccessful, the Ministry of Trade shall issue a decision confirming that one of the business entities or organizations with trade-related activities is permitted to arrange for other business entities, organizations or individuals to participate in the overseas trade fair or exhibition, based on the following grounds:
  - (a) Results of overseas trade fairs and exhibitions previously held;
  - (b) Ability to hold trade fairs and exhibitions overseas;
  - (c) Experience in holding a trade fair or exhibition of the same name or theme or in holding similar trade fairs and exhibitions overseas;
  - (d) Assessment from relevant industrial associations.
- 5. Within thirty (30) days from the date of completion of an overseas trade fair or exhibition, the business entity or organization with trade-related activities which arranged for other business entities, organizations or individuals to participate in such overseas trade fair or exhibition must forward a written report to the Ministry of Trade on the results of arranging participation in the overseas trade fair or exhibition in accordance with the contents registered with the Ministry of Trade.
- 6. Any business entity which itself organizes an overseas trade fair or exhibition about goods and services in which it itself conducts business shall not be required to comply with clauses 1, 2, 3 and 5 of this article.



## Article 37 Amending or adding to contents registered for holding overseas trade fair or exhibition

- 1. Any business entity or organization with trade-related activities which amends or adds to the contents registered for holding an overseas trade fair or exhibition must send a written document to the Ministry of Trade no later than thirty (30) days but no more than forty five (45) days prior to the opening day of the trade fair or exhibition, depending on the contents registered as stipulated in guidelines of the Ministry of Trade.
- Within a time-limit of ten (10) working days from the date of receipt of a valid written document for registration, the Ministry of Trade shall provide written confirmation of the amendment of or addition to the registration for holding the overseas trade fair or exhibition. In the case of refusal to confirm such amendment of or addition to the registration, the Ministry of Trade shall provide a written response specifying the reasons for refusal within the time-limit stipulated in this clause.

#### Article 38 Contents of registration for holding trade fairs and exhibitions

An application file for registration to hold a trade fair or exhibition as stipulated in articles 34.1 and 36.1 of this Decree shall comprise:

- 1. Registration to hold the trade fair or exhibition on the sample form stipulated by the Ministry of Trade. Contents of the registration document shall comprise the following details: name and address of the business entity or organization with trade-related activities which will hold [or arrange] the trade fair or exhibition; name and theme of the trade fair or exhibition (if any); timing of the trade fair or exhibition and location where it will be held; and proposed scale of the trade fair or exhibition.
- Copy investment business registration certificate, decision on establishment or other decision with equivalent legal validity in accordance with law.
- Certificates proving quality and brand name of the goods and services participating in the trade fair or exhibition, or certificates proving the prestige and trade name of the business entities, organizations or individuals participating in the trade fair or exhibition consistent with the name and theme of the trade fair or exhibition (if any).

#### CHAPTER V

## Checks and Inspections, Dealing with Breaches

#### Article 39 Checks and inspections

- During the process of conducting commercial enhancement activities, business entities, organizations with trade-related activities and individuals conducting commercial activities independently shall be subject to checks and inspections by the competent State body in accordance with the law of Vietnam. Checks and inspections of commercial enhancement activities must be carried out correctly in terms of function and authority, and must comply with the law on checks and inspections.
- 2. Any State employee or official who takes advantage of a check or inspection for an ulterior motive, to seek bribes or to cause difficulties for commercial enhancement activities shall, depending on the seriousness of the breach, be disciplined or be subject to criminal prosecution in accordance with law; and if the offender causes loss and damage, he or she must pay compensation in accordance with law.

#### Article 40 Dealing with breaches

Any business entity, organization with trade-related activities or individual conducting commercial activities and breaching the provisions of this Decree shall, depending on the

seriousness of the breach, be subject to administrative penalty or be subject to criminal prosecution in accordance with law.

#### Article 41 Complaints and denunciations

- Any business entity, organization with trade-related activities or individual conducting commercial activities shall have the right to make a complaint or denunciation about unlawful decisions or acts or about conduct causing difficulties by a State employee or official. The lodging of complaints and denunciations and their resolution shall be implemented in accordance with the law on complaints and denunciations.
- 2. Any person authorized to resolve a complaint or denunciation who fails to do so, who is irresponsible during the resolution of a complaint or denunciation, or who resolves unlawfully a complaint or denunciation shall, depending on the nature and seriousness of the breach, be disciplined or be subject to criminal prosecution; and if the offender causes loss and damage, he or she must pay compensation in accordance with law.

#### **CHAPTER VI**

#### Implementing Provisions

#### Article 42 Effectiveness

- 1. This Decree shall be of full force and effect after fifteen (15) days from the date of its publication in the Official Gazette.
- 2. Decree 32-1999-ND-CP of the Government dated 5 May 1999 on promotions, commercial advertising, and trade fairs and exhibitions shall no longer be effective after the date of effectiveness of this Decree.

#### Article 43 Organization of implementation

Ministers, heads of ministerial equivalent bodies and Government bodies, and chairmen of people's committees of provinces and cities under central authority shall be responsible for implementation of this Decree.

For the Government The Prime Minister

PHAN VAN KHAI

