

**THE GOVERNMENT**

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**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**

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No.: 98/2020/ND-CP

*Hanoi, August 26, 2020*

**DECREE**

**PRESCRIBING PENALTIES FOR ADMINISTRATIVE VIOLATIONS AGAINST  
REGULATIONS ON COMMERCE, PRODUCTION AND TRADE IN COUNTERFEIT AND  
PROHIBITED GOODS, AND PROTECTION OF CONSUMER RIGHTS**

*Pursuant to the Law on Organization of the Government dated June 19, 2015;*

*Pursuant to the Law on penalties for administrative violations dated June 20, 2012;*

*Pursuant to the Law on Investment dated November 26, 2014 and the Law on amendments to  
Article 6 and Appendix 4 – List of conditional business lines of the Law on Investment dated  
November 22, 2016;*

*Pursuant to the Law on Enterprises dated November 26, 2014;*

*Pursuant to the Commercial Law dated June 14, 2005;*

*Pursuant to the Law on Foreign Trade Management dated June 12, 2017;*

*Pursuant to the Law on Electronic Transactions dated November 29, 2005;*

*Pursuant to the Law on Quality of Goods and Products dated November 21, 2007;*

*Pursuant to the Law on Tobacco Harm Prevention and Control dated June 18, 2012;*

*Pursuant to the Law on Prevention and Control of Harmful Effects of Alcoholic Beverages dated  
June 14, 2019;*

*Pursuant to the Pharmaceutical Law dated April 06, 2016;*

*Pursuant to the Law on Protection of Consumer Rights dated November 17, 2010;*

*At the request of the Minister of Industry and Trade;*

*The Government promulgates a Decree prescribing penalties for administrative violations  
against regulations on commerce, production and trade in counterfeit and prohibited goods, and  
protection of consumer rights.*

## **Chapter I**

### **GENERAL PROVISIONS**

#### **Article 1. Scope**

1. This Decree deals with the administrative violations against regulations on commerce, production and trade in counterfeit and prohibited goods and protection of consumer rights, penalties, fines, remedial measures, the power to make records of and the power to impose penalties for such administrative violations.

2. The administrative violations against regulations on commerce, production and trade in counterfeit and prohibited goods and protection of consumer rights prescribed herein include:

a) Violations against regulations on business operations requiring business licenses, except those prescribed in decrees prescribing penalties for administrative violations in other state management sectors;

b) Provision of services classified as banned business lines; production and trade in counterfeit and prohibited goods;

c) Trade in contraband goods, domestically sold goods against which emergency measures are implemented, expired goods or goods of unknown origin and involving in other violations;

d) Violations against regulations on tobacco trade;

dd) Violations against regulations on trade in alcoholic beverages;

e) Hoarding and excessive accumulation;

g) Violations against regulations on trade promotion;

h) Violations against regulations on import and export of goods and their related services;

i) Violations against regulations on protection of consumer rights;

k) Violations against regulations on e-commerce;

l) Violations against regulations on establishment and commercial activities of foreign traders and foreigners in Vietnam;

m) Other violations in commercial sector.

3. Other administrative violations in commercial sector regarding trade in petrol and liquefied petroleum gas; prices and posting of prices of goods and services; documents and invoices used in sale and purchase of goods/services; measurement, standards and quality of goods sold on the

market; labels of goods; intellectual property; business registration procedures; signboards; commercial advertisement; auction of goods; bidding for goods/services; trading and exchange of goods by border residents and other violations shall be penalized in accordance with regulations on penalties for administrative violations in relevant state management sectors.

4. Acts of hoarding, excessive accumulation, bidding for goods/services and franchising showing signs of anti-competitive behavior as prescribed in the Law on competition shall be investigated and penalized in accordance with regulations of the Law on competition.

5. The administrative violations against regulations on goods imported, exported and in transit, and incoming, outgoing and transit means of transport detected by customs authorities within their responsible customs areas shall be penalized in accordance with regulations of the Government's Decree prescribing penalties for administrative violations in customs sector. In case the Government's Decree prescribing penalties for administrative violations in customs sector does not provide for such a violation, it will be penalized in accordance with regulations herein.

## **Article 2. Entities facing administrative penalties**

1. Vietnamese or foreign organizations and individuals that commit administrative violations specified in this Decree within the territory of Vietnam.

2. If household businesses duly established in accordance with law regulations, households engaged in agriculture, forestry, aquaculture, salt productions, street vendors, nomadic businesspeople, and service providers earning low revenues that are not required to follow business registration procedures commit the violations prescribed herein, they shall be penalized as violating individuals.

3. The organizations mentioned in Clause 1 of this Article include:

a) Enterprises duly established and operating in accordance with the Law on enterprises; cooperatives and cooperative unions duly established in accordance with the Law on cooperatives; other business entities duly established and operating in accordance with law regulations and their affiliates;

b) Representative offices and branches of foreign traders in Vietnam; representative offices of foreign trade promotion organizations in Vietnam;

c) Other organizations duly established in accordance with law regulations.

## **Article 3. Definitions**

For the purposes of this Decree, the terms below are construed as follows:

1. “production” means one, some or all actions of making, prepressing, printing, ordering, preliminarily processing, processing, extracting, recycling, assembling, mixing, portioning, dividing, filling, packing and other actions aiming to produce goods.
2. “trade” means one, some or all actions of offering, displaying, storing, maintaining, transporting, wholesaling, retailing, exporting, importing and other actions aiming to sell goods on the market.
3. “goods sold on the market” include those displayed, sold on promotion, maintained, transported and stored during the trade of goods.
4. “business license” means a license, certificate of eligibility, certificate of professional liability insurance, written certification or any other document that indicates the conditions to be fulfilled by an entity to make investment and do business and is issued by a regulatory authority or competent person to that entity in accordance with law regulations.
5. “prohibited good” means the good which is prohibited from being traded, sold and used in Vietnam.
6. “contraband goods” include:
  - a) Imported goods included in the list of goods banned from import or the list of goods temporarily suspended from import as prescribed by law, unless they are imported with the Prime Minister’s permission;
  - b) Goods imported without the required import license or without meeting given import conditions as prescribed by law;
  - c) Goods imported without going through a prescribed border checkpoint or without following customs procedures as prescribed by law, or the information on quantities or types of which is falsified when following customs procedures;
  - d) Imported goods sold on the market without accompanied invoices and documents as prescribed by law, or with unlawful invoices and documents;
  - dd) Goods, which are subject to import labeling, imported without bearing stamps as prescribed or with bearing false or used stamps.
7. “counterfeit goods” include:
  - a) Goods whose uses are not consistent with their nature or names; the goods which are useless or whose uses are other than the announced or registered ones;
  - b) Goods of which one of quality indicators or basic specifications or the amount of primary substances contributing to their uses only reaches 70%, or less, compared to the minimum levels

prescribed in technical regulations or quality standards registered, or announced, or specified in their labels or packages;

c) Counterfeit drugs defined in Clause 33 Article 2 of the 2016 Law on Pharmacy and counterfeit herbal ingredients defined in Clause 34 Article 2 of the 2016 Law on Pharmacy;

d) Veterinary drug or pesticide that does not contain any active ingredients; does not contain all of registered active ingredients; contains active ingredients other than those specified on its label or package; contains at least an active ingredient whose content only reaches 70%, or less, compared to the minimum level prescribed in relevant technical regulations or quality standards registered or announced;

dd) The good whose label or package containing information forging name or address of manufacturer, importer or distributor, forging registration number, declaration number or barcode of the good, forging package of good of another entity, or forging the origin of good or place of manufacturing, packaging or assembling;

e) Counterfeit stamps, labels and packages of goods.

8. “counterfeit stamps, labels and packages” include decals, labels, packages, quality stamps, quality marks, origin-tracing stamps, warranty cards, stretch films or other articles of a business entity that contain information forging names or addresses of other entities, forging trade names, commercial names, barcodes, registration numbers or declaration numbers of goods or packages of other entities.

9. “exhibits” include objects, money, documents, finished or unfinished goods directly related to an administrative violation.

10. “instrumentalities” include means of transport, tools and machinery used for performing an act of administrative violation.

11. “consumer privacy” means information about a consumer which has been protected by the consumer himself/herself or another relevant entity by adopting privacy protection methods, and the disclosure or use of which without the permission of the said entities will cause adverse effects to health, life, property or other material or spiritual damage to the consumer.

12. “third party” means an entity that is requested by the entity trading good or providing service to provide information on that good or service, including:

a) The business entity providing information on the good or service to the consumer;

b) The business entity engaging in the compilation of information on the good or service;

c) Media owner or telecommunications service provider;

d) Another entity that is requested to provide information.

13. “good of unknown origin” means the good sold on the market but there are no grounds for determining its manufacturer or origin. Grounds for determining the manufacturer or origin of the good include information shown on its label or package, its accompanied documents; proofs of origin, sale and purchase contracts, invoices, customs declarations, and other documents proving the legal ownership of the good and civil transactions between the manufacturer and relevant parties as prescribed by law.

#### **Article 4. Penalties and remedial measures**

##### 1. Primary penalties:

- a) Warning;
- b) Fines.

##### 2. Additional penalties:

- a) Suspension of licenses or practicing certificates or suspension of operations for a fixed period of 01 - 24 months;
- b) Confiscation of exhibits and instrumentalities used for committing administrative violations (hereinafter referred to as “exhibits and instrumentalities”).

##### 3. Remedial measures:

- a) Enforced transport to out of the territory of the Socialist Republic of Vietnam or re-export of goods, articles and means;
- b) Enforced destruction of goods and articles that cause harm to human health, domestic animals, plants and environment, and indecent materials;
- c) Enforced correction of false or misleading information;
- d) Enforced removal of violating elements on labels and packages of goods, means of trading or articles;
- dd) Enforced recall of products and goods of poor quality;
- e) Enforced transfer of benefits illegally obtained from administrative violations or enforced transfer of the amounts of money equivalent to the value of the exhibits and/or instrumentalities of administrative violations which have been sold, liquidated, hidden or destroyed inconsistently with the law;
- g) Enforced recall of defective goods;

h) Enforced cancellation of results announced in the prize-awarding day and re-organization of the prize-awarding day for promotional games of chance;

i) Enforced modification of signed contracts or enforced modification of standard form contracts/ contracts containing general terms and conditions as prescribed;

k) Enforced revocation of “.vn” domain name of e-commerce websites or enforced removal of mobile applications from applications store or addresses on which such applications are provided.

#### 4. Fines:

a) The maximum fine for a violation in the field of commerce or protection of consumer rights is VND 100.000.000 if it is imposed on an individual or VND 200.000.000 if it is imposed on an organization. The maximum fine for a violation in the field of production and trade in counterfeit and prohibited goods VND 200.000.000 if it is imposed on an individual or VND 400.000.000 if it is imposed on an organization;

b) Each of the fines prescribed in Chapter II hereof is imposed for an administrative violation committed by an individual, except for the administrative violations prescribed in Point p Clause 2 Article 33, Clause 2 Article 34, Point b Clause 4 Article 35, Article 68, Article 70, Clause 6, 7, 8, 9 Article 73 and Clause 6, 7, 8 Article 77 hereof. The fine imposed upon an organization is twice as much as that imposed upon an individual for committing the same administrative violation.

### **Article 5. Valuation of exhibits and instrumentalities as the basis for determination of fine brackets and the power to impose penalties**

1. The valuation of exhibits and instrumentalities used for committing the administrative violations prescribed herein shall be based on one of the grounds in order of priority prescribed in Point a, b and c Clause 2 Article 60 of the Law on penalties for administrative violations.

2. With regard to exhibits which are counterfeit goods prescribed in Point a, b, c, d, dd and e Clause 7 Article 3 hereof, the exhibit's value is the market value of the genuine good or the good with the same features, specifications or uses at the time when the administrative violation is committed as prescribed in Point d Clause 2 Article 60 of the Law on penalties for administrative violations. If the exhibit's value cannot be determined according to this regulation, the exhibit's value shall be determined according to the provisions in Clause 1 of this Article.

3. If the exhibit's value cannot be determined according to the provisions in Clause 1 and 2 of this Article, the competent officer who is handling the case may issue a decision to seize the exhibit and establish the valuation council according to the provisions in Clause 3 Article 60 of the Law on penalties for administrative violations.

## **Chapter II**

## **ADMINISTRATIVE VIOLATIONS, PENALTIES, FINES AND REMEDIAL MEASURES**

### **Section 1. VIOLATIONS AGAINST REGULATIONS ON BUSINESS OPERATIONS REQUIRING BUSINESS LICENSES**

#### **Article 6. Violations against regulations on business operations requiring business licenses**

1. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Making interlineations, erasure or alteration of the business license;
- b) Leasing, lending, pledging, mortgaging, selling or transferring the business license;
- c) Hiring, borrowing, buying or receiving pledge, mortgage or transfer of the business license.

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for failing to comply with the scope, subjects, scale, duration, location, place or products specified in the business license.

3. A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed for committing one of the following violations:

- a) Failing to obtain the business license when trading in goods or services classified as conditional business lines;
- b) Using an expired business license when trading in goods or services classified as conditional business lines;
- c) Failing to meet business conditions during the trading in goods or services classified as conditional business lines;
- d) Using the business license of another trader.

4. A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed for failing to stop doing business during the period of suspension of business operations, suspension or revocation of the business license decided by a competent authority.

5. A fine that is twice as much as the fine specified in Clause 1 through 4 of this Article shall be imposed upon the entity that engages in production of industrial alcohol, processing or trading in tobacco raw materials, manufacturing of tobacco products, distribution or wholesaling of alcohol or tobacco products, and commits an administrative violation.

6. Additional penalties:



- a) The exhibits of the violation prescribed in Point a Clause 1 of this Article shall be confiscated;
- b) The business license shall be suspended for a fixed period of 01 - 03 months if one of the violations in Point b Clause 1, Clause 2 and Point c Clause 3 of this Article is repeated or re-committed.

7. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Point b Clause 1, Clause 2, 3, 4 of this Article.

## **Section 2. PROVISION OF BANNED SERVICES, PRODUCTION AND TRADE IN COUNTERFEIT AND PROHIBITED GOODS**

### **Article 7. Provision of services included in the list of banned business lines**

1. A fine ranging from VND 60.000.000 to VND 80.000.000 shall be imposed for providing services included in the list of banned business lines.

2. Additional penalty:

The exhibits and instrumentalities used for committing the violation in Clause 1 of this Article shall be confiscated.

3. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Clause 1 of this Article.

### **Article 8. Production, trade, transport, storage and delivery of prohibited goods**

1. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed for committing one of the following violations:

- a) Trading in less than 5 kg or 5 l of pesticides prohibited from being traded, sold or used by the State;
- b) Trading in less than 50 contraband cigarette packs (1 pack contains 20 cigarettes; with regard to contraband cigars and other finished tobacco products, 1 pack = 20 g);
- c) Trading in less than 0,5 kg of firecrackers;
- d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth less than VND 3.000.000 or the illegal profit obtained is less than VND 1.500.000.

2. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Trading in from 5 kg to under 10 kg or from 5 l to under 10 l of pesticides prohibited from being traded, sold or used by the State;
- b) Trading in from 50 to under 100 contraband cigarette packs;
- c) Trading in from 0,5 kg to under 1 kg of firecrackers;
- d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth from VND 3.000.000 to under VND 5.000.000 or the illegal profit obtained is from VND 1.500.000 to under VND 2.500.000.

3. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

- a) Trading in from 10 kg to under 15 kg or from 10 l to under 15 l of pesticides prohibited from being traded, sold or used by the State;
- b) Trading in from 100 to under 300 contraband cigarette packs;
- c) Trading in from 1 kg to under 2 kg of firecrackers;
- d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth from VND 5.000.000 to under VND 10.000.000 or the illegal profit obtained is from VND 2.500.000 to under VND 5.000.000.

4. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Trading in from 15 kg to under 20 kg or from 15 l to under 20 l of pesticides prohibited from being traded, sold or used by the State;
- b) Trading in from 300 to under 500 contraband cigarette packs;
- c) Trading in from 2 kg to under 3 kg of firecrackers;
- d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth from VND 10.000.000 to under VND 30.000.000 or the illegal profit obtained is from VND 5.000.000 to under VND 15.000.000.

5. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Trading in from 20 kg to under 30 kg or from 20 l to under 30 l of pesticides prohibited from being traded, sold or used by the State;

b) Trading in from 500 to under 1.000 contraband cigarette packs;

c) Trading in from 3 kg to under 4 kg of firecrackers;

d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth from VND 30.000.000 to under VND 50.000.000 or the illegal profit obtained is from VND 15.000.000 to under VND 25.000.000.

6. A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for committing one of the following violations:

a) Trading in from 30 kg to under 40 kg or from 30 l to under 40 l of pesticides prohibited from being traded, sold or used by the State;

b) Trading in from 1.000 to under 1.200 contraband cigarette packs;

c) Trading in from 4 kg to under 5 kg of firecrackers;

d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth from VND 50.000.000 to under VND 70.000.000 or the illegal profit obtained is from VND 25.000.000 to under VND 35.000.000.

7. A fine ranging from VND 70.000.000 to VND 90.000.000 shall be imposed for committing one of the following violations:

a) Trading in from 40 kg to under 50 kg or from 40 l to under 50 l of pesticides prohibited from being traded, sold or used by the State;

b) Trading in from 1.200 to under 1.500 contraband cigarette packs;

c) Trading in from 5 kg to under 6 kg of firecrackers;

d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth from VND 70.000.000 to under VND 100.000.000 or the illegal profit obtained is from VND 35.000.000 to under VND 50.000.000.

8. A fine ranging from VND 90.000.000 to VND 100.000.000 shall be imposed for committing one of the following violations, if not liable to criminal prosecution:

a) Trading in 50 kg, or more, or 50 l, or more, of pesticides prohibited from being traded, sold or used by the State;

b) Trading in 1.500 or more contraband cigarette packs;

c) Trading in 6 kg or more of firecrackers;

d) Trading in other goods which are prohibited from being traded, sold or used by the State if they are worth VND 100.000.000 or more or the illegal profit obtained is VND 50.000.000 or more.

9. A fine that is twice as much as the fine prescribed in Clause 1 through 8 of this Article shall be imposed for producing the corresponding type of prohibited goods prescribed in Clause 1 through 8 of this Article.

10. The fines prescribed in Clause 1 through 8 of this Article shall be also imposed for:

a) transporting prohibited goods;

b) storing prohibited goods;

c) delivering prohibited goods.

11. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of remedial measure prescribed in Point a Clause 12 of this Article;

b) The instrumentalities which are tools and machinery used for producing prohibited goods in the violation prescribed in Clause 9 of this Article shall be confiscated;

c) The vehicles used for transporting prohibited goods in the violations prescribed in this Article shall be confiscated if the violation involves the quantity, weight or value of prohibited goods or illegally obtained benefits prescribed in Clause 6, 7 and 8 of this Article or if the violation is repeated or re-committed;

d) The license or practicing certificate shall be suspended for a fixed period of 01 - 03 months if the violation is repeated or re-committed, except the case in Point dd of this Clause;

dd) The license or practicing certificate shall be suspended for a fixed period of 03 - 06 months if the violation prescribed in Clause 9 of this Article is committed.

12. Remedial measures:

a) The exhibits which are goods and articles that cause harm to human health, domestic animals, plants and environment, and indecent materials shall be destroyed if one of the violations in this Article is committed;

b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

13. The acts of production or trade in goods which are not yet licensed for free sale or use in Vietnam shall be penalized in accordance with provisions of Government's Decrees on penalties for administrative violations in relevant sectors.

#### **Article 9. Trade in goods whose uses are forged**

1. The following fines shall be imposed for trading in goods whose uses are forced prescribed in Point a, b, c and d Clause 7 Article 3 hereof:

a) A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth less than VND 3.000.000 or the illegal profit obtained is less than VND 5.000.000;

b) A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 3.000.000 to under VND 5.000.000 or the illegal profit obtained is from VND 5.000.000 to under VND 10.000.000;

c) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 5.000.000 to under VND 10.000.000 or the illegal profit obtained is from VND 10.000.000 to under VND 20.000.000;

d) A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 10.000.000 to under VND 20.000.000 or the illegal profit obtained is from VND 20.000.000 to under VND 30.000.000;

dd) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 20.000.000 to under VND 30.000.000 or the illegal profit obtained is from VND 30.000.000 to under VND 50.000.000;

e) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth VND 30.000.000 or more or the illegal profit obtained is VND 50.000.000 or more, if not liable to criminal prosecution.

2. The fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for importing counterfeit goods or the violation involving counterfeit goods which are:

a) foods, food additives, food processing aids, food preservatives, drugs or medicinal ingredients, if not liable to criminal prosecution;

b) animal feeds, aquaculture feeds, aqua environmental remediation products, livestock waste treatment products, fertilizers, veterinary drugs, pesticides, plant varieties or animal breeds; or

c) cosmetics, medical devices, detergents, chemicals, insecticidal and microbicidal preparations for household and medical use, cement, iron and steel used in construction, or protective helmets.

### 3. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of remedial measure prescribed in Point a or Point b Clause 4 of this Article;

b) The license or practicing certificate shall be suspended for a fixed period of 06 - 12 months if any of the violations prescribed in this Article is repeated or re-committed.

### 4. Remedial measures:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point b of this Clause;

b) The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export counterfeit goods imported prescribed in this Article;

c) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

## **Article 10. Production of goods whose uses are forged**

1. The following fines shall be imposed for producing goods whose uses are forced prescribed in Point a, b, c and d Clause 7 Article 3 hereof:

a) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth less than VND 3.000.000 or the illegal profit obtained is less than VND 5.000.000;

b) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 3.000.000 to under VND 5.000.000 or the illegal profit obtained is from VND 5.000.000 to under VND 10.000.000;

c) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 5.000.000 to under VND 10.000.000 or the illegal profit obtained is from VND 10.000.000 to under VND 20.000.000;

d) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND

10.000.000 to under VND 20.000.000 or the illegal profit obtained is from VND 20.000.000 to under VND 30.000.000;

dd) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 20.000.000 to under VND 30.000.000 or the illegal profit obtained is from VND 30.000.000 to under VND 50.000.000;

e) A fine ranging from VND 70.000.000 to VND 100.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth VND 30.000.000 or more or the illegal profit obtained is VND 50.000.000 or more, if not liable to criminal prosecution.

2. A fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for the violation involving the counterfeit goods which are:

a) foods, food additives, food processing aids, food preservatives, drugs or medicinal ingredients, if not liable to criminal prosecution;

b) animal feeds, aquaculture feeds, aqua environmental remediation products, livestock waste treatment products, fertilizers, veterinary drugs, pesticides, plant varieties or animal breeds; or

c) cosmetics, medical devices, detergents, chemicals, insecticidal and microbicidal preparations for household and medical use, cement, iron and steel used in construction, or protective helmets.

3. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point a Clause 4 of this Article;

b) The instrumentalities which are tools and machinery used for producing counterfeit goods prescribed in this Article shall be confiscated;

c) The license or practicing certificate shall be suspended for a fixed period of 12 - 24 months if any of the violations prescribed in this Article is repeated or re-committed;

d) Production operations shall be partially or entirely suspended for a fixed period of 12 – 24 months if any of the violations prescribed in this Article is repeated or re-committed.

4. Remedial measures:

a) The exhibits of the violations prescribed in this Article shall be destroyed;

b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

## **Article 11. Trade in goods whose labels or packages are forged**

1. The following fines shall be imposed for trading in goods whose labels or packages are forged as prescribed in Point dd Clause 7 Article 3 hereof:

a) A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth less than VND 3.000.000 or the illegal profit obtained is less than VND 5.000.000;

b) A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 3.000.000 to under VND 5.000.000 or the illegal profit obtained is from VND 5.000.000 to under VND 10.000.000;

c) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 5.000.000 to under VND 10.000.000 or the illegal profit obtained is from VND 10.000.000 to under VND 20.000.000;

d) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 10.000.000 to under VND 20.000.000 or the illegal profit obtained is from VND 20.000.000 to under VND 30.000.000;

dd) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 20.000.000 to under VND 30.000.000 or the illegal profit obtained is from VND 30.000.000 to under VND 50.000.000;

e) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth VND 30.000.000 or more or the illegal profit obtained is VND 50.000.000 or more, if not liable to criminal prosecution.

2. The fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for importing counterfeit goods or the violation involving counterfeit goods which are:

a) foods, food additives, food preservatives, food processing aids, drugs or medicinal ingredients, if not liable to criminal prosecution;

b) animal feeds, aquaculture feeds, aqua environmental remediation products, livestock waste treatment products, fertilizers, veterinary drugs, pesticides, plant varieties or animal breeds; or

c) cosmetics, medical devices, detergents, chemicals, insecticidal and microbicidal preparations for household and medical use, cement, iron and steel used in construction, or protective helmets.



### 3. Additional penalties:

- a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point a or Point b Clause 4 of this Article;
- b) The license or practicing certificate shall be suspended for a fixed period of 01 - 03 months if any of the violations prescribed in this Article is repeated or re-committed.

### 4. Remedial measures:

- a) The violating entity is compelled to remove violating elements on labels or packages of counterfeit goods or destroy the counterfeit goods in case of commission of any of the violations prescribed in this Article, except the case of application of the remedial measure prescribed in Point b of this Clause;
- b) The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export counterfeit goods imported prescribed in this Article;
- c) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

## **Article 12. Production of goods whose labels or packages are forged**

1. The following fines shall be imposed for production of goods whose labels or packages are forged as prescribed in Point dd Clause 7 Article 3 hereof:

- a) A fine ranging from VND 2.000.000 to VND 5.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth less than VND 3.000.000 or the illegal profit obtained is less than VND 5.000.000;
- b) A fine ranging from VND 5.000.000 to VND 8.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 3.000.000 to under VND 5.000.000 or the illegal profit obtained is from VND 5.000.000 to under VND 10.000.000;
- c) A fine ranging from VND 8.000.000 to VND 15.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 5.000.000 to under VND 10.000.000 or the illegal profit obtained is from VND 10.000.000 to under VND 20.000.000;
- d) A fine ranging from VND 15.000.000 to VND 25.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 10.000.000 to under VND 20.000.000 or the illegal profit obtained is from VND 20.000.000 to under VND 30.000.000;

dd) A fine ranging from VND 25.000.000 to VND 40.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth from VND 20.000.000 to under VND 30.000.000 or the illegal profit obtained is from VND 30.000.000 to under VND 50.000.000;

e) A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed in case the quantity of counterfeit goods is equivalent to an amount of genuine goods worth VND 30.000.000 or more or the illegal profit obtained is VND 50.000.000 or more, if not liable to criminal prosecution.

2. A fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for the violation involving the counterfeit goods which are:

a) foods, food additives, food preservatives, food processing aids, drugs or medicinal ingredients, if not liable to criminal prosecution;

b) animal feeds, aquaculture feeds, aqua environmental remediation products, livestock waste treatment products, fertilizers, veterinary drugs, pesticides, plant varieties or animal breeds; or

c) cosmetics, medical devices, detergents, chemicals, insecticidal and microbicidal preparations for household and medical use, cement, iron and steel used in construction, or protective helmets.

3. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point a Clause 4 of this Article;

b) The instrumentalities which are tools and machinery used for producing counterfeit goods prescribed in this Article shall be confiscated;

c) The license or practicing certificate shall be suspended for a fixed period of 03 - 06 months if any of the violations prescribed in this Article is repeated or re-committed;

d) Production operations shall be partially or entirely suspended for a fixed period of 03 – 06 months if any of the violations prescribed in this Article is committed.

4. Remedial measures:

a) The violating entity is compelled to remove violating elements on labels or packages of counterfeit goods or destroy the counterfeit goods in case of commission of any of the violations prescribed in this Article;

b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

### **Article 13. Trade in counterfeit stamps, labels and packages**

1. The following fines shall be imposed for trading in counterfeit stamps, labels and packages as prescribed in Point e Clause 7 Article 3 hereof:

- a) A fine ranging from VND 300.000 to VND 500.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is less than 100 pieces, sheets or equivalent units (hereinafter referred to as “unit”);
- b) A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 100 to under 500 units;
- c) A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 500 to under 1.000 units;
- d) A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 1.000 to under 2.000 units;
- dd) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 2.000 to under 3.000 units;
- e) A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 3.000 to under 5.000 units;
- g) A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 5.000 to under 10.000 units;
- h) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is 10.000 units or more, if not liable to criminal prosecution.

2. The fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for:

- a) importing counterfeit stamps, labels and packages;
- b) the violation involving counterfeit stamps, labels and packages of foods, food additives, food processing aids, food preservatives, preventive drugs, drugs, medicinal ingredients, cosmetics, medical devices or protective helmets; or
- c) the violation involving counterfeit stamps, labels and packages of detergents, chemicals, insecticidal and microbicidal preparations for household and medical use, animal feeds, aquaculture feeds, aqua environmental remediation products, livestock waste treatment products, fertilizers, veterinary drugs, pesticides, plant varieties, animal breeds, cement, iron or steel used in construction.

3. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of remedial measure prescribed in Point a Clause 4 of this Article;

b) The license or practicing certificate shall be suspended for a fixed period of 01 - 03 months if any of the violations prescribed in this Article is repeated or re-committed.

#### 4. Remedial measures:

a) The counterfeit stamps, labels and packages shall be destroyed if any of the violations prescribed in this Article is committed;

b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

### **Article 14. Production of counterfeit stamps, labels and packages**

1. The following fines shall be imposed for producing counterfeit stamps, labels and packages as prescribed in Point e Clause 7 Article 3 hereof:

a) A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is less than 100 pieces, sheets or equivalent units (hereinafter referred to as “unit”);

b) A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 100 to under 500 units;

c) A fine ranging from VND 2.000.000 to VND 5.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 500 to under 1.000 units;

d) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 1.000 to under 2.000 units;

dd) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 2.000 to under 3.000 units;

e) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 3.000 to under 5.000 units;

g) A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is from 5.000 to under 10.000 units;

h) A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed in case the quantity of counterfeit stamps, labels and packages is 10.000 units or more, if not liable to criminal prosecution.

2. The fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for:

a) the violation involving counterfeit stamps, labels and packages of foods, food additives, food processing aids, food preservatives, preventive drugs, drugs, medicinal ingredients, cosmetics, medical devices or protective helmets; or

b) the violation involving counterfeit stamps, labels and packages of detergents, chemicals, insecticidal and microbicial preparations for household and medical use, animal feeds, aquaculture feeds, aqua environmental remediation products, livestock waste treatment products, fertilizers, veterinary drugs, pesticides, plant varieties, animal breeds, cement, iron or steel used in construction.

3. Additional penalties:

a) The counterfeit stamps, labels and packages in the violations prescribed in this Article shall be confiscated, except the case of application of remedial measure prescribed in Point a Clause 4 of this Article;

b) The instrumentalities which are tools and machinery used for producing counterfeit stamps, labels and packages in the violations prescribed in this Article shall be confiscated;

c) The license or practicing certificate shall be suspended for a fixed period of 03 - 06 months if any of the violations prescribed in this Article is repeated or re-committed;

d) Production operations shall be partially or entirely suspended for a fixed period of 03 – 06 months if any of the violations prescribed in this Article is committed.

4. Remedial measures:

a) The counterfeit stamps, labels and packages shall be destroyed if any of the violations prescribed in this Article is committed;

b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

**Section 3. TRADE IN CONTRABAND GOODS; DOMESTICALLY SOLD GOODS AGAINST WHICH EMERGENCY MEASURES ARE IMPLEMENTED; EXPIRED GOODS OR GOODS OF UNKNOWN ORIGIN AND INVOLVING IN OTHER VIOLATIONS**

**Article 15. Trade in contraband goods**

1. The following fines shall be imposed for trading in contraband goods:

- a) A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed if the value of contraband goods is less than VND 3.000.000;
- b) A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed if the value of contraband goods is worth from VND 3.000.000 to under VND 5.000.000;
- c) A fine ranging from VND 2.000.000 to VND 4.000.000 shall be imposed if the value of contraband goods is worth from VND 5.000.000 to under VND 10.000.000;
- d) A fine ranging from VND 4.000.000 to VND 6.000.000 shall be imposed if the value of contraband goods is worth from VND 10.000.000 to under VND 20.000.000;
- dd) A fine ranging from VND 6.000.000 to VND 10.000.000 shall be imposed if the value of contraband goods is worth from VND 20.000.000 to under VND 30.000.000;
- e) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed if the value of contraband goods is worth from VND 30.000.000 to under VND 50.000.000;
- g) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed if the value of contraband goods is worth from VND 50.000.000 to under VND 70.000.000;
- h) A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed if the value of contraband goods is worth from VND 70.000.000 to under VND 100.000.000;
- i) A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed if the value of contraband goods is VND 100.000.000 or more.

2. The fine that is twice as much as the corresponding fine for trading in contraband goods prescribed in Clause 1 of this Article shall be imposed in the following cases:

- a) The violating entity directly involves the illegal import of goods worth less than VND 100.000.000 or VND 100.000.000 or more, if not liable to criminal prosecution;
- b) The contraband goods are included in the list of goods banned from import or the list of goods temporarily suspended from import;
- c) The contraband goods are foods, food additives, food processing aids, food preservatives, preventive drugs, drugs, medicinal ingredients, cosmetics, medical devices, chemicals, insecticidal and microbicial preparations for household and medical use, aqua environmental remediation products, livestock waste treatment products, veterinary drugs, fertilizers, cement, animal feeds, pesticides, growth stimulants, plant varieties or animal breeds.

3. The fines prescribed in Clause 1 and Clause 2 of this Article shall be also imposed for:

- a) deliberately transporting contraband goods;

- b) deliberately storing contraband goods; or
- c) deliberately delivering contraband goods.

4. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of remedial measure prescribed in Point a Clause 5 of this Article;

b) The means of transport used for committing the violations prescribed in this Article shall be confiscated if the value of exhibits is VND 200.000.000 or more or the violation is repeated or re-committed.

5. Remedial measures:

a) The goods and articles that cause harm to human health, domestic animals, plants and environment, indecent materials, and unsafe goods shall be destroyed if one of the violations in this Article is committed;

b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

**Article 16. Trade in goods against which emergency measures are implemented**

1. A warning or a fine ranging from VND 200.000 to VND 400.000 shall be imposed for one of the following violations if the value of goods is less than VND 1.000.000:

a) Failing to meet conditions or failing to obtain a license when trading in goods which must be sold under certain conditions or license as regulated by competent authorities;

b) Trading in goods against which the emergency measure that is recall or suspension of selling of goods is implemented by competent authorities.

2. A fine ranging from VND 400.000 to VND 600.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 1.000.000 to under VND 2.000.000.

3. A fine ranging from VND 600.000 to VND 1.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 2.000.000 to under VND 5.000.000.

4. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 5.000.000 to under VND 10.000.000.

5. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 10.000.000 to under VND 20.000.000.

6. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 20.000.000 to under VND 30.000.000.

7. A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 30.000.000 to under VND 50.000.000.

8. A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 50.000.000 to under VND 70.000.000.

9. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is from VND 70.000.000 to under VND 100.000.000.

10. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for one of the violations in Clause 1 of this Article if the value of goods is VND 100.000.000 or more.

11. A fine that is twice as much as the corresponding fine prescribed in Clause 1 through 10 shall be imposed upon producer or importer committing the administrative violation.

12. The fines prescribed in Article 8 hereof shall be imposed for trading in goods against which the emergency measure that is prohibition of sale of goods is implemented by competent authorities.

13. Remedial measure:

The exhibits which are goods and articles that cause harm to human health, domestic animals, plants and environment, indecent materials, and unsafe goods shall be destroyed if one of the violations in this Article is committed.

#### **Article 17. Violations involving expired goods or goods of unknown origin and involving in other violations**

1. A warning or a fine ranging from VND 300.000 to VND 500.000 shall be imposed for one of the following violations if the value of goods is less than VND 1.000.000:

a) Trading in goods (except pesticides and animal feeds) past the expiration date indicated in their labels or packages;



b) Swapping or changing labels or packages of goods, erasing or altering the expiration dates indicated on labels or packages of goods, or committing other frauds to extend the expiration dates of goods;

c) Trading in goods of unknown origin;

d) Trading in, transporting, storing or consuming minerals of illicit origin.

2. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 1.000.000 to under VND 3.000.000.

3. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 3.000.000 to under VND 5.000.000.

4. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 5.000.000 to under VND 10.000.000.

5. A fine ranging from VND 5.000.000 to VND 7.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 10.000.000 to under VND 20.000.000.

6. A fine ranging from VND 7.000.000 to VND 10.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 20.000.000 to under VND 30.000.000.

7. A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 30.000.000 to under VND 40.000.000.

8. A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 40.000.000 to under VND 50.000.000.

9. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 50.000.000 to under VND 70.000.000.

10. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth from VND 70.000.000 to under VND 100.000.000.

11. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed if one of the violations in Clause 1 of this Article involves the goods worth VND 100.000.000 or more.

12. A fine that is twice as much as the corresponding fine prescribed in Clause 1 through 11 shall be imposed upon producer or importer committing the administrative violation or for the violation involving the goods which are:

- a) foods, food additives, food processing aids, food preservatives, preventive drugs, drugs, medicinal ingredients, cosmetics or medical devices;
- b) detergents, chemicals, insecticidal and microbicidal preparations for household and medical use, aqua environmental remediation products, livestock waste treatment products, veterinary drugs, fertilizers, cement, growth stimulants, plant varieties, animal breeds, aquatic breeds or aquaculture feeds; or
- c) other goods included in the list of conditional business lines.

13. Additional penalties:

- a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point a Clause 14 of this Article;
- b) The instrumentalities which are tools and machinery used for committing the violation prescribed in Point b Clause 1 of this Article shall be confiscated.

14. Remedial measures:

- a) The exhibits which cause harm to human health, domestic animals, plants and environment shall be destroyed if the violation in Point a, b or c Clause 1 of this Article is committed;
- b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

#### **Section 4. VIOLATIONS AGAINST REGULATIONS ON TOBACCO TRADE**

##### **Article 18. Violations against regulations on import of tobacco, cigarette rolling papers and tobacco raw materials**

1. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Importing tobacco which fails to meet food safety and hygiene requirements;
- b) Importing tobacco which fails to meet quality requirements according to registered quality standards.

2. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

- a) Importing cigarette rolling papers/tobacco raw materials without obtaining the import license as prescribed;
- b) Importing cigarette rolling papers with a quantity exceeding the annually announced import quota;
- c) Importing tobacco for commercial purposes which are inconsistent with the brand registered or protected in Vietnam.

### 3. Additional penalties:

- a) The exhibits of the violations prescribed in Clause 2 of this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point b Clause 4 of this Article;
- b) The license for trade in tobacco products shall be suspended for a fixed period of 03 - 06 months if one of the violations prescribed in this Article is repeated or re-committed.

### 4. Remedial measures:

- a) The goods involving in one of the violations prescribed in Clause 1 of this Article shall be confiscated;
- b) The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export the goods involving in one of the violations in Clause 2 of this Article.

## **Article 19. Violations against regulations on trade or transfer of cigarette stamps and cigarette rolling papers**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for illegally trading or transferring cigarette stamps.
2. The following fines shall be imposed for illegally trading or transferring cigarette rolling papers:
  - a) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth less than VND 10.000.000;
  - b) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 10.000.000 to under VND 20.000.000;
  - c) A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 50.000.000;
  - d) A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 100.000.000;

dd) A fine ranging from VND 50.000.000 to VND 60.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more.

### 3. Additional penalties:

a) The exhibits of administrative violations prescribed in Clause 1 and Clause 2 of this Article shall be confiscated;

b) The license for trade in tobacco products shall be suspended for a fixed period of 01 - 03 months if the violation in Point d or Point dd Clause 2 of this Article is repeated or re-committed.

### **Article 20. Violations against regulations on stamping of imported tobacco products**

1. The following fines shall be imposed for failing to stick import stamps on imported tobacco products for commercial purposes:

a) A fine ranging from VND 2.000.000 to VND 5.000.000 shall be imposed for the violation involving goods worth less than VND 10.000.000;

b) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth from VND 10.000.000 to under VND 20.000.000;

d) A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 30.000.000;

d) A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth from VND 30.000.000 to under VND 40.000.000;

dd) A fine ranging from VND 20.000.000 to VND 25.000.000 shall be imposed for the violation involving goods worth from VND 40.000.000 to under VND 50.000.000;

e) A fine ranging from VND 25.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 60.000.000;

g) A fine ranging from VND 30.000.000 to VND 35.000.000 shall be imposed for the violation involving goods worth from VND 60.000.000 to under VND 70.000.000;

h) A fine ranging from VND 35.000.000 to VND 40.000.000 shall be imposed for the violation involving goods worth from VND 70.000.000 to under VND 80.000.000;

i) A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth from VND 80.000.000 to under VND 100.000.000;

k) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more.

## 2. Additional penalties:

- a) The exhibits of the administrative violations prescribed in this Article shall be confiscated;
- b) The license for trade in tobacco products shall be suspended for a fixed period of 03 - 06 months if one of the violations in Point dd through k Clause 1 of this Article is repeated or re-committed.

### **Article 21. Violations against regulations on stamping of domestically sold tobacco products**

1. The following fines shall be imposed for trading in domestically manufactured tobacco products which do not bear “domestically sold tobacco” stamps or which are improperly stamped with “domestically sold tobacco” stamps:

- a) A warning or a fine ranging from VND 200.000 to VND 500.000 shall be imposed for the violation involving goods worth less than VND 1.000.000;
- b) A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for the violation involving goods worth from VND 1.000.000 to under VND 2.000.000;
- c) A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed for the violation involving goods worth from VND 2.000.000 to under VND 5.000.000;
- d) A fine ranging from VND 2.000.000 to VND 3.000.000 shall be imposed for the violation involving goods worth from VND 5.000.000 to under VND 10.000.000;
- dd) A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for the violation involving goods worth from VND 10.000.000 to under VND 20.000.000;
- e) A fine ranging from VND 5.000.000 to VND 7.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 30.000.000;
- g) A fine ranging from VND 7.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth from VND 30.000.000 to under VND 40.000.000;
- h) A fine ranging from VND 10.000.000 to VND 13.000.000 shall be imposed for the violation involving goods worth from VND 40.000.000 to under VND 50.000.000;
- i) A fine ranging from VND 13.000.000 to VND 15.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 60.000.000;
- k) A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth from VND 60.000.000 to under VND 70.000.000;

- l) A fine ranging from VND 20.000.000 to VND 25.000.000 shall be imposed for the violation involving goods worth from VND 70.000.000 to under VND 80.000.000;
- m) A fine ranging from VND 25.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 80.000.000 to under VND 90.000.000;
- n) A fine ranging from VND 30.000.000 to VND 35.000.000 shall be imposed for the violation involving goods worth from VND 90.000.000 to under VND 100.000.000;
- o) A fine ranging from VND 35.000.000 to VND 40.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more.
2. A fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed upon tobacco manufacturers for failing to stamp their tobacco products with "domestically sold tobacco" stamps as prescribed.

3. Additional penalties:

- a) The license for trade in tobacco products shall be suspended for a fixed period of 01 - 03 months if one of the violations in Point h through o Clause 1 of this Article is repeated or re-committed;
- b) The license for trade in tobacco products shall be suspended for a fixed period of 03 - 06 months if the violation prescribed in Clause 2 of this Article is repeated or re-committed.

**Article 22. Violations against regulations on tobacco output management**

1. The following fines shall be imposed for manufacturing domestically sold tobacco products exceeding the permitted annual production output:

- a) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed if the exceeding level is less than 05%;
- b) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed if the exceeding level is from 05% to under 10%;
- c) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed if the exceeding level is from 10% to under 15%;
- d) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed if the exceeding level is from 15% to under 20%;
- dd) A fine ranging from VND 70.000.000 to VND 100.000.000 shall be imposed if the exceeding level is 20% or more.

2. Additional penalties:

- a) The exhibits of the administrative violations prescribed in this Article shall be confiscated;
- b) The license for trade in tobacco products shall be suspended for a fixed period of 01 - 03 months if one of the violations prescribed in this Article is repeated or re-committed.

3. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

**Article 23. Violations against regulations on sale of tobacco products**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for failing to display the notice stating “It is illegal to sell tobacco products to anyone under the age of 18” at the point of sale as prescribed.

2. A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed for committing one of the following violations:

- a) Selling tobacco products to persons under 18;
- b) Employing persons under 18 to sell tobacco products.

3. A fine ranging from VND 2.000.000 to VND 3.000.000 shall be imposed for failing to comply with regulations on display of tobacco products at the point of sale.

4. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Failing to report or submitting false reports on business status/income and distribution system of a tobacco retailer;
- b) Selling tobacco by using an automatic vending machine or at the premises where the sale of tobacco is prohibited;

c) Selling tobacco within a radius of 100 m from the outer boundary of a kindergarten, nursery school, primary school, lower or upper secondary school, medical research institute, hospital, maternity ward, preventive medical center or medical station of a commune or ward.

5. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for failing to report or submitting false reports on business status/income and distribution system of a tobacco distributor or tobacco wholesaler.

6. Additional penalties:

a) The exhibits and instrumentalities of the violation in Point b or c Clause 4 of this Article shall be confiscated;

b) The license for trade in tobacco products shall be suspended for a fixed period of 01 - 03 months if the violation prescribed in Point b or c Clause 4 of this Article is committed.

#### **Article 24. Violations against regulations on management of tobacco industry machinery and equipment**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for failing to strictly comply with regulations on reporting on import and use of tobacco industry machinery and equipment.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Liquidating or destroying tobacco industry machinery and equipment against regulations;

b) Failing to re-export tobacco industry machinery and equipment upon expiry of the permitted temporary import period.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for using tobacco industry machinery and equipment without the license for manufacturing of tobacco products or license for processing of tobacco raw materials.

4. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Buying, selling, hiring, leasing or performing other acts aiming to transfer the ownership or right to use tobacco industry machinery and equipment against regulations;

b) Importing tobacco industry machinery and equipment against regulations or using imported tobacco industry machinery and equipment of illicit origin.

5. Additional penalty:

The exhibits of administrative violations prescribed in Clause 4 of this Article shall be confiscated.

6. Remedial measures:

a) The entity committing the violation in Point b Clause 2 of this Article is compelled to re-export tobacco industry machinery and equipment;

b) The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point a Clause 2 or Point a Clause 4 of this Article.



## **Section 5. VIOLATIONS AGAINST REGULATIONS ON TRADE IN ALCOHOLIC BEVERAGES**

### **Article 25. Violations against regulations on registration of sale of spirits having at least 5.5% ABV for on-premises consumption, trade in spirits having less than 5.5% ABV and home production of spirits having at least 5.5% ABV for selling to licensed spirit producer for re-preparation**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for engaging in home production of spirits having at least 5.5% ABV for selling to licensed spirit producer for re-preparation but failing to carry out registration with the People's Committee of commune where the production establishment is located.
2. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed for failing to carry out registration with the district-level Office of Economics or Office of Economics and Infrastructure when selling spirits having at least 5.5% ABV for on-premises consumption or trading in spirits having less than 5.5% ABV.

### **Article 26. Violations against regulations on import of spirits**

1. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:
  - a) Directly importing or entrusting the import of semi-finished spirits for production of finished spirits having at least 5.5% ABV without obtaining a license for trade in alcoholic beverages;
  - b) Selling imported semi-finished spirits having at least 5.5% ABV to an entity that does not hold a license for mass production of spirits.
2. Acts of importing spirits not through international border checkpoints shall be penalized according to the provisions in Article 15 hereof.
3. Additional penalty:

The license for trade in alcoholic beverages shall be suspended for a fixed period of 01 – 03 months if the violation in Point b Clause 1 of this Article is repeated or re-committed.

4. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point b Clause 1 of this Article.

### **Article 27. Violations against regulations on stamping of imported spirits having at least 5.5% ABV**

1. The following fines shall be imposed for stamping of imported spirits having at least 5.5% ABV against regulations:

a) A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed for the violation involving goods worth less than VND 5.000.000;

b) A fine ranging from VND 2.000.000 to VND 5.000.000 shall be imposed for the violation involving goods worth from VND 5.000.000 to under VND 10.000.000;

c) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth from VND 10.000.000 to under VND 20.000.000;

d) A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 30.000.000;

dd) A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth from VND 30.000.000 to under VND 40.000.000;

e) A fine ranging from VND 20.000.000 to VND 25.000.000 shall be imposed for the violation involving goods worth from VND 40.000.000 to under VND 50.000.000;

g) A fine ranging from VND 25.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 60.000.000;

h) A fine ranging from VND 30.000.000 to VND 35.000.000 shall be imposed for the violation involving goods worth from VND 60.000.000 to under VND 70.000.000;

i) A fine ranging from VND 35.000.000 to VND 40.000.000 shall be imposed for the violation involving goods worth from VND 70.000.000 to under VND 80.000.000;

k) A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth from VND 80.000.000 to under VND 100.000.000;

l) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more.

2. Trading in imported spirits which have at least 5.5% ABV but are not stamped as prescribed shall be penalized according to the provisions in Article 15 hereof.

3. Additional penalty:

The license for trade in alcoholic beverages shall be suspended for a fixed period of 01 – 03 months if one of the violations in Clause 1 of this Article is repeated or re-committed.

#### **Article 28. Violations against regulations on stamping of domestically sold spirits**

1. The following fines shall be imposed for trading in domestically produced spirits which have at least 5.5% ABV but do not bear “domestically sold spirits” stamps or are improperly stamped with “domestically sold spirits” stamps:

a) A warning or a fine ranging from VND 200.000 to VND 300.000 shall be imposed for the violation involving goods worth less than VND 1.000.000;

b) A fine ranging from VND 300.000 to VND 500.000 shall be imposed for the violation involving goods worth from VND 1.000.000 to under VND 2.000.000;

c) A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for the violation involving goods worth from VND 2.000.000 to under VND 5.000.000;

d) A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed for the violation involving goods worth from VND 5.000.000 to under VND 10.000.000;

dd) A fine ranging from VND 2.000.000 to VND 5.000.000 shall be imposed for the violation involving goods worth from VND 10.000.000 to under VND 20.000.000;

e) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 30.000.000;

g) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth from VND 30.000.000 to under VND 50.000.000;

h) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 100.000.000;

i) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more.

2. A fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed upon a domestic producer of spirits having at least 5.5% ABV for failing to stamp its/his/her domestically sold products or stamping its/his/her domestically sold products against regulations.

3. Additional penalty:

The license for trade in alcoholic beverages shall be suspended for a fixed period of 01 – 03 months if the violation in Clause 2 of this Article is repeated or re-committed.

**Article 29. Violations against regulations on provision of information on effects of alcoholic beverages on health**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed upon trader in spirits having less than 5.5% ABV for providing false or inaccurate information on affect of alcoholic beverages on health.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed upon trader in spirits having at least 5.5% ABV for providing false or inaccurate information on affect of alcoholic beverages on health.

### **Article 30. Other violations against regulations on trade in alcoholic beverages**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for selling or providing alcoholic beverages to persons under 18.

2. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed failing to report or submitting false reports on production or trade in spirits having at least 5.5% ABV to the relevant licensing authority.

3. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

a) Using an automatic vending machine to sell alcoholic beverages;

b) Trading in alcoholic beverages at the premises where the trade in alcoholic beverages is prohibited;

c) Employing persons under 18 to produce or trade in alcoholic beverages.

4. Additional penalty:

The exhibits and instrumentalities of the violation prescribed in Point a or b Clause 3 of this Article shall be confiscated.

5. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point a or b Clause 3 of this Article.

## **Section 6. HOARDING AND EXCESSIVE ACCUMULATION**

### **Article 31. Hoarding**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for taking advantage of the scarcity or faking scarcity to buy in large quantities and stockpile goods worth from VND 50.000.000 to under VND 100.000.000 for re-selling and obtaining illegal profit in any of the following cases, if not liable to criminal prosecution:

a) Goods are from a price stabilization scheme or priced by the State in accordance with regulations of the Pricing Law;

b) There are changes in demand and supply or prices of goods on the market during disaster, conflagration, epidemic, war or another force majeure event.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods is from VND 100.000.000 to under VND 200.000.000.

3. A fine ranging from VND 20.000.000 to VND 50.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods is from VND 200.000.000 to under VND 500.000.000.

4. A fine ranging from VND 50.000.000 to VND 80.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods is from VND 500.000.000 to under VND 1.000.000.000.

5. A fine ranging from VND 80.000.000 to VND 100.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods is VND 1.000.000.000 or more.

6. Additional penalties:

a) The exhibits of the administrative violations prescribed in this Article shall be confiscated;

b) The certificate of eligibility to do business, business license or practicing certificate shall be suspended for a fixed period of 06 - 12 months if one of the violations prescribed in this Article is repeated or re-committed;

c) Business operations shall be suspended for a fixed period of 06 – 12 months if one of the violations prescribed in this Article is repeated or re-committed.

7. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

### **Article 32. Excessive accumulation of goods**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations in any of the cases prescribed in Clause 1 Article 31 hereof without legitimate reasons:

a) Cutting down on number of points of sale;

b) Changing the selling method (from wholesaling to retailing);

c) Regulating, posting or selling goods in quantities or to buyers different from the previously regulated, posted or sold ones;

d) Reducing hours of selling or supplying goods.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations in any of the cases prescribed in Clause 1 Article 31 hereof without legitimate reasons:

a) Cutting down on the quantity of goods sold on the market;

b) Deliberately suspending the sale of goods;

c) Failing to open stores or points of sale for selling goods;

d) Opening stores or points of sale but refusing to sell goods.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for storing goods in excess of 150% of the average inventory in the past three months in any of the cases prescribed in Clause 1 Article 31 hereof.

4. Additional penalties:

a) The exhibits of the violation prescribed in Clause 3 of this Article shall be confiscated;

b) The business license or practicing certificate shall be suspended for a fixed period of 03 - 06 months if any of the violations prescribed in this Article is repeated or re-committed.

## **Section 7. VIOLATIONS AGAINST REGULATIONS ON TRADE PROMOTION**

### **Article 33. Violations against regulations on sales promotion**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Failing to implement, or insufficiently or improperly implementing regulations on provisions and disclosure of information on sales promotion when doing a sales promotion;

b) Collecting fees, charges or money from customers or requesting customers to make any payments when doing a sales promotion by providing sample goods or services free of charge;

c) Failing to publicly organize the prize-awarding day for a promotional game of chance or organizing a prize-awarding day without the customers' witness or a record made;

d) Failing to notify competent authorities of the time and place of inserting proofs of prize-winning into the goods before this insertion is made when doing a sales promotion which requires proofs of prize-winning issued together with the goods;

dd) Failing to implement or improperly implementing regulations on announcement of prize winners and sales promotion results;

e) Failing to award prizes within the prescribed time limit when doing a sales promotion with awarding prizes;

g) Failing to make accurate and timely certification of participation by customers in a customer loyalty program;

h) Failing to fully indicate and store required information on coupons for purchasing goods or services, contest entry forms, lottery forms, customer cards or coupons acknowledging the purchase of goods or services in customer loyalty programs.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Doing a sales promotion for goods or services by a trader that is not allowed to do sales promotion for such goods or services;

b) Failing to enter into a sales promotion service contract when doing a sales promotion for goods or services of another trader or hiring a trader to do a sales promotion for goods or services;

c) Failing to notify or carry out registration with competent authorities before doing a sales promotion or carrying out the notification or registration against regulations;

d) Failing to notify or report the sales promotion results to competent authorities as prescribed or giving a notification or report against regulations or that contains inaccurate information;

dd) Failing to perform, improperly performing or delaying the performance of contents of the sales promotion program which have been notified or committed with customers or notified or registered with competent authorities;

e) Performing a sales promotion program in which total value of promotional goods or services exceeds the prescribed maximum one;

g) Doing a sales promotion program in the form of discounts in which the discount rate for the promoted goods or services exceeds the prescribed maximum one;

h) Doing a sales promotion program by reducing the prices of goods or services below their minimum prices in case the price bracket or minimum prices of such goods or services are

regulated by the State; reducing the prices of goods or services whose prices are quoted by the State;

i) Doing a sales promotion program in the form of discounts for a period exceeding the permitted one;

k) Using proofs of prize-winning in the form that is same as or similar to the lottery form exclusively issued by the State or using the lottery results as the basis for determining prize winners or gifting or awarding prizes in sales promotion programs in the forms prescribed in Clause 5, Clause 6 and Clause 9 Article 92 of the Commercial Law;

l) Failing to implement or improperly implementing the regulation on transfer of 50% of the announced prize to state budget in case the winner in a promotional game of chance is unidentified;

m) Terminating the sales promotion program ahead of the schedule announced or confirmed by a competent authority, unless otherwise permitted by law or the adjusted schedule of the sales promotion program is certified by a competent authority;

n) Terminating the sales promotion program ahead of the schedule announced or confirmed by a competent authority in cases other than the ones prescribed by law;

o) Doing sales promotion against the rules of sales promotion;

p) A trader's representative office performs a sales promotion program for that trader or hires another trader to do sales promotion for that trader in Vietnam.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Doing sales promotion for prohibited goods or services; restricted goods or services; goods or services the sale or supply of which is not yet permitted; wine, lottery, tobacco, breast-milk substitutes or curative medicines for human, including those sold with the permission of the Ministry of Health (except the sales promotion is done for a tobacco trader), healthcare services of public health facilities, educational services of public educational institutions or public vocational training institutions, goods or services banned from being sold in Vietnam or other goods or services for which the sales promotion is prohibited as prescribed by law;

b) Using promotional goods or services which are prohibited goods or services; restricted goods or services; goods or services the sale or supply of which is not yet permitted; wine, lottery, tobacco, or curative medicines for human, including those sold with the permission of the Ministry of Health (except the sales promotion is done for a tobacco trader), goods or services banned from being sold in Vietnam or other goods or services for which the sales promotion is prohibited as prescribed by law;



c) Providing sales promotion for alcoholic beverages for persons under 18; providing sales promotion for alcoholic beverages having at least 15 ABV or using alcoholic beverages having at least 15 ABV as promotional goods in any forms;

d) Doing sales promotion involving false or misleading information about goods or services in order to deceive customers;

dd) Doing sales promotion to sell goods of poor quality;

e) Doing sales promotion at schools, hospitals, offices of regulatory authorities, political organizations, socio-political organizations or armed forces;

g) Contents of contests of a sales promotion program in the form of selling goods or providing services together with contest entry forms for selecting the prize winner according to the announced rules and prize are contrary to historical, cultural or ethic traditions, or fine traditions and customs of Vietnam;

h) Doing sales promotion in the form of multi-level marketing in which participants benefit from purchase of goods by their downline distributors without obtaining the multi-level marketing registration certificate.

4. A fine that is twice as much as the corresponding fine prescribed in Clause 1 through 3 of this Article shall be imposed for the violation involving two provinces or central-affiliated cities or more.

5. Additional penalty:

The exhibits of the violations prescribed in Point a, b, c and dd Clause 3 of this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point a Clause 6 of this Article.

6. Remedial measures:

a) The exhibits which are goods and articles that cause harm to human health, domestic animals, plants and environment, and indecent materials shall be destroyed if the violation in Point a or b Clause 3 of this Article is committed;

b) The violating entity is compelled to invalidate the results announced in the prize-awarding day and re-organize the prize-awarding day if the violation in Point c or d Clause 1 of this Article is committed;

c) The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point b Clause 1 or Point l Clause 2 of this Article.

**Article 34. Violations against regulations on display and introduction of goods and services**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Providing information about the displayed or introduced goods different from that about the goods being or to be sold;

b) Displaying or introducing goods or services of other traders for comparison purposes, unless the goods displayed or introduced for comparison are counterfeit goods or intellectual property right-infringing ones;

c) Displaying or introducing goods which are not labeled or are labeled against regulations;

d) Displaying or introducing goods which fail to meet standards/ technical regulations announced or applied; goods which fail to meet food safety and quality requirements or expired goods.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) A trader's representative office directly displays or introduces goods or services of that trader at locations other than the representative office's premises;

b) A trader's representative office displays or introduces goods or services of that trader without that trader's authorization.

3. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Displaying or introducing goods or services included in the list of prohibited goods and services, goods which are not or not yet permitted to be sold, or services which are not yet permitted to be provided in Vietnam;

b) Selling goods which are temporarily imported for display or introduction in Vietnam against the law of Vietnam;

c) Displaying or introducing goods or services, or using forms or means of displaying or introducing goods or services which infringe upon the national security, social safety and order, landscape, environment or human health;

d) Displaying or introducing goods or services, or using forms or means of displaying or introducing goods or services which are contrary to historical, cultural or ethnic traditions, or fine traditions and customs of Vietnam;

dd) Displaying or introducing goods or services which reveal state secrets.

4. Acts of displaying or introducing goods which are not yet permitted to be imported into Vietnam or which are included in the list of goods banned from import shall be penalized according to the provisions in Article 15 hereof.

5. Additional penalty:

The exhibits of the violations prescribed in Clause 3 of this Article shall be confiscated.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point b Clause 3 of this Article.

### **Article 35. Violations against regulations on trade fairs and exhibitions**

1. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for providing inaccurate or false information in the application for registration of organization of a trade fair or exhibition;

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Failing to post the theme and time of the trade fair or exhibition at the location where the trade fair or exhibition is organized before the opening of that trade fair or exhibition;

b) Changing or modifying registered contents about the trade fair or exhibition without carrying out registration of the changed or modified contents with a competent authority as prescribed or failing to obtain the competent authority's certification of the changed or modified contents;

c) Failing to publish the termination of a trade fair or exhibition as prescribed.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Displaying counterfeit goods or intellectual property right-infringing goods at the trade fair or exhibition without giving notices of such counterfeit goods or intellectual property right-infringing goods or without indicating this display in the application for registration of organization of the trade fair or exhibition;

b) Displaying goods or services included in the list of prohibited goods, goods banned from import, restricted goods, goods which are not or not yet permitted to be sold, or services which are not yet permitted to be provided in Vietnam, goods which fail to meet food safety and quality requirements or expired goods at the trade fair or exhibition;

c) Displaying goods (including those temporarily imported for display or introduction at the trade fair or exhibition) which are not labeled or which are labeled against regulations of the Law on labeling of goods at the trade fair or exhibition;

d) Failing to report in writing or improperly reporting on the trade fair or exhibition results upon termination of that trade fair or exhibition.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) A foreign trader directly organizes a trade fair or exhibition in Vietnam;

b) A trader's representative office directly organizes or participates in a trade fair or exhibition, or participates in a trade fair or exhibition on behalf of the trader without that trader's authorization;

c) Organizing for other traders to participate in overseas trade fairs or exhibitions without carrying out registration of provision of trade fair and exhibition services as prescribed

d) Organizing a trade fair or exhibition without completing registration procedures as prescribed or before obtaining the competent authority's written certification of registration of organization of the trade fair or exhibition;

dd) Carrying out registration of a trade fair or exhibition but failing to organize that trade fair or exhibition or organizing a trade fair or exhibition whose contents are different from the certified ones without carrying out registration of changed or modified contents with a competent authority or before obtaining the competent authority's approval for such changed or modified contents;

e) Selling, gifting or supplying goods under management of specialized agencies at a trade fair or exhibition without complying with specialized regulations on management of such goods or services;

g) Offering or awarding prizes or certificates of quality or titles to goods or services or to traders, organizations or individuals participating in a trade fair or exhibition against regulations;

h) Failing to settle complaints about or denunciations of the trade fair or exhibition, or goods displayed at the trade fair or exhibition, from customers or other entities;

i) Organizing a trade fair or exhibition abroad in the name of Vietnam or organizing a trade fair or exhibition in Vietnam in the name of a province or city without meeting relevant standards.

5. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

- a) Organizing or directly bringing goods or services which are banned from export to a trade fair or exhibition abroad without the Prime Minister's approval;
- b) Selling or gifting goods which are banned from export but have been temporarily exported for display at a trade fair or exhibition abroad without the Prime Minister's approval;
- c) Selling or gifting goods which requires the export license issued by a competent authority before obtaining the written approval from the competent authority;
- d) Organizing a trade fair or exhibition in Vietnam at which prohibited or restricted goods/ services, goods/ services which are provided by foreign traders and included in the list of goods banned from import, counterfeit goods, or intellectual property right-infringing goods are displayed or introduced, unless they are displayed or introduced for comparison with the genuine ones;
- dd) Organizing a trade fair or exhibition at which the quality or titles of goods/ services or the prestige or titles of traders or other entities participating in the trade fair or exhibition are not suitable for the name or theme of that trade fair or exhibition;
- e) Selling, gifting or providing goods imported without registration with customs authorities at a trade fair or exhibition, or selling or gifting goods which requires import license at a trade fair or exhibition before obtaining a written approval from a competent authority.

#### 6. Additional penalty:

The exhibits of the violations prescribed in Point a and b Clause 3 of this Article shall be confiscated.

#### 7. Remedial measures:

- a) The goods shall be re-exported if the violation in Point a Clause 4 or Point e Clause 5 of this Article is committed;
- b) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

### **Section 8. VIOLATIONS AGAINST REGULATIONS ON IMPORT AND EXPORT OF GOODS AND THEIR RELATED SERVICES**

#### **Article 36. Violations against regulations on goods banned from export and those banned from import**

1. The following fines shall be imposed for exporting or importing goods included in the list of goods banned from export or the list of goods banned from import:

- a) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth less than VND 20.000.000;
- b) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 50.000.000;
- c) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 70.000.000;
- d) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for the violation involving goods worth from VND 70.000.000 to under VND 100.000.000;
- dd) A fine ranging from VND 70.000.000 to VND 100.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more, if not liable to criminal prosecution.

## 2. Additional penalty:

The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Point a or Point b Clause 3 of this Article.

## 3. Remedial measures:

- a) The exhibits of the violations prescribed in this Article that cause harm to human health, domestic animals, plants and environment shall be confiscated, except the case of application of the remedial measure prescribed in Point b of this Clause;
- b) The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export the goods involving in one of the violations in this Article;
- c) The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

## **Article 37. Violations against regulations on goods subject to suspended import or export**

1. The following fines shall be imposed for exporting or importing goods subject to suspended import or export without obtaining written approval from a competent authority:

- a) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth less than VND 20.000.000;
- b) A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 50.000.000;
- c) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 70.000.000;

d) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for the violation involving goods worth from VND 70.000.000 to under VND 100.000.000;

dd) A fine ranging from VND 70.000.000 to VND 80.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more, if not liable to criminal prosecution.

## 2. Additional penalty:

The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Clause 3 of this Article.

## 3. Remedial measure:

The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export the goods involving in one of the violations in this Article.

## **Article 38. Violations against regulations on quotas, export license and import license**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for deliberately erasing, altering or changing quota, import license or export license.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for illegally using quota, import license or export license.

3. The following fines shall be imposed for failing to obtain quota, export license or import license when exporting or importing goods which require quotas, export license or import license:

a) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth less than VND 20.000.000;

b) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 50.000.000;

c) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 50.000.000 to under VND 70.000.000;

d) A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for the violation involving goods worth from VND 70.000.000 to under VND 100.000.000;

dd) A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for the violation involving goods worth VND 100.000.000 or more, if not liable to criminal prosecution.

## 4. Additional penalties:

a) The exhibits of the violations prescribed in Clause 1 and Clause 3 of this Article shall be confiscated;

b) The quota, export license or import license shall be suspended for a fixed period of 03 – 06 months if the violation in Clause 2 of this Article is repeated or re-committed.

### **Article 39. Violations against regulations on entrusted export and import**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for failing to meet relevant conditions when offering or receiving entrustment for export or import of goods included in the list of goods to be temporarily imported or exported under certain conditions.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for failing to obtain the quota or license from a competent authority when offering or receiving entrustment for export or import of goods included in the list of goods exported or imported upon quota, export license or import license.

3. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for offering or receiving entrustment for export or import of goods included in the list of goods subject to suspended export or the list of goods subject to suspended import.

4. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for offering or receiving entrustment for export or import of goods included in the list of goods banned from export or the list of goods banned from import.

### **Article 40. Violations against regulations on temporary import and temporary export**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for deliberately erasing, altering or changing contents of the license for temporary import or temporary export of goods included in the list of goods banned from export or import or the list of goods subject to suspended export or import.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for illegally using the license for temporary import or temporary export of goods included in the list of goods banned from export or import or the list of goods subject to suspended export or import.

3. A fine ranging from VND 20.000.000 to VND 40.000.000 shall be imposed for failing to meet relevant business conditions when temporarily importing goods included in the list of goods to be temporarily imported under certain conditions.

4. A fine ranging from VND 40.000.000 to VND 80.000.000 shall be imposed for failing to obtain license when temporarily importing or temporarily exporting goods requiring license issued by competent authorities.



5. A fine ranging from VND 80.000.000 to VND 100.000.000 shall be imposed for temporarily importing or temporarily exporting goods included in the list of goods banned or suspended from temporary import.

6. Additional penalties:

a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Clause 7 of this Article;

b) The temporary import or temporary export of goods shall be suspended for a fixed period of 03 – 06 months if the violation in Clause 3, 4 or 5 of this Article is committed;

c) The license for temporary import or temporary export of goods shall be suspended for a fixed period of 03 - 06 months if the violation prescribed in Clause 2 of this Article is committed.

7. Remedial measures:

a) The goods shall be re-exported via the checkpoint of importation if the violation in Clause 3 or Clause 4 of this Article is committed;

b) The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export the goods involving in the violation in Clause 5 of this Article.

#### **Article 41. Violations against regulations on merchanting trade**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for deliberately erasing, altering or changing contents of the license for merchanting trade.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for illegally using the license for merchanting trade.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for conducting merchanting trade of goods of a wrong type or quantity exceeding the one specified in the license issued by a competent authority.

4. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Failing to obtain a license when conducting merchanting trade of goods requiring license issued by a competent authority;

b) Conducting merchanting trade of goods included in the list of goods subject to suspended merchanting trade.

5. A fine ranging from VND 50.000.000 to VND 80.000.000 shall be imposed for conducting merchanting trade of goods included in the list of goods banned from merchanting trade.

6. Additional penalties:

- a) The exhibits of the violations prescribed in this Article shall be confiscated, except the case of application of the remedial measure prescribed in Clause 7 of this Article;
- b) The license for merchanting trade of goods shall be suspended for a fixed period of 01 – 03 months if the violation in Clause 3 of this Article is repeated or re-committed;
- c) The merchanting trade of goods shall be suspended for a fixed period of 03 – 06 months if one of the violations prescribed in Clause 4 and Clause 5 of this Article is committed.

7. Remedial measure:

The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export the goods involving in one of the violations prescribed in Clause 4 and Clause 5 of this Article.

**Article 42. Violations against regulations on transit of goods**

- 1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for transiting goods according to the route or via the checkpoint other than the permitted ones, except the case in Point a Clause 2 of this Article.
- 2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:
  - a) Transiting goods requiring license according to the route or via the checkpoint other than the permitted ones;
  - b) Storing goods in transit in the territory of Vietnam for a period exceeding the permitted one.
- 3. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for failing to obtain license when conducting transit of goods requiring license issued by competent authorities.
- 4. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for illegally selling or consuming goods and vehicles in transit in the territory of Vietnam.

5. Additional penalty:

The exhibits of the violation prescribed in Clause 4 of this Article shall be confiscated.

6. Remedial measures:

a) The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam or re-export the goods involving in one of the violations prescribed in Clause 1, 2 and 3 of this Article;

b) The violating entity is compelled to pay an amount of money equivalent to the value of goods and vehicles illegally sold or consumed if the violation in Clause 4 of this Article is committed.

#### **Article 43. Violations against regulations on operation of duty-free shops**

1. A fine ranging from VND 2.000.000 to VND 3.000.000 shall be imposed for selling duty-free goods in excess of the prescribed allowances.

2. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for selling duty-free goods to ineligible buyers.

3. The following fines shall be imposed for trading in goods which are not stamped with “Vietnam duty not paid” stamp as prescribed or selling duty-free goods which are imported cigars and cigarettes or those which are exported or imported under certain conditions without obtaining the export or import license as prescribed:

a) A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed for the violation involving goods worth less than VND 5.000.000;

b) A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for the violation involving goods worth from VND 5.000.000 to under VND 10.000.000;

c) A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation involving goods worth from VND 10.000.000 to under VND 20.000.000;

d) A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation involving goods worth from VND 20.000.000 to under VND 30.000.000;

dd) A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation involving goods worth from VND 30.000.000 to under VND 50.000.000;

e) A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for the violation involving goods worth VND 50.000.000 or more.

4. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Trading in goods of illicit goods at the duty-free shop;

b) Illegally selling goods which are imported for sale at the duty-free shop on the domestic market.

5. A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for trading goods which are banned from export or import or subject to suspended export or import at the duty-free shop.

6. Additional penalties:

a) The exhibits of the violations prescribed in Clause 3, 4 and 5 of this Article shall be confiscated;

b) The certificate of eligibility to trade in duty-free goods shall be suspended for a fixed period of 01 - 03 months if one of the violations prescribed in Clause 2, 3, 4 and 5 of this Article is repeated or re-committed.

7. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

#### **Article 44. Violations against regulations on origin of exports and imports**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for erasing or falsifying contents of the certificate of origin, self-issued certificate of origin or written approval for self-certification of origin issued by competent authorities.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for providing documents containing inaccuracies to competent authorities or organizations when applying for issuance or verification of a certificate of origin.

3. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Self-certifying origin of goods when obtaining an approval for self-certification of origin from a competent authority;

b) Forging certificate of origin or self-issued certificate of origin, if not liable to criminal prosecution;

c) Providing documents containing inaccuracies to competent authorities or organizations when applying for an approval for self-certification of origin or verification of a self-issued certificate of origin.

4. A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for using a fake certificate of origin or self-issued certificate of origin, if not liable to criminal prosecution.

5. Additional penalty:

The exhibits of the violations prescribed in this Article shall be confiscated.

6. Remedial measures:

- a) The violating entity is compelled to return any benefits illegally obtained from one of the violations prescribed in this Article;
- b) The violation entity is compelled to correct inaccuracies contained in the certificate of origin if one of the violations prescribed in this Article is committed.

**Article 45. Violations against regulations on processing of goods involving foreign elements**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for making or receiving orders for processing of goods of foreign traders without entering into processing contracts as prescribed.

2. A fine ranging from VND 20.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

a) Selling leased or borrowed machinery and equipment, raw materials, auxiliary materials, unused materials, scrap and waste temporarily imported to serve processing activities and processed products of foreign traders in Vietnam against regulations;

b) Forging a processing contract with a foreign trader.

3. A fine ranging from VND 40.000.000 to VND 70.000.000 shall be imposed for failing to obtain approval from a competent authority when making or receiving orders of processing of goods of foreign traders, which are exported or imported goods requiring license.

4. A fine ranging from VND 70.000.000 to VND 100.000.000 shall be imposed for committing one of the following violations:

a) Failing to obtain a written approval from a competent authority when receiving a foreign trader's order for processing of goods which are included in the list of goods banned from export or import or in the list of goods subject to suspended export or import;

b) Placing an order for overseas processing, for sale on the domestic market, of goods which are banned from export or import, or subject to suspended export or import, or against which the emergency measure that is prohibition of sale of goods is implemented, or which are recalled or suspended from being sold, or which fail to meet food safety requirements.

5. Additional penalty:

The exhibits of the violations prescribed in Clause 2, 3 and 4 of this Article shall be confiscated.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point a Clause 2 or Point a Clause 4 of this Article.

## **Section 9. VIOLATIONS AGAINST REGULATIONS ON PROTECTION OF CONSUMER RIGHTS**

### **Article 46. Violations against regulations on protection of consumers' information**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

- a) Failing to publish or clearly notify consumers of the purposes of collection and use of their information;
- b) Failing to obtain the consumers' consent when using their information for the purposes other than the ones notified to them;
- c) Failing to ensure the safety, accuracy and adequacy of consumers' information during its collection, use or transfer;
- d) Failing to correct, or provide methods to consumers for updating or correcting, information which is detected inaccurate as prescribed;
- dd) Transferring consumers' information to a third party without their consent, unless otherwise prescribed by law.

2. A fine that is twice as much as the corresponding fine prescribed in Clause 1 of this Article shall be imposed for the violation involving information which is the consumer privacy.

### **Article 47. Violations against regulations on provision of information on goods or services to consumers**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed upon a trader for committing one of the following violations against regulations on provision of information on goods or services to consumers:

- a) Failing to warn and advise consumers of possible risks associated with goods or services to consumers' health, life and property and preventive measures;
- b) Failing to provide information on the availability of replacement parts and accessories of goods;
- c) Failing to provide instructions for use or failing to provide information on conditions, time, place and procedures for warranty in case goods or services are sold or provided with warranty;

d) Failing to provide the accurate and full standard form contract or contract containing general terms and conditions for consumers before entering into transactions;

dd) Hiding information or providing inadequate, false or inaccurate information for consumers.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed upon a third party for committing one of the following violations against regulations on provision of information on goods or services to consumers:

a) Providing inadequate or inaccurate information on goods or services;

b) Failing to provide proofs of or failing to implement all methods as prescribed by law for verifying the accuracy and adequacy of information on goods or services.

3. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed upon a media owner or telecommunications service provider that is a third party for committing one of the following violations against regulations on provision of information on goods or services to consumers:

a) Failing to adopt technical solutions for preventing the illegal use of its/his/her means of mass media or services for harassing consumers;

b) Allowing traders or service providers to use its/his/her means of mass media or services for harassing consumers.

4. Additional penalty:

The business license or practicing certificate shall be suspended for a fixed period of 01 - 06 months or operations shall be suspended for a fixed period of 01 - 06 months if the violation prescribed in Clause 3 of this Article is repeated or re-committed.

5. Remedial measure:

The violating entity is compelled to correct false or misleading information if the violation prescribed in Point dd Clause 1 of this Article is committed.

#### **Article 48. Violations against regulations on contracts signed with consumers**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Signing contracts with consumers in the form or by using language other than the prescribed ones;

b) Failing to provide the entire contract to the consumer for consideration before it is signed by electronic means.

2. Remedial measure:

The violating entity is compelled to modify signed contracts if the violation in Point a Clause 1 of this Article is committed.

**Article 49. Violations against regulations on registration of standard form contract and contract containing general terms and conditions**

1. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for failing to comply with competent authorities' request for cancellation or modification of the standard form contract or contract containing general terms and conditions which is in contravention of the law on protection of consumer rights or contrary to general rules for conclusion of contracts.

2. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Failing to carry out registration or re-registration of standard form contract or contract containing general terms and conditions with competent authorities in charge of protection of consumer rights;

b) Failing to notify consumers of changes in the standard form contract or contract containing general terms and conditions;

c) Failing to apply the standard form contract or contract containing general terms and conditions registered with competent authorities in charge of protection of consumer rights.

3. A fine that is twice as much as the fine imposed for the violation prescribed in Clause 1 or 2 of this Article shall be imposed if the violation involves two provinces or central-affiliated cities or more.

**Article 50. Violations against regulations on forms of standard form contract and contract containing general terms and conditions**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for using a standard form contract or contract containing general terms and conditions in transactions made with consumers, which commits one of the following violations:

a) The contract uses a text size smaller than the prescribed one;

b) The language of the contract is not Vietnamese, unless otherwise agreed by the parties or prescribed by law;

c) The paper background and ink color showing contents of the standard form contract or contract containing general terms and conditions are not contrast.

2. Remedial measure:



The violating entity is compelled to modify the standard form contract or contract containing general terms and conditions in accordance with regulations if the violation in Clause 1 of this Article is committed.

**Article 51. Violations against regulations on execution of standard form contract and contract containing general terms and conditions**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

- a) Failing to keep the signed standard form contract until it expires as prescribed;
- b) Failing to provide the copy of contract to the consumer in case the contract kept by the consumer is lost or otherwise damaged.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Failing to make the contract containing general terms and conditions publicly available before entering into transactions with consumers;
- b) Failing to clearly indicate the time of application of the contract containing general terms and conditions or failing to post it at a prominent position at the point of transaction so that consumers can read it.

**Article 52. Violations against regulations on conclusion of conclusion of contracts or contract containing general terms and conditions with consumers**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed upon a trader or service provider for concluding contracts containing invalid terms with consumers.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing the violation in Clause 1 of this Article if it involves a standard form contract or contract containing general terms and conditions.

3. A fine that is twice as much as the fine imposed for the violation prescribed in Clause 1 or 2 of this Article shall be imposed if the violation involves two provinces or central-affiliated cities or more.

4. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

**Article 53. Violations against regulations on conclusion of distance contracts**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for entering into distance contracts with consumers in any of the following cases:

- a) Failing to sufficiently and clearly provide information as prescribed;
- b) Failing to return money within 30 days from the date on which the consumer notifies the unilateral termination of the signed contract or failing to pay interests on late payment to the consumer;
- c) Limiting or obstructing the consumer to unilaterally terminate the signed contract within ten days from the signing date of contract in case the trader provides inaccurate or inadequate information;
- d) Forcing or requesting a consumer to pay fees for terminating the signed contract, except payments for goods or services consumed or used by the consumer.

2. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point b or Point d Clause 1 of this Article.

#### **Article 54. Violations against regulations on provision of uninterrupted services**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed upon a trader providing uninterrupted services to consumers for committing one of the following violations:

- a) Failing to sufficiently and clearly provide information as prescribed;
- b) Failing to enter into a written contract or failing to provide a copy of the contract to the consumer as prescribed;
- c) Requesting consumers to make payments before providing services, unless otherwise agreed between the parties;
- d) Failing to give a notice to the consumer at least 03 days before suspending the provision of service in case of repair, maintenance or because of other reasons, except force majeure events or otherwise prescribed by law;
- dd) Failing to punctually inspect and handle service quality-related matters notified by consumers;
- e) Unilaterally terminating the signed contract or suspending provision of service without legitimate reasons;
- g) Refusing or obstructing the termination of service contracts by consumers;

h) Forcing consumers to make payments for unused services.

2. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point h Clause 1 of this Article.

#### **Article 55. Violations against regulations on door-to-door sales contracts**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed upon a trader engaging in door-to-door sales for committing one of the following violations:

a) The door to door salesperson fails to introduce the trader's name, contact telephone, address, head office and address of the entity responsible for the request for contract conclusion;

b) The door-to-door salesperson deliberately contacts consumers to request them to conclude contracts despite their refusal;

c) Refusing a consumer's request for cancellation of contract conclusion in case the consumer has sent a written notification of such cancelation within 03 business days from the signing date of contract;

d) Forcing a consumer to make payments or fulfill other obligations under the signed contract within 03 business days from the signing date of contract, unless otherwise prescribed by law;

dd) Denying responsibility for activities of a door-to-door salesperson that causes damage to consumers.

e) Failing to provide adequate and accurate explanation about terms and conditions of the contract and other information on goods or services to be sold or rendered to the consumer;

g) Failing to enter into a written door-to-door sales contract and provide a copy of the signed contract to the consumer as prescribed, unless otherwise agreed between the parties.

2. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point d Clause 1 of this Article.

#### **Article 56. Violations against regulations on responsibility for warranty**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed upon a trader for committing one of the following violations, if the goods under warranty are worth less than VND 20.000.000:

a) Failing to provide the receipt of warranty claim in which the time limit for settling the claim is specified to the consumer;

b) Failing to provide the consumer with similar goods, parts or accessories for temporary use or failing to adopt other methods accepted by the consumer during the settlement of a warranty claim;

c) Failing to provide the consumer with new and similar goods, parts or accessories or failing to take back the goods, parts or accessories and make a refund to the consumer if, at the end of the time limit for settling the warranty claim, the attempt at a repair or rectification of faults is unsuccessful;

d) Failing to provide the consumer with new and similar goods, parts or accessories or failing to take back the goods, parts or accessories and make a refund to the consumer if the rectification of faults of goods is still unsuccessful although the goods have been under 03 or more times of warranty within the prescribed warranty period;

dd) Failing to pay costs of repair and transport of goods, parts or accessories to the place of warranty and from the place of warranty to the consumer's residence;

e) Failing to fulfill, or improperly or partially fulfilling the responsibility for warranty on goods, parts or accessories as committed with consumers;

g) Denying responsibility for warranty on goods, parts or accessories when authorizing another entity to perform warranty tasks.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods, parts or accessories is from VND 20.000.000 to under VND 50.000.000.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods, parts or accessories is from VND 50.000.000 to under VND 100.000.000.

4. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods, parts or accessories is from VND 100.000.000 to under VND 500.000.000.

5. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods, parts or accessories is from VND 500.000.000 to under VND 1.000.000.000.

6. A fine ranging from VND 50.000.000 to VND 70.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods, parts or accessories is from VND 1.000.000.000 to under VND 2.000.000.000.

7. A fine ranging from VND 70.000.000 to VND 100.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods, parts or accessories is VND 2.000.000.000 or more.

#### **Article 57. Violations against regulations on recall of defective goods**

1. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed upon a producer or importer of defective goods for committing one of the following violations:

- a) Failing to adopt necessary measures for suspending the supply of defective goods on the market;
- b) Failing to carry out the recall of defective goods according to the publicly announced contents or failing to pay recall costs.

2. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed upon a producer or importer of defective goods for committing one of the following violations:

- a) Failing to make public announcement of defective goods and recall of such goods;
- b) Failing to submit reports on recall of defective goods to competent authorities in charge of protection of consumer rights.

3. Remedial measure:

The violating entity is compelled to recall defective goods if committing the violation in Clause 1 of this Article.

#### **Article 58. Violations against regulations on provision of proof of transaction**

1. A warning or a fine ranging from VND 200.000 to VND 500.000 shall be imposed for one of the following violations involving the goods or services worth less than VND 2.000.000:

- a) Failing to make or provide invoices, vouchers or other documents related to the sale of goods or supply of services to the customer or consumer;
- b) Failing to allow the customer or consumer to access, download, store and print invoices, vouchers or other documents in case of e-transactions.

2. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 2.000.000 to under VND 10.000.000.

3. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 10.000.000 to under VND 20.000.000.

4. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 20.000.000 to under VND 50.000.000.

5. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 50.000.000 to under VND 100.000.000.

6. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 100.000.000 to under VND 200.000.000.

7. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 200.000.000 to under VND 500.000.000.

8. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is VND 500.000.000 or more.

#### **Article 59. Harassment of consumers**

A fine ranging from VND 1.000.000 to VND 2.000.000 shall be imposed upon a trader or service provider for committing one of the following violations:

1. Harassing consumers by means of marketing for the goods or services against consumers' expectations twice or more.
2. Performing acts of obstructing or causing adverse influence on normal works and daily activities of a consumer.

#### **Article 60. Forcing consumers**

1. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed for one of the following acts of forcing consumers:

- a) Using violence, threatening to use violence or performing other acts to cause damage to health, honor, reputation, dignity or property of consumers to force them into transactions;
- b) Taking advantage of consumers' difficulties or disasters or epidemics to force consumers into transactions.

2. Additional penalty:

The exhibits and instrumentalities used for committing the violation in Clause 1 of this Article shall be confiscated.

### 3. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

#### **Article 61. Other violations in customer/consumer relationships**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for one of the following violations involving the goods or services worth less than VND 5.000.000:

a) Failing to make compensation/ refund or exchange goods or services for customers or consumers due to mistakes;

b) Swapping goods or cheating at delivery of goods or supply of services to customers or consumers;

c) Failing to make compensation/ refund or exchange swapped or cheated goods or services for customers or consumers;

d) Deliberately cutting down packages, replacement parts and accessories, promotional goods, technical documents and instructions for use when selling goods or supplying services;

dd) Conducting trade promotion or propose transaction directly with a person who is incapable of civil acts or an incapacitated person;

Requesting or forcing consumers to pay costs of goods or services supplied without reaching an agreement with consumers;

g) Taking advantage of consumers' difficulties or disasters or epidemics to supply goods or services of poor quality.

2. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 5.000.000 to under VND 20.000.000.

3. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 20.000.000 to under VND 50.000.000.

4. A fine ranging from VND 10.000.000 to VND 15.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is from VND 50.000.000 to under VND 100.000.000.

5. A fine ranging from VND 15.000.000 to VND 20.000.000 shall be imposed for the violation in Clause 1 of this Article if the value of goods or services is VND 100.000.000 or more.

6. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Failing to provide explanation, providing explanation after the prescribed deadline, or failing to provide information, documents or evidences at the request of competent authorities in charge of protection of consumer rights;
- b) Refusing to receive the consumer's request for negotiation or failing to conduct the negotiation within 07 business days from receipt of the consumer's request.

7. Additional penalty:

The business license, certificate of eligibility to do business or practicing certificate shall be suspended for a fixed period of 01 - 03 months or operations shall be suspended for a fixed period of 01 - 03 months if one of the violations prescribed in Clause 4 and 5 of this Article is repeated or re-committed.

8. Remedial measures:

- a) Goods of poor quality shall be recalled if committing the violation in Point g Clause 1 in any of the cases prescribed in Clause 1 through 5 of this Article;
- b) The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Clauses 1, 2, 3, 4 and 5 of this Article.

## **Section 10. VIOLATIONS AGAINST REGULATIONS ON E-COMMERCE**

### **Article 62. Violations against regulations on e-commerce websites or e-commerce applications on mobile platforms (mobile applications)**

1. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Failing to provide additional documents for notification of an online shopping website or a shopping application on a mobile platform (hereinafter referred to as “mobile shopping application”);
- b) Failing to provide additional documents for registration of an e-commerce service provision website or an e-commerce service provision application on a mobile platform (hereinafter referred to as “mobile service application”);
- c) Failing to notify changes in information about the online shopping website or mobile shopping application to competent authorities;
- d) Failing to comply with regulations on forms and specifications for publishing of information on the e-commerce service provision website or mobile service application;



dd) Failing to adequately and accurately publish on the online shopping website or mobile shopping application the information on the owner of such website or application, goods or services, prices, transport and delivery, contract containing general terms and conditions, and payment methods;

e) Failing to carry out transfer procedures or failing to notify competent authorities when receiving transfer of online shopping website or mobile shopping app.

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Providing inadequate or false information when notifying competent authorities of establishment of an online shopping website or mobile shopping application;

b) Publishing information on an e-commerce service provision website or mobile service application other than the one registered with competent authorities;

c) Using the notified sign on the online shopping website or mobile shopping application before obtaining approval or certification of notification from a competent authority;

d) Failing to provide information on business status or failing to provide explanation about the e-commerce website or application at the request of a competent authority to serve the performance of statistics on e-commerce, inspection and actions against violations against regulations on e-commerce.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Failing to carry out procedures for notification of an online shopping website or mobile shopping application to competent authorities;

b) Failing to notify changes in information about the e-commerce service provision website or mobile service application to competent authorities;

c) Committing frauds or providing false information when notifying an online shopping website or mobile shopping application;

d) Forging information published on the online shopping website or mobile shopping app.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Failing to carry out procedures for registration of an e-commerce service provision website or mobile service application with competent authorities;

- b) Failing to carry out transfer procedures or failing to carry out procedures for re-registration with competent authorities when receiving transfer of an e-commerce service provision website or mobile service application;
- c) Providing e-commerce services against registered documents;
- d) Committing frauds or providing false information when carrying out procedures for registration of an e-commerce service provision website or mobile service application;
- dd) Forcing information registered on the e-commerce service provision website or mobile service application;
- e) Using the registered sign on the e-commerce service provision website or mobile service application before obtaining certification of registration from a competent authority;
- g) Continuing the provision of e-commerce services after termination or cancellation of registration.

#### 5. Additional penalty:

E-commerce operations shall be suspended for a fixed period of 06 – 12 months if one of the violations prescribed in Clause 2, 3 and 4 of this Article is repeated or re-committed.

#### 6. Remedial measure:

Enforced revocation of “.vn” domain name of e-commerce websites or enforced removal of mobile applications from applications store or addresses on which such applications are provided if the violation in Point b, c, d, dd, e or g Clause 4 of this Article is committed.

### **Article 63. Violations against regulations on information and transactions on e-commerce websites or mobile apps**

1. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Failing to provide customers with information on traders, owner of e-commerce website or mobile application, goods, services, prices, transport, delivery, payment methods, terms and conditions of contract and contract containing general terms and conditions before they conclude contracts for using online ordering function on the e-commerce website or mobile application;
- b) Refusing to permit customers to review, add, modify, or confirm transaction contents before using the online ordering function on the e-commerce website or mobile application for proposing the conclusion of contract;

c) Failing to clearly and adequately publish information on procedures for contract termination when establishing an e-commerce service provision website or mobile service application or another online service provision website;

d) Establishing the online ordering function on an e-commerce website or mobile application but adopting procedures for contract conclusion which are inconsistent with regulations of law.

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Using a path for providing information that is opposite to or unconformable with the one published at the zone on the e-commerce website or mobile application where this path is inserted;

b) Intervening in operating systems and internet browsers at electronic devices used to access the e-commerce website or mobile application in order to force customers to save the website or install the mobile application against their expectations.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Providing false information on traders, owner of e-commerce website or mobile application, goods, services, prices, transport, delivery, payment methods, terms and conditions of contract, and contract containing general terms and conditions on the e-commerce website or mobile application;

b) Providing information on, trading in or selling counterfeit goods, intellectual property right-infringing goods or services, or other goods or services banned from trade on the Internet;

c) Refusing to permit customers to save information on confirmation of transaction contents after concluding contracts for using online ordering function on the e-commerce website or mobile application;

d) Developing online payment function on the e-commerce website or mobile application without adopting mechanisms allowing customers to review and confirm details of each payment transaction before they use this function to make payments;

dd) Failing to save data on payment transactions made via the provided system for the prescribed period;

e) Failing to comply with terms and conditions of the signed contract for using the online ordering function on the e-commerce website or mobile application, or unilaterally terminating that contract;

g) Failing to provide information or submit statistical reports on the provision of payment intermediary services on the e-commerce website to competent authorities as prescribed.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Using paths, logo or other technologies to cause misunderstanding about the relationship with other traders or entities;
- b) Using logo of programs for rating of e-commerce websites or mobile applications before obtaining accreditation from these programs;
- c) Forcing information of another trader or entity to perform e-commerce activities;
- d) Failing to adopt measures for ensuring safety and confidentiality of consumers' payment transactions.

5. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

- a) Forging or illegally copying interface of the e-commerce website or mobile application of another trader or entity for the purposes of profiteering or causing misunderstanding or weakening the confidence of that trader or entity's customers;
- b) Stealing, revealing, transferring or selling information concerning business secrets of other traders or entities or personal information of consumers in e-commerce without the consent of related parties.

6. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

- a) Cheating customers on an e-commerce website or mobile application;
- b) Taking advantage of e-commerce activities to illegally raise funds from other traders and entities.

7. Additional penalties:

- a) The exhibits and instrumentalities used for committing one of the violations prescribed in Clause 5 and 6 of this Article shall be confiscated;
- b) E-commerce activities shall be suspended for a fixed period of 06 – 12 months if one of the violations prescribed in Clause 5 and Clause 6 of this Article is committed.

8. Remedial measures:

- a) The violating entity is compelled to correct false or misleading information if the violation prescribed in Point a Clause 3, Point a, b or c Clause 4, or Point a Clause 5 of this Article is committed;

b) Enforced revocation of “.vn” domain name of e-commerce websites or enforced removal of mobile apps from apps store or addresses on which such apps are provided if one of the violations prescribed in Clause 5 and Clause 6 of this Article is committed;

c) The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Clause 5 and Clause 6 of this Article.

#### **Article 64. Violations against regulations on provision of e-commerce services**

1. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

a) Failing to clearly publish the procedures for receipt of and responsibility to settle customers' complaints and mechanisms for settling disputes over contracts signed on an online sales promotion website or mobile service application;

b) Failing to publicly announce mechanisms for settling disputes arising from transactions conducted on e-commerce trading floor and online auction website or mobile service application;

c) Failing to adequately publish information on promoted goods or services on an online sales promotion website or mobile service application as prescribed;

d) Failing to provide customers with information on place and time of auction, notices of auction of goods, methods for determining buyers, notices of auction results on the online auction website or application.

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Adopting procedures for contract conclusion which are inconsistent with regulations of law when establishing the online ordering function on the e-commerce service provision website or mobile service application allowing traders and other entities to conclude contracts;

b) Failing to assist customers in protecting their lawful rights and benefits when they come into conflicts with sellers over transactions conducted on the e-commerce service provision website or mobile service application;

c) Failing to make notification of auction results and send it to sellers, buyers and related parties as prescribed;

d) Failing to provide sellers with information on details of the auctions they conducted at their request.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Failing to ensure safety of personal information of consumers and information relating to business secrets of traders and other entities conducting transactions on the e-commerce service provision website or mobile service application;

b) Failing to publish operation rules or publishing operation rules which are different from the information provided in the application for registration of the e-commerce service provision website or mobile service application certified by competent authorities;

c) Failing to notify service users before applying changes in operation rules of the e-commerce service provision website or mobile service application;

d) Failing to have mechanisms for inspection to ensure the provision of accurate and adequate information of sellers on the e-commerce website or mobile application;

dd) Establishing the e-commerce service provision website or mobile service application or another online service provision website without providing online tools to customers for sending request for contract termination when they do no longer want to use services;

e) Unilaterally terminating contracts or suspending provision of services on the e-commerce service provision website or mobile service application or another online service provision website without adopting mechanisms for notifying that termination or suspension to service users or without plausible reasons.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Failing to request traders and other entities that are sellers on the e-commerce service provision website or mobile service application to provide information as prescribed;

b) Failing to store registration information of traders and other entities participating in the e-commerce service provision website or mobile service application;

c) Establishing an online auction website or mobile service application without providing sellers with tools for publicly, adequately and accurately notifying and posting necessary information concerning goods put at auction, including images of goods and accompanied documents;

d) Establishing the online auction website or mobile service application whose technical systems serving the online auction fail to comply with regulations of law;

dd) Failing to adopt measures for preventing and removing information on the sale of goods or services which are included in the list of prohibited goods and services and restricted goods from the e-commerce website or mobile application.

5. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

- a) Failing to adopt measures for timely settlement of detected or reported acts of violations committed on the e-commerce service provision website or mobile service application;
- b) Failing to provide information and assistance to competent authorities in investigating into illegal trading activities on the e-commerce service provision website or mobile service application;
- c) Deliberately changing, removing, cancelling, copying, revealing or illegally moving information on customers' payments on the e-commerce service provision website or mobile service application, or letting such information to be appropriated and thus causing damage to customers.

6. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for organizing the business or marketing network for e-commerce services in which each participant is required to make payments for purchasing services and receiving commission, bonus or other economic benefits from mobilization of others to participate in the network.

7. Additional penalties:

- a) The exhibits and instrumentalities used for committing the violation prescribed in Clause 6 of this Article shall be confiscated;
- b) E-commerce activities shall be suspended for a fixed period of 06 – 12 months if the violation prescribed in Clause 6 of this Article is committed.

8. Remedial measures:

- a) Enforced revocation of “.vn” domain name of e-commerce websites or enforced removal of mobile apps from apps store or addresses on which such apps are provided if the violation prescribed in Clause 6 of this Article is committed;
- b) The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Clause 6 of this Article.

#### **Article 65. Violations against regulations on protection of personal information in e-commerce**

1. A fine ranging from VND 1.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Formulating a personal information protection policy against regulations;
- b) Failing to publish the personal information protection policy at a prominent position on the e-commerce website.

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Failing to clearly provide consumers with the personal information protection policy before or when collecting information;

b) Failing to check, update, correct or remove personal information at the request of the information owner;

c) Failing to provide mechanisms for information owners to clearly express their consent when collecting information via online functions on website, email, message or other methods as agreed upon by the parties;

d) Failing to provide mechanisms for information owners to decide to allow or refuse to allow the use of their personal information in the following cases: sharing, revealing or transferring information to a third party or using personal information for advertising or introduction of products and other commercial information.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Failing to establish mechanisms for receiving and settling consumers' complaints about the use of their personal information for wrong purposes or beyond the notified scope;

b) Failing to formulate, promulgate or implement policies for ensuring safety and security of collection and use of consumers' personal information;

c) Failing to publish policies for protection of consumers' payment information on the website having online payment function.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Collecting consumers' personal information without the prior consent of the information owner;

b) Establishing mechanisms for compelling by default consumers to give consent for the sharing, revelation or use of their personal information for advertising and other commercial purposes;

c) Using consumers' personal information against the notified purposes and scope.

5. Additional penalty:

E-commerce operations shall be suspended for a fixed period of 06 – 12 months if one of the violations prescribed in Clause 4 of this Article is repeated or re-committed.



6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Clause 4 of this Article.

**Article 66. Violations against regulations on rating, supervision and certification in e-commerce**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

- a) Failing to publish procedures and criteria for rating, supervision and certification on the e-commerce website or mobile application;
- b) Failing to provide additional documents for registration of provision of rating, supervision and certification services on e-commerce websites or mobile applications;
- c) Failing to update and publish the list of e-commerce websites or mobile applications which have been rated, supervised and certified as prescribed.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

- a) Failing to comply with the published procedures and criteria for rating, supervision and certification;
- b) Failing to supervise operations of the rated, supervised and certified e-commerce websites or mobile applications.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Providing rating, supervision and certification services in e-commerce against the registration dossier or the license issued;
- b) Failing to comply with regulations on statistics and reporting.

4. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

- a) Providing rating, supervision and certification services in e-commerce before obtaining certification of registration dossier or license as prescribed;
- b) Cheating or forcing information when registering or applying for license for provision of rating, supervision and certification services in e-commerce;

c) Failing to cooperate with competent authorities in conducting inspection and handling e-commerce websites or mobile applications which bear rating symbols but denote signs of violation;

d) Failing to cooperate with competent authorities in conducting inspection and taking actions against traders or organizations that have personal information protection policies certified but denote signs of violation;

dd) Failing to provide documents and assistance to competent authorities in investigating into violations involving stored and certified electronic documents.

5. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Taking advantage of rating, supervision and certification services in e-commerce for obtaining illegal profit;

b) Continuing operations after termination of operations, deregistration or revocation of license for provision of rating, supervision and certification services in e-commerce.

6. Additional penalties:

a) The license for provision of rating and certification of personal information protection policies, license for certification of electronic contracts in e-commerce shall be suspended for a fixed period of 06 – 12 months if the violation in Point b Clause 4 or Point a Clause 5 of this Article is committed;

b) The provision of rating service of e-commerce websites or mobile applications shall be suspended for a fixed period of 06 – 12 months if the violation in Point a or b Clause 4 or Point a Clause 5 of this Article is committed.

7. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Clause 5 of this Article.

## **Section 11. VIOLATIONS AGAINST REGULATIONS ON ESTABLISHMENT AND COMMERCIAL ACTIVITIES OF FOREIGN TRADERS AND FOREIGNERS IN VIETNAM**

### **Article 67. Violations against regulations on establishment and operation of representative offices of foreign traders in Vietnam (hereinafter referred to as “representative offices”)**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Providing false information in the application for issuance, re-issuance, modification or renewal of a license for establishment of representative office;

b) Failing to openly post the shutdown of a representative office as prescribed.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Failing to have premises for locating the representative office or sub-leasing the premises of the representative office or operating at a location other than the one specified in the license for establishment of representative office;

b) Failing to submit periodical reports or submitting false reports on operation of the representative office to the competent licensing authority;

c) Failing to submit reports or provide documents or explanations about issues concerning operation of the representative office at the request of competent authorities;

d) Failing to carry out procedures for modification or re-issuance of the license for establishment of representative office in cases prescribed by law;

dd) Making interlineations, erasure or alteration of contents of the issued license for establishment of representative office.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Forcing documents included in the application for issuance, re-issuance, modification or renewal of the license for establishment of representative office, if not liable to criminal prosecution;

b) Operating against the license for establishment of representative office;

c) The head of the representative office of a foreign trader is also the head of a branch of that trader or of another foreign trader in Vietnam;

d) The head of the representative office of a foreign trader is also the legal representative of that trader;

dd) The head of the representative office is also the legal representative of an economic organization established under the law of Vietnam;

e) Hiring, borrowing or leasing, lending the license for establishment of representative office.

4. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Continuing operation after the foreign trader has completed procedures for termination of operation;

b) Continuing operation after the license for establishment of representative office has been revoked by competent authorities or the expired license is not granted renewal.

5. Additional penalties:

a) The exhibits of the violation prescribed in Point dd Clause 2 of this Article shall be confiscated;

b) The license for establishment of representative office shall be suspended for a fixed period of 01 – 03 months in case of commission of the violation in Point b, c, d, dd or e Clause 3 of this Article.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point e Clause 3 of this Article.

**Article 68. Violations against regulations on establishment and operation of representative offices of foreign trade promotion organizations in Vietnam (hereinafter referred to as “representative offices”)**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Providing false or inaccurate information in the application for issuance, modification, re-issuance or renewal of the license for establishment of representative office;

b) Failing to make public notification of operation of the representative office in Vietnam after the issuance, re-issuance, modification or renewal of the license for establishment of representative office;

c) Failing to carry out procedures for modification of the license for establishment of representative office within the prescribed time limit upon occurrence of one of the following changes: change of the head of the representative office, relocation, change of name or operation of the licensed representative office, relocation of head office of the foreign trade promotion organization, change of name or place of registration of the foreign trade promotion organization from one country to another or changes in operation of the foreign trade promotion organization;

d) Making interlineations, erasure or alteration of contents of the issued license for establishment of representative office;

dd) Locating the representative office at a place other than the one specified in the license for establishment of representative office;

e) Sub-leasing the premises of the representative office or acting as the representative office of another trade promotion organization.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Failing to submit reports, submitting reports after the prescribed deadline, or failing to provide documents or explanations about issues concerning operation of the representative office at the request of competent authorities;

b) Operating against the license for establishment of representative office;

c) The head of the representative office is also the head of a representative office of another foreign trader or organization in Vietnam;

d) Continuing operation after the license for establishment of representative office has been revoked by the licensing authority or the license is not granted renewal upon the end of operation duration specified in the license;

dd) Continuing operation after the foreign trade promotion organization has completed procedures for termination of operation.

3. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Establishing a representative office affiliated to the representative office of a trade promotion organization in Vietnam;

b) Performing trade promotion activities in Vietnam without establishing a representative office in Vietnam as prescribed;

c) Illegally establishing a representative office in Vietnam;

d) Directly performing activities for obtaining profit in Vietnam.

4. Additional penalty:

The exhibits of the violation prescribed in Point d Clause 1 of this Article shall be confiscated.

5. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Point e Clause 1 or Point d Clause 3 of this Article.

**Article 69. Violations against regulations on establishment and commercial activities of branches of foreign traders in Vietnam (hereinafter referred to as “branches”)**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for providing false information in the application for issuance, re-issuance, modification or renewal of the license for branch establishment.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Failing to have the branch's premises or sub-leasing the branch's premises or operating at a location other than the one specified in the license for branch establishment;

b) Failing to submit periodical reports or submitting false reports on the branch's operation to the competent licensing authority;

c) Failing to submit reports or provide documents or explanations about issues concerning the branch's operation at the request of competent authorities;

d) Failing to carry out procedures for modification or re-issuance of the license for branch establishment in cases prescribed by law;

dd) Making interlineations, erasure or alteration of contents of the issued license for branch establishment.

3. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

a) Forcing documents included in the application for issuance, re-issuance, modification or renewal of the license for branch establishment, if not liable to criminal prosecution;

b) Operating against the license for branch establishment;

c) The head of the branch of a foreign trader is also the head of a representative office of that trader or of another foreign trader in Vietnam;

d) The branch's head is also the legal representative of an economic organization established under the law of Vietnam;

dd) Hiring, borrowing or leasing, lending the license for branch establishment.

4. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for committing one of the following violations:

a) Continuing operation after the foreign trader has completed procedures for termination of operation;

b) Continuing operation after the license for branch establishment has been revoked by competent authorities or the expired license is not granted renewal.

5. Additional penalties:

- a) The exhibits of the violation prescribed in Point dd Clause 2 of this Article shall be confiscated;
- b) The license for branch establishment shall be suspended for a fixed period of 01 – 03 months in case of commission of the violation in Point b, c, d or dd Clause 3 of this Article.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Point dd Clause 3 and Clause 4 of this Article.

**Article 70. Violations against regulations on purchase and sale of goods and activities directly related to the purchase and sale of goods of foreign-invested enterprises in Vietnam**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

- a) Providing false information in the application for issuance, re-issuance, modification or renewal of the business license or license for establishment of retail outlet;
- b) Failing to report the loss of business license or license for establishment of retail outlet to competent authorities;
- c) Failing to submit reports or provide documents or explanations about issues concerning the enterprise's operation at the request of competent authorities.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Failing to carry out procedures for modification of the business license or license for establishment of retail outlet upon occurrence of any changes in its contents;
- b) Failing to carry out procedures for re-issuance of the business license or license for establishment of retail outlet in case it is lost, torn, damaged, burned or otherwise destroyed.

3. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

- a) Organizing a system for purchase of goods in Vietnam for export inconsistently with the Law of Vietnam or an international treaty to which the Socialist Republic of Vietnam is a signatory;
- b) Organizing or participating in a distribution system in Vietnam inconsistently with the Law of Vietnam or an international treaty to which the Socialist Republic of Vietnam is a signatory;

c) Trading in goods or services against Vietnam's market opening commitments or the Law of Vietnam;

d) Operating beyond the scope specified in the business license or license for establishment of retail outlet;

dd) Illegally establishing a retail outlet in Vietnam.

4. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for continuing operations after the business license or license for establishment of retail outlet has been revoked by a competent authority or has been expired without renewal granted.

5. Additional penalty:

The business license or license for establishment of retail outlet shall be suspended for a fixed period of 01 - 03 months or business operations shall be suspended for a fixed period of 01 - 03 months if one of the violations prescribed in Clause 3 of this Article is committed.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Clause 3 and Clause 4 of this Article.

#### **Article 71. Violations against regulations on exercise of import/export rights by foreign traders without presence in Vietnam**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Providing false information in the application for issuance, re-issuance, modification or renewal of the certificate of registration for export/import right;

b) Failing to carry out registration of contact address with competent authorities;

c) Failing to carry out procedures for modification, re-issuance or renewal of the certificate of registration for export/import right;

d) Failing to implement or improperly implementing regulations on publishing of the certificate of registration for export/import right on means of mass media of Vietnam after it has been issued, modified or renewed.

2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:



- a) Failing to submit annual or ad hoc reports to competent authorities on the trader's import/export or submitting reports that contain inadequate or inaccurate information or failing to submit reports by the prescribed deadline;
- b) Failing to send notification of operation termination to the issuing authority of the certificate of registration for export/import right or failing to send it within the prescribed time limit;
- c) Failing to publish the planned termination of operation on means of mass media of Vietnam or making such publishing against regulations.

3. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed for committing one of the following violations:

- a) Forging documents included in the application for issuance, re-issuance, modification or renewal of the certificate of registration for export/import right, if not liable to criminal prosecution;
- b) Purchasing goods for export or selling imported goods with Vietnamese traders without carrying out business registration of such goods;
- c) Exporting goods other than the ones to be exported as specified in the issued, modified or renewed certificate of registration for export/import right;
- d) Importing goods other than the ones to be imported as specified in the issued, modified or renewed certificate of registration for export/import right.

4. A fine ranging from VND 40.000.000 to VND 50.000.000 shall be imposed for exporting or importing goods when the certificate of registration for export/import right has been revoked by a competent authority or has been expired without renewal granted.

5. Additional penalty:

The exhibits of the violation prescribed in Point d Clause 3 or Clause 4 of this Article shall be confiscated, except the case of application of the remedial measure prescribed in Clause 6 of this Article.

6. Remedial measure:

The violating entity is compelled to transport to out of the territory of the Socialist Republic of Vietnam via the checkpoint of importation or re-export the exhibits in case the violation in Point d Clause 3 or Clause 4 of this Article is committed.

## **Article 72. Violations against regulations on commercial activities of foreigners in the territory of Vietnam**

1. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for illegally consuming, within the territory of Vietnam, duty-free consumer goods imported under the prescribed standards.
2. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed upon foreigners for illegally performing commercial activities in the territory of Vietnam.
3. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed upon a foreigner for committing one of the following violations:
  - a) Illegally performing organized commercial activities in the territory of Vietnam;
  - b) Illegally selling, in the territory of Vietnam, duty-free means of transport, communications machinery, office stationery or interior equipment imported under the prescribed standards;
  - c) Illegally selling, in the territory of Vietnam, means of transport temporarily imported into Vietnam.
4. Additional penalty:

The exhibits and instrumentalities of administrative violations prescribed in this Article shall be confiscated.

5. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

## **Section 12. OTHER VIOLATIONS IN COMMERCIAL SECTOR**

### **Article 73. Violations against regulations on multi-level marketing (MLM)**

1. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed upon a participant in the MLM for committing one of the following violations:
  - a) Carrying out marketing, sale and recruitment of downline distributors before obtaining a membership card;
  - b) Failing to present the membership card before introducing or selling products.
2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed upon a participant in the MLM for committing one of the following violations:
  - a) Failing to comply with terms and conditions of the signed MLM contract and the MLM company's business rules;

b) Participating in the MLM without fulfilling eligibility requirements;

c) Performing MLM activities in a province in which the MLM company is not yet granted certificate of registration of MLM activities.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed upon a participant in the MLM for committing one of the following violations:

a) Requesting a prospective participant to deposit or pay a certain amount of money or purchase a certain quantity of goods in any way to be eligible to enter into a MLM contract;

b) Providing false or misleading information about the compensation plan, business rules, benefits of a participant, features or uses of products, or operations of the MLM company;

c) Organizing MLM conferences, meetings or training courses without obtaining a written authorization from the MLM company;

d) Luring, enticing or bribing participants of another MLM company to participate in the network of the MLM company of which he/she is a participant;

dd) Taking advantage of his/her position, powers or social position to encourage, request, lure or entice other persons to participate in the MLM network or buy products sold through the MLM model.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

a) Participating in the MLM network of an entity that is not yet granted the MLM registration certificate;

b) Organizing conferences, meetings, training courses in or introduction of the MLM network before obtaining the MLM registration certificate.

5. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for operating the MLM network without obtaining the MLM registration certificate if obtaining illegal profit less than VND 200.000.000 or causing damage estimated at less than VND 500.000.000 to others, except the case prescribed in Point h Clause 9 of this Article.

6. A fine ranging from VND 30.000.000 to VND 40.000.000 shall be imposed upon a MLM company for committing one of the following violations:

a) Failing to carry out or improperly carrying out procedures for modification of the MLM registration certificate as prescribed by law;

b) Failing to carry out or improperly carrying out procedures for notification of changes in the list of products sold through the MLM network as prescribed by law;

- c) Failing to carry out procedures for re-issuance of the MLM registration certificate in cases prescribed by law;
- d) Signing MLM contracts with individuals who fail to fulfill eligibility requirements for participants in the MLM as prescribed by law;
- dd) Signing a MLM contract which does not contain adequate primary contents as prescribed by law;
- e) Failing to terminate the MLM contract signed with the participant who is penalized for committing prohibited acts in the MLM sector;
- g) Failing to implement or improperly implementing the regulation that the MLM company must make and publish the list of trainers on its website, submit the one to the Ministry of Industry and Trade, and keep relevant documents;
- h) Failing to implement or improperly implementing the regulation that the MLM company must update the list of trainers on its website and send the updated list of trainers to the Ministry of Industry and Trade upon occurrence of any changes in that list;
- i) Failing to implement or improperly implementing regulations on publishing of documents concerning the MLM company's operation and products at its head office, branches, representative offices and business locations;
- k) Failing to set up and announce the prices of products sold through the MLM model or failing to sell products at the announced prices;
- l) Failing to supervise participants in its MLM network so as to ensure that they strictly comply with the signed MLM contracts, the company's business rules and compensation plan;
- m) Failing to implement or improperly implementing regulations on registration of modification of or supplements to registered MLM activities carried out in a province with the Provincial Department of Industry and Trade in cases prescribed by law;
- n) Failing to give a written notification to the Provincial Department of Industry and Trade of failure to organize the conference, meeting or training course which has been notified to the Provincial Department of Industry and Trade;
- o) Failing to carry out procedures for modification of the written deposit confirmation with the bank upon occurrence of changes in confirmed deposit contents;
- p) Failing to comply with the prescribed time limit for completing procedures for renewal of a MLM registration certificate;
- q) Failing to promptly report the failure of the information technology system used for managing participants in the MLM network to the authority issuing the MLM registration certificate;

r) Failing to implement or improperly implementing regulations on retention and submission of documents concerning the MLM activities carried out in a province at the request of competent authorities;

s) Failing to implement or improperly implementing regulations on reporting on MLM activities.

7. A fine ranging from VND 40.000.000 to VND 60.000.000 shall be imposed upon a MLM company for committing one of the following violations:

a) Carrying out MLM activities in a province or central-affiliated city without obtaining a written certification of registration of MLM activities from the Department of Industry and Trade of that province or central-affiliated city;

b) Failing to maintain an authorized representative in a province where no head office, branch or representative office of the MLM company is located;

c) Failing to notify or improperly notifying the Provincial Department of Industry and Trade of a conference, meeting or training program in MLM with the attendance of 30 persons, or more, or with the attendance of 10 participants in the MLM network or more in a province where the registration of MLM activities has been certified as regulated;

d) Failing to cooperate with competent authorities in monitoring and inspecting conferences, meetings and training programs in MLM organized by the MLM company;

dd) Paying a sum of commissions, bonuses and other economic benefits, including benefits from sales promotion programs, to participants during a year in excess of 40% of sales from the MLM activities of the MLM company in the same year;

e) Failing to make payment of commissions, bonuses, promotional amounts and other pecuniary economic benefits to participants by bank transfer;

g) Failing to sign written MLM contract with every participant or signing a MLM contract which does not meet format requirements as prescribed by law;

h) Failing to fulfill or improperly fulfilling the obligation to pay commissions, bonuses and other economic benefits which a participant is entitled to receive during his/her participation in the company's MLM network after terminating the MLM contract signed with that participant;

i) Failing to provide or improperly providing basic training programs to participants in the MLM network or collecting fees when providing such training programs;

k) Failing to issue or issuing membership cards to participants in the MLM network against regulations or collecting fees when issuing membership cards;

l) Appointing unqualified trainers to provide basic training programs for participants in the company's MLM network;

- m) Failing to strictly comply with the registered business rules or compensation plan;
- n) Failing to issue invoice for each supply of products to participants in the MLM network or clients who buy products directly from the MLM company;
- o) Failing to operate the information technology system for managing participants in the MLM network as prescribed;
- p) Failing to operate or regularly update the MLM company's website in Vietnamese version in order to publish information concerning the company's profiles and MLM status as prescribed;
- q) Failing to operate a communications system to receive and settle complaints and queries of MLM participants, including telephone, email and contact address;
- r) Failing to provide the right to access the MLM company's information technology system for managing participants at the written request of MLM authorities;
- s) Failing to delivery or delivering products against regulations.

8. A fine ranging from VND 60.000.000 to VND 80.000.000 shall be imposed upon a MLM company for committing one of the following violations:

- a) Maintaining more than a MLM contract, position, identity number or another form of equivalent validity for a participant;
- b) Implementing sales promotion program using a multi-level network in which a participant has more than a position, identity number or another form of equivalent validity;
- c) Providing commercial intermediary services as regulated in the Law on commerce with the aims of maintaining, expanding and developing its own MLM network;
- d) Receiving or accepting a participant's application or another document which states that the participant relinquishes a part or all of his/her rights as prescribed by law or says that the MLM company must not fulfill obligations towards the participant as prescribed by law;
- dd) Failing to use the management system registered with the authority issuing the MLM registration certificate to manage its MLM participants;
- e) Trading or transferring the network of MLM participants to another enterprise, except for acquisition, consolidation or merger of enterprises.

9. A fine ranging from VND 80.000.000 to VND 100.000.000 shall be imposed upon a MLM company for committing one of the following violations:

- a) Requesting a prospective participant to deposit or pay a certain amount of money in any way to be eligible to enter into a MLM contract;

b) Requesting a prospective participant to buy a certain quantity of products in any way to be eligible to enter into a multi-level marketing contract;

c) Paying money or other economic benefits to a participant in compensation for his/her recruitment of new distributors without consideration of his/her sale of products to recruited distributors;

d) Refusing to pay, without legitimate reasons, commissions, bonuses or other economic benefits to eligible participants;

dd) Providing false information concerning the compensation plan or benefits obtained from the participation in the MLM network;

e) Providing false or misleading information about features or uses of products or operations of the MLM company through speakers or trainers at conferences, meetings, training courses or training materials of the MLM company;

g) Failing to repurchase products or repurchasing products against regulations;

h) Operating the MLM network without obtaining the MLM registration certificate or against the contents of the MLM registration certificate if obtaining illegal profit less than VND 200.000.000 or causing damage estimated at less than VND 500.000.000 to others;

i) Using the MLM strategy to trade or sell subjects other than the permitted ones.

10. A fine that is twice as much as the corresponding fine prescribed in Clause 5, 8 and 9 of this Article shall be imposed if the violation involves two provinces or central-affiliated cities or more.

11. Remedial measures:

a) The violating entity is compelled to return any benefits illegally obtained from the commission of one of the violations in Point a Clause 3, Clause 5, Point h, i and k Clause 7, Point e Clause 8 and Point a, b, d, h and i Clause 9 of this Article;

b) The violating entity is compelled to correct false or misleading information if the violation prescribed in Point b Clause 3, Point dd or e Clause 9 of this Article is committed.

#### **Article 74. Violations against regulations on provision of commercial assessment services**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for authorizing or re-authorizing the provision of assessment services without signing contracts.

2. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed for providing assessment services in sectors other than the ones registered and specified in the business registration certificate or other documents issued or certified as prescribed.

3. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Failing to meet requirements for provision of assessment services;
- b) Appointing unqualified assessors to provide commercial assessment services.

4. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

- a) Issuing assessment certificates bearing the professional seal which is not yet registered with competent authorities as prescribed;
- b) Changing or using an additional professional seal without carrying out re-registration with competent authorities;
- c) Failing to return the professional seal to competent authorities in case of deregistration of professional seal;
- d) Providing commercial assessment services in case the assessment involves rights and benefits of the enterprise providing commercial assessment services and of its assessors.

5. Additional penalties:

- a) The exhibits of the violations prescribed in Clause 4 of this Article shall be confiscated;
- b) Operations shall be suspended for a fixed period of 01 – 03 months if one of the violations prescribed in Clause 2, Clause 3 and Point a, b and d Clause 4 of this Article is repeated or re-committed.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

#### **Article 75. Violations against regulations on provision of commercial franchise**

1. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed for failing to enter into a franchise agreement when carrying out commercial franchise.

2. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

- a) Providing false or inaccurate information in the application for registration of commercial franchise;



- b) Entering into a franchise agreement whose language and primary contents are not conformable with regulations of law;
- c) Failing to provide accurate and adequate required contents in the introduction to commercial franchise;
- d) Failing to provide information about the commercial franchise as prescribed or providing inadequate or inaccurate information;
- dd) Failing to submit reports and provide documents or submitting reports containing inaccurate or inadequate information about issues concerning the commercial franchise at the request of competent authorities.

3. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

- a) Failing to carry out registration of commercial franchise as prescribed;
- b) Failing to fulfill eligibility requirements for carrying out commercial franchise as prescribed;
- c) Failing to notify competent authorities of changes in commercial franchise as prescribed.

4. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed for committing one of the following violations:

- a) Failing to meet conditions or failing to obtain a license when carrying out commercial franchise for goods against which the emergency measure that is conditional sale of goods is implemented or which require a license;
- b) Continuing to carry out commercial franchise when the franchise agreement has expired.

5. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed for carrying out the commercial franchise for goods or services which are prohibited or against which the emergency measure that is prohibition or suspension of sale of goods or supply of services is implemented.

6. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

#### **Article 76. Violations against regulations on processing of goods in commerce**

1. A fine ranging from VND 500.000 to VND 1.000.000 shall be imposed for making or receiving orders for processing of goods without entering into processing contracts as prescribed.

2. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed for making or receiving orders for processing of prohibited goods or domestically sold goods against which the emergency measure that is prohibition or suspension of sale of goods is implemented.

3. Additional penalty:

The exhibits of the violation prescribed in Clause 2 of this Article shall be confiscated.

4. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from the commission of the violation in Clause 1 or Clause 2 of this Article.

### **Article 77. Violations against regulations on trading in goods via mercantile exchange**

1. A fine ranging from VND 1.000.000 to VND 3.000.000 shall be imposed upon employees of the mercantile exchange for carrying out brokerage for trading in goods via the mercantile exchange.

2. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for committing one of the following violations:

a) Failing to notify the Ministry of Industry and Trade of trading in goods via a foreign mercantile exchange;

b) Trading in goods via the mercantile exchange by an entity that is not the trading member of the mercantile exchange.

3. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed upon an employee of the mercantile exchange for committing one of the following violations:

a) Failing to record the trading in goods via the mercantile exchange of each client separately from his/her trading;

b) Failing to keep contracts or orders for entrusted transactions and requests for modification or cancellation or orders for entrusted transactions of clients;

c) Failing to keep adequate documents and accounts reflecting accurate details about transactions of clients and about his/her transactions;

d) Failing to notify clients of reasons for termination of his/her membership and performance of obligations under the signed entrustment contracts;

dd) Failing to notify or notifying transactions to clients against regulations;

e) Failing to enter into written entrustment contracts with clients as prescribed by law or conducting transactions for clients without receiving their orders;

g) Acting as a broker without entering into contracts with clients as prescribed;

h) Receiving entrustment for conducting transactions against regulations.

4. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed upon an employee of the mercantile exchange for committing one of the following violations:

a) Luring clients to sign contracts by promising to compensate for the entire or partial damage or ensure a portion of their profits;

b) Using fake prices and other fraudulent methods when providing brokerage to clients;

c) Providing brokerage for trading in goods via the mercantile exchange by an entity that is not the trading member or brokerage member of the mercantile exchange.

5. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed upon an employee of the mercantile exchange for committing one of the following violations:

a) Failing to provide or improperly providing margins for transactions as prescribed;

b) Failing to comply with regulations on total maximum limit on transactions or transaction limit;

c) Luring clients to sign contracts by promising to compensate for the entire or partial damage or ensure a portion of their profits.

6. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed upon the mercantile exchange for committing one of the following violations:

a) Failing to provide accurate and timely information in the application for issuance, re-issuance or modification of the license for establishment of a mercantile exchange;

b) Refusing to approve membership of the mercantile exchange without giving written notification or reasons of such refusal.

7. A fine ranging from VND 10.000.000 to VND 30.000.000 shall be imposed upon the mercantile exchange for committing one of the following violations:

a) Failing to announce specific transaction hours as prescribed;

b) Failing to publish the operation charter and license for establishment of the mercantile exchange approved, issued or modified by competent authorities;

- c) Failing to carry out procedures for re-issuance of the license for establishment of the mercantile exchange in case it is lost, torn, burned or otherwise destroyed;
- d) Failing to carry out procedures for modification of the license for establishment of the mercantile exchange upon occurrence of changes in its contents;
- dd) Failing to publish or delaying the publishing of cases of suspension of transactions as prescribed;
- e) Failing to publish or inadequately or inaccurately publishing the list of and information about members of the mercantile exchange; information on transactions and orders for trading in goods via the mercantile exchange and other information as prescribed in its operation charter;
- g) Failing to submit or inaccurately or inadequately submitting periodical and ad hoc reports, at the request of competent authorities, on information concerning trading in goods via the mercantile exchange and its members at the reporting time;
- h) Providing false information about transactions, market or prices of goods traded via the mercantile exchange.

8. A fine ranging from VND 30.000.000 to VND 50.000.000 shall be imposed upon the mercantile exchange for committing one of the following violations:

- a) Using forged documents in the application for issuance, modification or re-issuance of the license for establishment of the mercantile exchange;
- b) Approving membership of a trader that fails to meet eligibility requirements;
- c) Failing to provide or improperly providing margins for transactions as prescribed;
- d) Failing to establish systems for internal control, risk management and supervision and prevention of interest conflicts inside the mercantile exchange and in transactions with concerned parties in a necessary manner;
- dd) Allowing a person whose membership has been terminated to carry out trading in goods via the mercantile exchange;
- e) Failing to give notification to competent authorities when organizing transactions in goods which are not prohibited goods, restricted goods or conditionally sold goods;
- g) Failing to comply with regulations on total maximum limit on transactions or transaction limit;
- h) Failing to comply with trading methods or order matching rules or regulations on publishing of transaction-related information;

i) Organizing transactions in goods which are prohibited goods, restricted goods or conditionally sold goods without obtaining permission from competent authorities.

9. Remedial measure:

The violating entity is compelled to return any benefits illegally obtained from one of the violations in this Article.

**Article 78. Violations against regulations on market management, supermarket and shopping mall business**

1. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for committing one of the following violations:

a) Naming a business entity as a supermarket or shopping mall or other words of equivalent meaning in a foreign language without meeting standards as prescribed;

b) Maintaining internal regulations on operation of supermarket, shopping mall or market internal regulations that do not contain adequate required information or are not approved by competent authorities;

c) Failing to publicly post the market internal regulations or operation internal regulations at the supermarket or shopping mall as prescribed;

d) Failing to implement or improperly implementing competent authorities' regulations on provision and dissemination of economic information, policies and laws;

dd) Failing to submit periodical reports or ad hoc reports on operation of the market, supermarket or shopping mall at the request of competent authorities.

2. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for committing one of the following violations:

a) Failing to hang the supermarket or shopping mall signboard as prescribed;

b) Hanging a supermarket or shopping mall signboard whose contents and form are inconsistent with regulations;

c) Doing supermarket or shopping mall business without obtaining the certificate of business registration for commercial activities as prescribed;

d) Selling, in the supermarket or shopping mall, goods whose packages do not display their names and the name of that supermarket or shopping mall;

dd) Selling, in the supermarket or shopping mall, goods which are sold with warranty but whose packages do not indicate information on warranty period and location as prescribed;

e) Failing to enter into contracts with traders for leasing and use of premises and other services at the market.

3. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for selling, in the market, supermarket or shopping mall, goods containing radioactive substances or devices generating ionizing radiation in excess of permissible limits, explosives, flammable, explosive, ignitable liquids or gases, veterinary drugs, pesticides, goods containing toxic substances included in the list of restricted goods and toxic chemicals included in the list of goods which are conditionally sold and are prohibited from being traded in markets, supermarkets and shopping malls.

4. Additional penalty:

All operations shall be suspended for a fixed period of 01- 03 months in case of commission of the violation in Clause 3 of this Article.

#### **Article 79. Violations against regulations on sealing and seizure of exhibits and instrumentalities of violations**

1. A fine ranging from VND 3.000.000 to VND 5.000.000 shall be imposed for deliberately removing or breaking the seals of exhibits and instrumentalities which are being kept under seal or temporary seizure, or deliberately making changes in scenes of administrative violations.

2. A fine ranging from VND 5.000.000 to VND 10.000.000 shall be imposed for changing or swapping exhibits and instrumentalities which are being inspected, sealed or temporarily seized.

3. A fine ranging from VND 10.000.000 to VND 20.000.000 shall be imposed for illegally storing or keeping exhibits and instrumentalities which are being inspected, sealed or temporarily seized.

4. A fine ranging from VND 20.000.000 to VND 30.000.000 shall be imposed for selling, hiding or destroying exhibits and instrumentalities which are being inspected, sealed or temporarily seized.

5. Remedial measure:

The violating entity is compelled to return the hidid exhibits and instrumentalities or make an amount of money equivalent to the value of the exhibits and instrumentalities sold, hidid or destroyed in the violation prescribed in Clause 3 or Clause 4 of this Article.

### **Chapter III**

#### **POWER TO RECORD ADMINISTRATIVE VIOLATIONS AND IMPOSE PENALTIES**

##### **Article 80. Power to record administrative violations**

The following persons shall have the power to record administrative violations:

1. The persons having the power to impose administrative penalties mentioned in Article 81 through 87 of this Decree.
2. On-duty persons of people's army or people's security forces, and on-duty officials and public employees working at the agencies prescribed in Articles 81 through 87 hereof.
3. Pilots in command, shipmasters and train masters shall have the power to record the administrative violations detected on aircrafts, ships or trains.

**Article 81. Power to impose penalties of Chairpersons of People's Committees at all levels**

1. Chairpersons of communal-level People's Committees shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 5.000.000 upon an individual and up to VND 10.000.000 upon an organization;
- c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- d) Impose the remedial measure specified in Point b Clause 3 Article 4 hereof.

2. Chairpersons of district-level People's Committees shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- dd) Impose the remedial measures specified in Points b, c, dd, e, g, h, i and k Clause 3 Article 4 hereof.

3. Chairpersons of provincial-level People's Committees shall have the power to:

- a) Issue warning;
- b) Impose a fine up to the maximum fine prescribed herein;
- c) Suspend licenses/practicing certificates or operations for a fixed period;

- d) Confiscate the exhibits and instrumentalities used for committing administrative violations;
- dd) Impose the remedial measures prescribed herein.

**Article 82. Power to impose penalties of market surveillance forces**

1. Market controllers on duty shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 500.000 upon an individual and up to VND 1.000.000 upon an organization.

2. Leaders of market surveillance teams shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 25.000.000 upon an individual and up to VND 50.000.000 upon an organization;
- c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- d) Impose the remedial measures prescribed herein, except the remedial measure prescribed in Point a Clause 3 Article 4 hereof.

3. Directors of Provincial Market Surveillance Departments and Director of Market Surveillance Operations Department affiliated to Vietnam Directorate of Market Surveillance shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization;
- c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- d) Suspend licenses/practicing certificates or suspend operations for fixed periods;
- dd) Impose the remedial measures prescribed herein.

4. Director General of Vietnam Directorate of Market Surveillance shall have the power to:

- a) Issue warning;



- b) Impose a fine up to the maximum fine prescribed herein;
- c) Confiscate the exhibits and instrumentalities used for committing administrative violations;
- d) Suspend licenses/practicing certificates or suspend operations for fixed periods;
- dd) Impose the remedial measures prescribed herein.

**Article 83. Power to impose penalties of people's public security forces**

1. On-duty soldiers of people's police forces shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 500.000 upon an individual and up to VND 1.000.000 upon an organization.

2. Heads of police stations and leaders of the soldiers mentioned in Clause 1 of this Article shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 1.500.000 upon an individual and up to VND 3.000.000 upon an organization.

3. Heads of communal police authorities and heads of police stations at checkpoints and export processing zones shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 2.500.000 upon an individual and up to VND 5.000.000 upon an organization;
- c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Impose the remedial measure specified in Point b Clause 3 Article 4 hereof.

4. Heads of District-level police forces, heads of operations divisions affiliated to the Traffic Police Department, and heads of provincial-level police agencies, including: Heads of police departments for administrative management of social order, heads of police departments for investigation into social order-related crimes, heads of police departments for investigation into corruption, economy and smuggling-related crimes, heads of police departments for investigation drug-related crimes, heads of traffic police departments, heads of railway and road traffic police departments, heads of road traffic police departments, heads of waterway traffic police departments, heads of environment crime prevention and fighting police departments, heads of

internal political security departments and heads of economic security departments, shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 25.000.000 upon an individual and up to VND 50.000.000 upon an organization for committing one of the violations in Section 2 Chapter II hereof; a fine up to VND 20.000.000 upon an individual and up to VND 40.000.000 upon an organization for committing other violations prescribed herein;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- dd) Impose the remedial measures specified in Points b, h, i and k Clause 3 Article 4 hereof.

5. Directors of provincial-level Public Security Departments shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- dd) Impose the remedial measures specified in Points b, e, h, i and k Clause 3 Article 4 hereof.

6. Directors of Internal Political Security Department, Economic Security Department, Police Department for Administrative Management of Social Order, Police Department for Investigation into Corruption, Economy and Smuggling-related Crimes, Police Department for Investigation into Drug-related Crimes, Traffic Police Department, Environment Crime Prevention and Fighting Police Department, Department of Cybersecurity and Hi-tech Crime Prevention and Control, and Immigration Department shall have the power to:

- a) Issue warning;
- b) Impose a fine up to the maximum fine prescribed herein;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities used for committing administrative violations;

dd) Impose the remedial measures specified in Points b, e, h, i and k Clause 3 Article 4 hereof.

#### **Article 84. Power to impose penalties of customs agencies**

1. Customs officials on duty shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 500.000 upon an individual and up to VND 1.000.000 upon an organization.

2. Team leaders of Customs Branches and team leaders of Post-clearance Audit Branches shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 5.000.000 upon an individual and up to VND 10.000.000 upon an organization.

3. Directors of Customs Branches, Directors of Post-clearance Audit Branches, leaders of customs control teams affiliated to Customs Departments of provinces, leaders of anti-smuggling control teams, commanders of marine control squads and leaders of intellectual property protection and control teams affiliated to Anti-smuggling and Investigation Department of General Department of Customs shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 25.000.000 upon an individual and up to VND 50.000.000 upon an organization;

c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Enforce the remedial measures specified in Points a, b, d and e Clause 3 Article 4 hereof.

4. Directors of Anti-smuggling and Investigation Department and Post-clearance Audit Department affiliated to General Department of Customs, and Directors of Customs Departments of provinces shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization;

c) Suspend licenses/practicing certificates or operations for a fixed period;

d) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

dd) Impose the remedial measures specified in Points a, b, d and e Clause 3 Article 4 hereof.

5. Director General of General Department of Customs shall have the power to:

a) Issue warning;

b) Impose a fine up to the maximum fine prescribed herein;

c) Confiscate the exhibits and instrumentalities used for committing administrative violations;

d) Impose the remedial measures specified in Points a, b, d and e Clause 3 Article 4 hereof.

### **Article 85. Power to impose penalties of border guard forces**

1. On-duty soldiers of border guard forces shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 500.000 upon an individual and up to VND 1.000.000 upon an organization.

2. Heads of police stations and leaders of the soldiers mentioned in Clause 1 of this Article shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 2.500.000 upon an individual and up to VND 5.000.000 upon an organization.

3. Heads of border-guard posts, commanders of border-guard flotillas and commanders of port border guards shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 25.000.000 upon an individual and up to VND 50.000.000 upon an organization for committing one of the violations in Section 2 Chapter II hereof; a fine up to VND 20.000.000 upon an individual and up to VND 40.000.000 upon an organization for committing other violations prescribed herein;

c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Impose the remedial measure specified in Point b Clause 3 Article 4 hereof.

4. Commanders of provincial-level border guard forces and commanders of border guard fleets affiliated to the Border Guard High Command shall have the power to:

- a) Issue warning;
- b) Impose a fine up to the maximum fine prescribed herein;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities used for committing administrative violations;
- dd) Impose the remedial measures specified in Points b and e Clause 3 Article 4 hereof.

**Article 86. Power to impose penalties of Vietnam marine police forces**

1. Coast guard officers on duty shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 1.500.000 upon an individual and up to VND 3.000.000 upon an organization.

2. Coastguard team leaders shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 5.000.000 upon an individual and up to VND 10.000.000 upon an organization.

3. Coastguard squad leaders and captains of coastguard stations shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 10.000.000 upon an individual and up to VND 20.000.000 upon an organization;
- c) Impose the remedial measures mentioned in Point b Clause 3 Article 4 hereof.

4. Commanders of coastguard platoons shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 25.000.000 upon an individual and up to VND 50.000.000 upon an organization for committing one of the violations in Section 2 Chapter II hereof; a fine up to VND 20.000.000 upon an individual and up to VND 40.000.000 upon an organization for committing other violations prescribed herein;

c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Impose the remedial measures specified in Points a and b Clause 3 Article 4 hereof.

5. Commanders in chief of coastguard squadrons shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization for committing one of the violations in Section 2 Chapter II hereof; a fine up to VND 30.000.000 upon an individual and up to VND 60.000.000 upon an organization for committing other violations prescribed herein;

c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Impose the remedial measures specified in Points a and b Clause 3 Article 4 hereof.

6. Commanders of Regional Coast Guards shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 100.000.000 upon an individual and up to VND 200.000.000 upon an organization for committing one of the violations in Section 2 Chapter II hereof; a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization for committing other violations prescribed herein;

c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Impose the remedial measures specified in Points a and b Clause 3 Article 4 hereof.

7. Commander of Vietnam Coast Guard shall have the power to:

a) Issue warning;

b) Impose a fine up to the maximum fine prescribed herein;

c) Suspend licenses/practicing certificates or operations for a fixed period;

d) Confiscate the exhibits and instrumentalities used for committing administrative violations;

dd) Impose the remedial measures specified in Points a and b Clause 3 Article 4 hereof.

#### **Article 87. Power to impose penalties of inspectors**

1. On-duty inspectors and persons assigned to carry out specialized inspections shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 500.000 upon an individual and up to VND 1.000.000 upon an organization;

c) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

d) Impose the remedial measure specified in Point b Clause 3 Article 4 hereof.

2. Chief Inspectors of and Directors of Sub-directorates for Standard, Metrology and Quality affiliated to provincial Departments of Science and Technology, Directors of Branches of Vietnam Food Administration affiliated to Provincial Departments of Health, Directors of Crop Production and Plant Protection Sub-departments, Sub-departments of Livestock Production and Animal Health, Sub-departments of Fisheries, and Agro-Forestry-Fisheries Quality Assurance Sub-departments affiliated to Provincial Departments of Agriculture and Rural Development, Directors of Radio Frequency Centers and holders of equivalent titles assigned by the Government to carry out specialized inspections shall have the power to:

a) Issue warning;

b) Impose a fine up to VND 50.000.000 upon an individual and up to VND 100.000.000 upon an organization;

c) Suspend licenses/practicing certificates or operations for a fixed period;

d) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;

dd) Impose the remedial measures prescribed herein.

3. Chief Inspectors of ministries, ministerial agencies, Director General of Directorate for Standards, Metrology and Quality, Director General of Vietnam Administration of Forestry, Director General of Directorate of Fisheries, Director General of General Department of Geology and Minerals of Vietnam, Director General of Vietnam Environment Administration, Director General of Vietnam Chemicals Agency, Director General of Industrial Safety Techniques and Environment Agency, Director General of Department of Animal Health, Director General of Plant Protection Department, Director General of Department of Crop Production, Director General of Department of Livestock Production, Director General of National Agro-Forestry-Fisheries Quality Assurance Department, Director General of Agro Processing and Market Development Authority, Director General of Authority of Radio Frequency Management, Director General of Vietnam Telecommunications Authority, Director General of Authority of Broadcasting and Electronic Information, Director General of Authority

of Press, Director General of Agency of Publication, Print and Release, Director General of Drug Administration of Vietnam, Director General of Medical Examination and Treatment, Director General of Health Environment Management Agency, Director General of General Department of Preventive Medicine, Director General of Vietnam Food Administration and holders of equivalent titles assigned by the Government to carry out specialized inspections shall have the power to:

- a) Issue warning;
- b) Impose a fine up to the maximum fine prescribed herein;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities used for committing administrative violations;
- dd) Impose the remedial measures prescribed herein.

4. Heads of provincial-level specialized inspection teams and heads of specialized inspection teams established by competent authorities assigned to perform specialized inspection tasks shall have the power to impose penalties as prescribed in Clause 2 of this Article.

5. Heads of specialized inspection teams established by Ministries shall have the power to:

- a) Issue warning;
- b) Impose a fine up to VND 140.000.000 upon an individual and up to VND 280.000.000 upon an organization for committing one of the violations in Section 2 Chapter II hereof; a fine up to VND 70.000.000 upon an individual and up to VND 140.000.000 upon an organization for committing other violations prescribed herein;
- c) Suspend licenses/practicing certificates or operations for a fixed period;
- d) Confiscate the exhibits and instrumentalities which have been used for committing administrative violations but are worth less than the fine specified in Point b of this Clause;
- dd) Impose the remedial measures prescribed herein.

#### **Article 88. Determination of power to impose penalties**

1. Chairpersons of people's committees of all levels shall have the power to impose administrative penalties and remedial measures against administrative violations specified herein and committed in their management areas within their competence prescribed in Article 81 hereof.

2. Authorized officers of market surveillance forces shall have the power to impose administrative penalties and remedial measures against administrative violations specified herein



within their competence prescribed in Article 82 hereof and within the ambit of their assigned functions, duties and powers.

3. Authorized officers of people's public security forces shall have the power to impose administrative penalties and remedial measures against administrative violations specified hereof within their competence prescribed in Article 83 hereof and within the ambit of their assigned functions, duties and powers.

4. Authorized officers of customs agencies shall have the power to impose administrative penalties and remedial measures against administrative violations specified in Section 8 Chapter II hereof and administrative violations involving export, import, temporary import, temporary export and merchant trading of goods prescribed in Article 8, 9, 11, 13, 15, 16, 17, 18, 20, 24, 26, 27, 34, 35, 70, 71 and 72 hereof within their competence prescribed in Article 84 hereof and within the ambit of their assigned functions, duties and powers.

5. Authorized officers of border guard forces shall have the power to impose administrative penalties and remedial measures against administrative violations specified in Section 2 Chapter II and Articles 15, 17, 36, 37, 40, 41, 42 and 72 hereof within their competence prescribed in Article 85 hereof and within the ambit of their assigned functions, duties and powers.

6. Authorized officers of Vietnam Coast Guard shall have the power to impose administrative penalties and remedial measures against administrative violations specified in Section 2 Chapter II and Articles 15, 17, 36, 37, 40, 41, 42 and 72 hereof within their competence prescribed in Article 86 hereof and within the ambit of their assigned functions, duties and powers.

7. Authorized officers of inspectorates shall have the power to impose administrative penalties and remedial measures against administrative violations specified herein within their competence prescribed in Article 87 hereof and within the ambit of their assigned functions, duties and powers.

## **Chapter IV**

### **IMPLEMENTATION**

#### **Article 89. Effect**

1. This Decree comes into force from October 15, 2020.
2. This Decree supersedes the following documents:
  - a) The Government's Decree No. 185/2013/ND-CP dated November 15, 2013 prescribing penalties for administrative violations against regulations on commerce, production, trade in counterfeit and prohibited goods and protection of consumer rights;
  - b) The Government's Decree No. 124/2015/ND-CP dated November 19, 2015 providing amendments to the Government's Decree No. 185/2013/ND-CP dated November 15, 2013

prescribing penalties for administrative violations against regulations on commerce, production, trade in counterfeit and prohibited goods and protection of consumer rights;

c) The Government's Decree No. 141/2018/ND-CP dated October 08, 2018 amending and supplementing a number of articles of Decrees prescribing penalties for violations against regulations on multi-level marketing.

#### **Article 90. Transition**

Administrative violations against regulations on commerce, production, trade in counterfeit and prohibited goods and protection of consumer rights which have been committed before this Decree takes effect but are detected afterwards or are under consideration shall be handled in accordance with regulations herein if this Decree does not provide for legal liability or impose less serious legal liability.

#### **Article 91. Responsibility for implementation**

1. Minister of Industry and Trade shall organize the implementation of this Decree.
2. Minister of Finance shall stipulate determination of illegal benefits which are obtained from administrative violations and must be returned according to the provisions in Article 37 of the Law on penalties for administrative violations and Point e Clause 3 Article 4 hereof.
3. Ministers, heads of ministerial agencies, heads of Governmental agencies, Chairpersons of People's Committees of provinces or central-affiliated cities shall, within the ambit of their assigned functions and duties, be responsible for the implementation of this Decree./.

**ON BEHALF OF THE GOVERNMENT  
THE PRIME MINISTER**

**Nguyen Xuan Phuc**

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