

**THE NATIONAL
ASSEMBLY**

Law No. 11/2012/QH13

**THE SOCIALIST REPUBLIC OF VIETNAM
Independence– Freedom – Happiness**

Hanoi, June 20, 2012

**LAW
ON PRICES**

Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam, which was amended and supplemented under Resolution No.51/2001/NQ-QH10;

The National Assembly promulgates the Law on Prices.

Chapter I

GENERAL PROVISIONS

Article 1. Scope of regulation

This Law prescribes rights and obligations of organizations and individuals in field of Prices; activities of managing and regulating prices of the State.

Article 2. Subjects of application

Production or business organizations and individuals; consumers; state agencies; other organizations and individuals relating to activities in the field of prices in the territory of Vietnam.

Article 3. Law application

1. Activities in the field of prices in the territory of Vietnam must observe provisions of this Law.
2. Where an international treaty which the Socialist Republic of Vietnam has signed or acceded to contains provisions different from those of this Law, the provisions of such international treaty shall apply.

Article 4. Interpretation of terms

In this Law, the following terms and phrases shall be construed as follows:

1. Goods mean properties that may exchange, buy, sale in the market, and enable to satisfy demands of human, including types of movable and immovable properties.
2. Service means goods of which nature is invisible, and the process of manufacturing and consuming cannot be separated, including types of service in the system of Vietnamese production trades as prescribed by law.
3. Essential goods or services mean goods, services cannot lack for manufacture, life, national defense, security, including: main raw material, fuel, materials, services for manufacture, circulation; products satisfy basic demands of human and defense, security.
4. Market price means price of goods or services being formed, governed by factors and movement of market which be decided at a point of time, a certain location.

5. Price determination means provision on prices of goods or services by competent State agencies or production or business organizations and individuals.
6. Posting up prices means informing openly by production or business organizations and individuals under forms which is appropriate, clear and not causing mistake for customers on sale prices of goods or services in Vietnam dong in ways of printing, pasting, writing the prices on the board, paper or package of goods or in other forms at the transaction or offer place of goods or services to make it convenience for observation and identification of customers, competent State agencies.
7. Price negotiation means organization and intermediate action for the seller and the buyer of competent State agencies to negotiate on buy price, sale price of goods or services which satisfy conditions of Price negotiation at the request of one of parties or both of parties or as having request of the the Prime Minister, ministers, heads of ministerial - level agencies, heads of Governmental agencies, presidents of People's Committee of central-affiliated cities and provinces (hereinafter referred as provincial- level People's Committee).
8. Price registration means making, analyzing the forming of price level and sending price notice under form to competent State agencies before adjusting prices of goods or services in the List of goods or services executing price stabilization by production or business organizations and individuals in the time as the State applies methods of price stabilization.
9. Price declaration means sending price notice of goods or services to competent State agencies by production or business organizations and individuals as determining prices, adjusting prices for goods or services be subjects to declare the price.
10. Price stabilization means applying appropriate methods on making the supply and demand, finance, monetary equable and other necessary methods on economy, administrative by the State to impact on forming and moving of prices, do not let prices of goods or services irrationally raise too high or decrease too low.
11. Elements of price formation mean the wholly cost price that is actual, reasonable and correspondence with quality of goods or services; profit (if any); financial obligations as prescribed by law; invisible value of trade mark.
12. The wholly cost price of goods or services means cost price to consume goods or services, including:
 - a) The cost price to manufacture goods or services; buy price of goods or services for organizations, individuals operating trade.
 - b) Cost of circulation to bring goods or services to consumers.
13. Price level means the average level of price level of goods or services in the economy correspond to certain space and time and being measured by index of consumption price.
14. The irregular changed price means price of goods or services that is irrationally raise too high or decrease too low while Elements of price formation have not many changes or in cases of economic crisis, natural disasters, enemy sabotage, fires, epidemics.
15. Price appraisal means determination of value in money of types of properties by agencies, organizations having function of price appraisal as prescribed in the Civil Code that is suitable

with market price at a point of time, a certain location, for a certain purpose according to standard of price appraisal.

16. Report of price-appraising result means document made by price-appraising enterprise in which shall state clearly process of price appraisal, price-appraising result and opinion of price-appraising enterprise regarding to value of appraised property for customers and relevant parties to have basis and use for purposes being written in the contract of price appraisal.

17. Certificate of price appraisal means document made by price-appraising enterprise in order to inform to customers and relevant parties of basic contents of Report of price-appraising result.

18. The average electric retail price level means electric sale price being defined under the principle of calculating sum of business or production cost and average reasonable profit level for 01 kWh commercial electric in each period, that being used with structure of electric retail tariff for calculating the particular electric retail price for each electric using customer object.

19. Price frame of average electric retail price means distance between the minimum price level and the maximum price level of average electric retail price.

20. The structure of electric retail tariff means the list of particular price level or percentage rate (%) of average electric retail price level to calculate the particular electric retail price for each electric using customer object.

Article 5. The principle of price management

1. The State manages prices under the market mechanism; respects right of self-determination of prices, competition of prices of production or business organizations and individuals as prescribed by law.

2. The State regulates prices as prescribed in this Law to stabilize prices, protect legitimate rights and interests of production or business organizations and individuals, consumers and interest of the State.

3. The State has policies on prices aiming to support areas with difficulty social and economical conditions, areas with special difficulty social and economical conditions.

4. The State stipulates principles, methods of price determination for goods or services being defined prices by the State complying with principle of market economy.

Article 6. Publicity of price information

1. The state agencies implement publicity of guidelines, policies, methods of management, regulation, decision on prices of the State under one or some forms such as press conference, posting on mass media means or other appropriate forms.

2. Organizations and individuals that product, business goods or services shall implement publicity of price information of goods or services attaching to basic technical – economical parameter of such goods or services under form of posting up prices. For goods or services under the List of goods or services implementing price stabilization, the List of goods or services being defined prices by the State, the production or business organizations and individuals shall select for additional one or some forms such as press conference, posting on mass media means or other appropriate forms.

3. Agencies of communication and information shall be responsible for publishing news on prices exactly, objectively, honestly and take responsibility for publishing news as prescribed by law.

4. The publicity of price information stipulated in this article shall not apply to the information that not permitted to publish as prescribed by law.

Article 7. The content of State management in the price field

1. Researching, formulating, and organizing the performance of policies, law in price field in accordance with lines, policies of social-economical development in each period.

2. Promulgating legal documents in the price field.

3. Determination of price of goods or services in the List of goods or services defined price by the State; appraising price of state properties under function, duties and powers as prescribed by law.

4. Collecting, synthesizing, analyzing and forecasting the market prices in domestic and in the world to formulate the the database on prices to serve state management in the price field.

5. Management of training, fostering professional skills specialized in price appraisal; management of examination, issuance and withdrawing the card of price appraiser, the eligible certificate of service business of price appraisal.

6. Organizing and managing of science research, international cooperation, training and fostering for cadres in price field.

7. Examining, inspecting, settling complaints, denunciations and handling violations of law in the price field.

Article 8. Competence for State management over prices

1. The Government shall exercise the unified State management over prices throughout the country.

2. The Ministry of Finance shall take responsibility for performance of function of state management in price field.

3. Ministries, ministerial-level agencies shall, within the scope of their respective tasks and powers, perform the function of State management over prices in their respective branches as prescribed by law

4. The provincial level People's Committees shall, within the scope of their tasks and powers, perform the function of State management over prices in their localities as prescribed by law

Article 9. Specialized price inspectorate

1. The State management agencies in charge of prices shall perform the function of specialized price inspectorate as prescribed by law on inspection.

2. The specialized price inspectorate means inspection of complying with the legislation on prices as prescribed by this law and other relevant law provisions.

3. Rights and responsibilities of specialized price inspectorate; rights and obligations of organizations and individuals when they are object of inspection and relevant organizations, individuals shall comply with provisions of inspection law.

Article 10. Prohibited acts in price field

1. For agencies having state management competence on prices; cadres, civil servants under agencies having state management competence on prices:

- a) Interfering wrongly functions, duties, powers as prescribed by law in rights and obligations of organizations, individuals manufacturing and business in price field.
- b) Promulgating documents that is not duly authorized; not duly order, procedures;
- c) Revealing, using information supplied by production or business organizations and individuals which is not right provisions of competent State agencies.
- d) Misusing functions, powers, duties for self-seeking interests.

2. For business or production organizations, individuals:

- a) Fabricating and/or spreading, publishing untrue news on market situation, prices of goods or services.
- b) Defrauding on prices by intentional changing the committed content of time, place, condition of purchase, quality of goods or services at the time of delivery of goods, supplying service without advance notice to customer.
- c) Taking advantage of economic crisis, natural disasters, enemy sabotage, fires, epidemics and/or other abnormal circumstances; taking advantage of State policy to define buy prices, sale prices of goods or services unreasonably;
- d) Acts of transfer pricing, collusion on prices under all forms for profiteering.

3. For price-appraising enterprise, branch of price-appraising enterprise:

- a) Scrambling customers under forms as inhibitory, threaten, enticement, bribery, collusion with customers and other unfair competitive acts; giving inexact information on comprehension, experiences and capacity of supplying service of price appraiser; price-appraising enterprise, branch of price-appraising enterprise;
- b) Collusion with price-appraising customers, relevant persons upon appraising prices to falsify result of price appraisal;
- c) Receiving or requiring any amount of money or other interest from price-appraising customers outside rice level of service agreed in contract;
- d) Forging, leasing, lending; using card of price appraiser contrary to laws on prices;
- dd) Revealing information of dossier, price-appraising customers and assets being appraised, except being agreed by price-appraising customers or being permitted by law;
- e) Causing obstacle or interfering in work manage of organizations, individuals having demand of price appraisal upon they have performed right functions, duties as prescribed by law.

4. For appraisers on price practising, in addition to provisions in clause 3 of this article, they do not permit to perform the following acts:

- a) Practising of price appraisal with individual status;
- b) Registering for price-appraising practising for two or more price-appraising enterprises at the same time:

c) Performing price appraisal for units in which the price appraisers has relation of capital contribution, buying shares/bond or their parents, spouses, children, blood siblings are members in the Leader Board or chief accountant thereof.

5. For organizations, individuals having assets for price appraisal and organizations, individuals relating to using result of price appraisal:

a) Selecting organizations, individuals who are not eligible of practising price appraisal to sign price-appraising contract;

b) Inexact, dishonest, incomplete, untimely upon supplying information, documents relating to assets need price appraisal;

c) Bribery, collusion with price appraisers, price-appraising enterprises to falsify result of price appraisal.

Chapter II

RIGHTS AND OBLIGATIONS OF BUSINESS OR PRODUCTION ORGANIZATIONS, INDIVIDUALS AND CONSUMERS IN PRICE FIELDS:

Article 11. Rights of business or production organizations, individuals:

1. Self-determining prices of goods or services which they manufacture, business, except for goods or services under the List of goods or services defined prices by the State.

2. Deciding buying/sale prices of goods or services which they manufacture, business, and the State stipulated frame of prices, maximum prices, minimum prices.

3. Bidding, auction, price agreement, price negotiation and price competition under other forms as prescribed by law upon buying or selling goods or services.

4. Applying principles, grounds, and methods of price determination prescribed by the State to determine prices of goods or services.

5. Adjusting prices of goods or services which they manufacture, business in accordance to changes of elements forming prices.

6. Lowering sale prices of goods or services but not be considered violation of law on competition and law of fighting dumping for import goods, and simultaneously must post public the old price level, the new price level, time limit of price lowering at the transaction place in the following cases:

a) Fresh goods;

b) Inventory goods;

c) Seasonal goods or services;

d) Goods or services for promotion as prescribed by law;

dd) Goods or services of enterprises in cases of bankruptcy or dissolution; changing locations, business/production trades;

e) Goods or services upon performing policy on price stabilization of the State.

7. Proposing competent State agencies to adjust prices of goods or services which they manufacture, business in the List of goods or services defined prices by the State.

8. Reaching information on price policy of the State; measures of managing and regulating prices of the State and other publicity information.

9. Complaints, denunciations or suing against acts having signs of violation of law on prices; requiring organizations, individuals compensating due of acts violating laws on prices as prescribed by law.

Article 12. Obligations of business or production organizations, individuals:

1. Making price plan for goods or services which they manufacture, business in the List of goods or services defined prices by the State and submitting to authorities for decision.

2. Complying with decisions on prices, measures of price stabilization of competent State agencies.

3. Registering sale prices or buying prices for goods or services being subject to register price and taking responsibility for exactness of registered price level as prescribed by law.

4. Declaring sale prices or buying prices for goods or services and taking responsibility for exactness of declared price level for goods or services be subject to declare prices under provisions of Government.

5. Posting up prices:

a) For goods or services being defined prices by the State, the production or business organizations, individuals must post up prices exact with prices stipulated by competent State agencies and exactly buy, sell under posted prices;

b) For goods or services not in the List of goods or services being defined prices by the State, the production or business organizations, individuals shall decide prices for posting up and not permitted to buy, sell with prices higher than posted prices;

6. Publicity of information on prices of goods or services within their authority of determining prices as prescribed in this Law.

7. Timely, exactly, completely supplying relevant figures, documents at the requirement in written of competent State agencies in cases prices being determined by the State, measures of price stabilization for goods or services of the production or business organizations, individuals being applied.

8. Solving timely all complaints on prices of goods or services which they manufacture, business. Compensating for acts violating law on prices as prescribed by law.

Article 13. Rights of consumers

1. Selecting, making agreement and giving opinions when buying goods or service.

2. Being supplied information exactly, fully about prices, quality, and origins of goods or services.

3. Asking for compensation upon the goods or services having bought did not meet the standard of quality, quantity, price or other content which have been published, posted up, committed by organizations, individuals manufacture and business such goods or services.

4. Proposing competent State agencies to adjust prices of goods or services being defined prices by the State when elements forming prices change.

5. Complaints, denunciations, suing or proposing social organizations suing against acts having signs of violation of law on prices under provisions of this law or other provisions of relevant laws.

Article 14. Obligations of consumers

1. Paying under the price level which had agreement, selected or price level was stipulated by the State when buying goods or service.
2. Notifying to relevant state agencies, organizations, individuals upon detecting acts having signs of violating law on prices.

Chapter III

OPERATION ON REGULATING PRICES OF THE STATE

Section 1. PRICE STABILIZATION

Article 15. Goods or services implement price stabilization

1. Goods or services implementing price stabilization are essential goods or services for production, life being stipulated under the following criterions:

- a) Raw materials, fuel, materials and main service for production and circulation;
- b) Goods or services satisfying basic demands of human.

2. The List of goods or services implementing price stabilization includes:

- a) Finished petrol, oil;
- b) Electricity;
- c) Liquefied petroleum gas;
- d) Nitrogenous fertilizer, NPK fertilizer;
- dd) Pesticide as prescribed by law;
- e) Prevention vaccine for cattle, poultry;
- g) Edible salt;
- h) Milk for children under 06 years old;
- i) Edible sugar, including white sugar and affinated sugar;
- k) Paddy, ordinary rice;
- l) Drugs for human disease prevention and treatment in the List of essential medicines using at establishments of medical examination and treatment as prescribed by law.

3. If necessary, the List of goods or services implementing price stabilization stipulated in clause 2 of this article may be adjusted, the Government shall submit to the Standing Committee of National Assembly for consideration and decision.

4. Basing on the List of goods or services implementing price stabilization stipulated in clause 2 of this article, competent State agencies as prescribed in article 18 of this Law shall decide particular types of goods or services to apply suitable measure of price stabilization in each period.

Article 16. Cases implement price stabilization

1. Price stabilization is implemented in the following cases:

- a) Upon prices of goods or services in the List prescribed in clause 2, article 15 of this Law have irregular changes;
- b) Upon price level changes affecting socio-economic stabilization.

2. The Government shall detail this article.

Article 17. Measures for price stabilization

Applying in limit time a or a number of the following measures to implement price stabilization conformable to cases prescribed in article 16 of this Law:

1. Making the supply and demand equable of goods produced in domestic and import – export goods; goods in regions, localities in the national through operation of goods circulation; buy or sale out the national reserve goods, circulating reserve goods;
2. Measures of finance, monetary conformable to provisions of laws;
3. In necessary cases, establishing fund of price stabilization for items need be stabilized on price in the List of goods or services implementing price stabilization aiming to support for price stabilization; using fund of price stabilization upon prices of such goods or services changes abnormally or badly affecting to economy and life.

Fund of price stabilization is established from the following sources:

- a) Deducting from price of goods or services;
- b) Voluntary contribution by organizations, individuals;
- c) Aid of foreign countries;
- d) Other legitimate financial sources.

The Government shall stipulate in details in regarding to items being established fund of price stabilization, establishment, management and use of fund of price stabilization;

4. Price registration for goods or services subject to price stabilization. The production or business organizations, individuals implement price registration only for goods or services subject to price stabilization in the time the State applies methods of price stabilization.
5. Examining elements forming prices; controlling inventory goods; examining quantity, volume of available goods;
6. Applying supporting measures of price conformable to provisions of laws and international commitments;
7. Determining the particular prices, maximum prices, minimum prices or price frame conformable to nature of goods or services under principles, grounds, methods prescribed in this Law.

Article 18. Competence and duty upon deciding on applying price stabilization measure

1. The Government decides guidelines and measures of price stabilization regarding to cases prescribed in article 16 and article 17 of this Law.

2. The Ministry of Finance, ministries, ministerial-level agencies shall, under their functions, duties, powers assigned by the Government, guide and organize implementation of price stabilization measure being decided by the Government.
3. Provincial People's Committees shall, within their functions, duties, powers, organize executing price stabilization measure being decided by the Government and guided by the Ministry of Finance, ministries, ministerial-level agencies; in cases of natural disaster, fires, epidemics, unexpected accidents, base on actual situation at their localities, decide particular price stabilization measure at such localities.
4. Agency promulgating decision on applying price stabilization measure shall be responsible for decision on limit time for applying price stabilization measure.
5. Agency or individual deciding on applying price stabilization measure shall be responsible for such decision as prescribed by law.
6. The Government shall detail this article.

Section 2. PRICE DETERMINATION

Article 19. Goods or services being defined prices by the State

1. The State defines prices for:
 - a) Goods or services under monopoly field in which the State manufacture, business;
 - b) Important resources;
 - c) National reserve goods; products, services for public interest and service of public career using state budget.
2. Forms of price determination:
 - a) Particular price level;
 - b) Price frame;
 - c) Maximum price level, minimum price level.
3. The List of goods or services being defined prices by the State is stipulated as follows:
 - a) Defining particular price level for:
 - Air services, including: Services for landing, taking off; management of departure and arrival flights; supports to ensure for flight operations; illumination security;
 - Service of telecommunication connection;
 - Electricity: Prices of electric transmit; prices of Auxiliary services for electric system;
 - b) Defining price frame for: Prices of electricity generation; prices of electricity trading; the level of average electricity retail price; services of domestic air transport with monopoly route;
 - c) Defining price frame and particular price level for:
 - Land, surface water, underground water, forest belong to the all-people possession which the State is representative of owner and clean water for living;

- Price of leasing, hire-purchasing for social house, house of public service which be build from state budget outlays; buy prices or leasing prices for house belong to state possession;

- Services of medical examination and treatment and services of education, traning at medical examination and treatment establishments, traning and education facilities of the State;

d) Defining maximum price or minimum price for:

- National reserve goods as prescribed by law on National reserve; goods or services being placed an order, assigned under business and production plans by the State; products, services for public interest and service of public career using state budget, except for services prescribed in point c, clause 3 of this article.

- Products are cigarette produced domestic;

- Price of leasing for state assets being infrastructure works.

4. If necessary, the List of goods or services being defined prices by the State may be adjusted, the Government shall submit to the Standing Committee of National Assembly for consideration and decision.

Article 20. Principle of price determination of the State

1. Assurance of remedying actual and reasonable cost in production, business, having profit conformable to price level of market and guidelines, policies on social economical development of the State in each periods.

2. Timely adjusting prices upon elements forming them change.

Article 21. Grounds, methods of price determination

1. Grounds of price determination

a) Wholly cost price, quality of goods or services at the time point of price determination; expected profits level;

b) Relation between supply and demand of goods or services and purchasing power of currency; solvency of consumers;

c) Price of domestic and international market and competitive ability of goods or services at the time point of price determination;

2. Methods of price determination:

a) The Ministry of Finance stipulates general methods of price determination for goods or services;

b) Ministries, ministerial-level agencies shall assume the prime responsibility for and coordinate with the Ministry of Finance to guide methods of price determination for goods or services under their competence.

Article 22. Competence and duty of price determanition

1. The Government stipulates:

a) Land price frame;

b) Price frame of leasing surface water;

- c) Price frame of leasing, hire-purchasing for social house, house of public service.
2. The Prime Minister stipulates price frame of average electricity retail, mechanism of price adjustment and structure of electricity retail tariff.
3. The Minister of Finance, ministers, headers of ministerial-level agencies, provincial People's Committees determine prices of goods or services prescribed in article 19 of this Law according to assignment, level-division of the Government.
4. Agencies, individuals deciding price determination for goods or services in the List of goods or services defined price by the State shall be responsible for their decision before the law.

Section 3. PRICE NEGOTIATION

Article 23. Cases organize price negotiation

1. Price negotiation implements for goods or services satisfying the following conditions:
 - a) Goods or services not being in the List of goods or services defined prices by the State;
 - b) Goods or services being important, produced, business in specific conditions or having restrained competitive market; having nature of buy or sale monopoly or the buyer and seller are dependent together, cannot replace.
2. Competent State agencies organize price negotiation for goods or services prescribed in clause 1 of this article in the following cases:
 - a) Upon having suggestion of the buyer or the seller or both of the buyer and the seller;
 - b) Upon having request of the Prime Minister, Ministers, Heads of ministerial-level agencies, Heads of Governmental agencies, Presidents of provincial People's Committee.

Article 24. Competence and duty of organizing price negotiation

1. The Ministry of Finance shall assume the prime responsibility for organizing price negotiation at the request of the Prime Minister, Ministers, Heads of ministerial-level agencies, Heads of Governmental agencies.
2. The Service of Finance shall assume the prime responsibility for organizing price negotiation at the request of Presidents of provincial People's Committee or upon having suggestion of the buyer or the seller or both of the buyer and the seller which having offices located in their areas. If the buyer and the seller having offices located in different provinces and suggesting price negotiation, two parties reach agreement to suggest one of two Services of Finance to prime responsibility for negotiation; if they cannot reach agreement, the Services of Finance where the buyer's office locates, shall assume the prime responsibility for negotiation.
3. Agency organizing price negotiation shall be responsible for performance as prescribed by law.

Article 25. Result of price negotiation

1. Agency organizing price negotiation shall notify parties in written of price level which have been agreed after negotiation.
2. Whether price negotiation has been performed, but parties still not reach agreement on price, agency organizing price negotiation shall decide temporary price for parties to execute.

Decision on temporary prices being notified by agency organizing price negotiation shall take effect at the maximum of 06 months. While executing the decision on temporary prices, parties continue to negotiate on prices. If parties reach agreement on prices, the agreed prices shall be executed and parties shall be responsible for reporting to agency organizing price negotiation to know agreed prices and period of performance

After limit time of 06 months, if parties cannot reach agreement on prices, the authorities shall organize price negotiation for the second time. If parties still can not reach agreement on prices, decision on temporary prices shall continue to take effect for implementation until reaching agreement on prices.

Section 4. EXEMINATION OF ELEMENTS FORMING PRICES

Article 26. Cases examining elements forming prices

1. Competent State agencies examine elements forming prices for goods or services prescribed in clause 2 of this article in the following cases:

- a) When competent State agencies decide on price stabilization, price determination;
- b) When prices having irregular changes and at request of the Prime Minister, Ministers, Heads of ministerial-level agencies, Presidents of provincial People's Committee.

2. Goods or services must examine elements forming prices including:

- a) Goods or services being defined prices by the State;
- b) Goods or services implement price stabilization;
- b) Other goods or services when their prices having irregular changes and at request of the Prime Minister, Ministers, Heads of ministerial-level agencies, Presidents of provincial People's Committee.

Article 27. Competence and duty of examining elements forming prices

1. The Ministry of Finance shall assume the prime responsibility for and coordinate with Ministries, ministerial-level agencies, provincial People's Committees to examine elements forming prices for:

- a) Goods or services under price determination competence of the Government, the Prime Minister, the Minister of Finance;
- b) Goods or services in the List of goods or services implementing price stabilization stipulated in article 17 of this Law.

2. Ministries, ministerial-level agencies shall assume the prime responsibility for and coordinate with the Ministry of Finance, provincial People's Committees to examine elements forming prices for goods or services under price determination competence of ministers, heads of ministerial-level agencies.

3. Provincial People's Committees examine elements forming prices for:

- a) goods or services under price determination competence of provincial People's Committees;
- b) Goods or services in the List of goods or services implementing price stabilization of production or business organizations and individuals in their localities.

Chapter IV

PRICE APPRAISAL

Section 1. GENERAL PROVISIONS ON PRICE APPRAISAL

Article 28. Price-appraising operations

1. Organization satisfying full conditions as provisions of this Law shall be operate price appraisal.
2. Individuals shall not be entitled to operate price appraisal independently.
3. Price-appraising operations must comply with provisions on price appraisal of this Law.

Article 29. Principle of price-appraising operations

1. Observing laws, Vietnamese price-appraising standard
2. Taking responsibility for price-appraising operations as prescribed by law.
3. Assurance of independence on professional, honesty, objective in price-appraising operation and result of price appraisal.
4. Keeping information in secret as prescribed by law;

Article 30. Process of asset price appraisal

1. Defining on assets for price appraisal in general and defining the market or non-market price making as bases for price appraisal.
2. Making plan on price appraisal.
3. Surveying reality, collecting information.
4. Analyzing information.
5. Defining value of asset being appraised price.
6. Making report on result of price appraisal, price-appraising certificate and sending to customers, relevant parties.

Article 31. Assets being appraised price

1. Assets of organizations, individuals having demand on price appraisal.
2. Assets which the State must appraise price as prescribed by law on management, use state's assets and other provisions of relevant law.

Article 32. Result of price appraisal

1. Result of price appraisal shall be used as one of grounds for agencies, organizations and individuals being owners or having right of using assets as prescribed by law and relevant parties to consider, decide or approve price for such assets.
2. The result of price appraisal must be used duly purpose written in contract of price appraisal or request in written of price appraisal of competent state agencies.
3. Result of price appraisal is used only in the effect period being written in report of price-appraising result and price-appraising certificate.

Article 33. Professional organization of price appraisal

1. The career organization of price appraisal is established and operated under provisions of laws on association and laws on price appraisal.
2. The career organization of price appraisal is entitled to train, grant certificate of fostering professional knowledge on price appraisal and perform duties relating to price-appraising operation as prescribed by law.

Section 2. PRICE APPRAISER

Article 34. Criterion of price appraiser

1. Possessing civil act capacity.
2. Possessing ethics quality, integrity, honesty, objective.
3. Graduating university in specialty related to price-appraising operations.
4. Having worked with the trained specialty for 36 months or more since possessing university degree in specialty line specified in clause 3 of this Article.
5. Possessing the certificate of professional training in price-appraising operations, granted by competent agencies.
6. Possessing card of price appraiser as prescribed by the the Ministry of Finance.

Article 35. Practising price appraiser

1. Practising price appraiser is person having full criterion specified in article 34 of this Law and registering for practicing price appraisal in a price-appraising enterprise.
2. Rights and obligations of price appraiser practising in price-appraising enterprises are stipulated in article 34 of this Law.

Article 36. Persons are not entitled to practise in price-appraising enterprises

1. Persons are not full criterions specified in article 34 of this Law.
2. Cadres, public employees as prescribed by law on Cadres, public employees; officers, professional soldiers, defense workers in agencies, units under People's army; officers, profession non-commissioned officers, officers, technical specialized non-commissioned officers in agencies, units under People's Security Public.
3. Persons being banned to practise on price appraisal by effective judgements, decisions of Court, persons being prosecuted criminal liability; convicted persons for one of crimes of economy, position relating to finance, prices, price appraisal and not being yet wiped out their criminal records; persons being applied measures of administrative handling, educating in communes, wards and townships, persons being sent into compulsory detoxification centers, compulsory educational facilities.
4. Convicted persons for economical crimes with level from serious or more.
5. Persons having acts violating laws on finance and being sanctioned administrative violation in duration of 01 year, since day of having sanctioning decision.
6. Persons being suspended for practicing price appraiser.

Article 37. Rights and obligations of practising price appraiser

1. Rights of practising price appraiser:

- a) Price-appraising practicing under provisions of this Law and other provisions of relevant laws.
- b) Being independent on career skill, professional;
- c) Requiring customers to supply dossiers, documents relating to assets being appraised and facilitate to implement price appraisal;
- d) Refusing price appraisal if deem it is not eligible to implement price appraisal;
- dd) Participating in domestic and foreign professional organizations of price appraisal as prescribed by law;
- e) Other rights as prescribed by law.

2. Obligations of practising price appraiser:

- a) Complying with provisions on price-appraising operation under provisions of this Law and other provisions of relevant laws;
- b) Performing rightly and fully contract of price appraisal;
- c) Signing report on result of price appraisal, certificate of price appraisal and taking responsibility before law, the legal representatives, general Directors of Directors of price-appraising enterprises for result of price appraisal;
- d) Providing explanation or protecting result of price appraisal which is implemented by them for the price-appraising customers or the third party using result of price appraisal, that is not the price-appraising customer but in the contract of price appraisal have written, upon being requested;
- dd) Participating in programs on fostering professional knowledges of price appraisal organized by permitted agencies or institutions;
- e) Keeping dossiers, documents on price appraisal;
- g) Other obligations as prescribed by law.

Section 3. PRICE-APPRAISING ENTERPRISES

Article 38. Conditions of establishment and operation of price-appraising enterprises

- 1. Price-appraising enterprises are established under provisions of Law on enterprises.
- 2. Price-appraising enterprises may operate upon the the Ministry of Finance grants the eligible certificate of business price appraisal service as prescribed by law.

Article 39. Conditions for granting the eligible certificate of business price appraisal service.

- 1. One-member limited liability companies when requesting for grant of the eligible certificate of business price appraisal service must have full the following conditions:
 - a) Having Certificate of Business registration, certificate of Enterprise registration or certificate of investment as prescribed by law;

b) Having at least 03 appraisers on prices registering practice in such enterprises, and among them must have a member is owner thereof;

c) The legal representatives, Directors or general Directors of one-member limited liability companies must be price appraiser registering practice in such enterprises.

2. The limited liability companies with two or more members when requesting for grant of the eligible certificate of business price appraisal service must have full the following conditions:

a) Having Certificate of Business registration, certificate of Enterprise registration or certificate of investment as prescribed by law;

b) Having at least 03 appraisers on prices registering practice in such enterprises, and among them must have at least 02 member making capital contributions;

c) The legal representatives, Directors or general Directors of limited liability companies with two or more members must be price appraiser registering practice in such enterprises.

d) The contribution capital of members being organization shall not exceed the level of contribution capital stipulated by the Government. The representative of member being organization must be price appraiser and register practice in such enterprise.

3. Partnerships when requesting for grant of the eligible certificate of business price appraisal service must have full the following conditions:

a) Having Certificate of Business registration, certificate of Enterprise registration or certificate of investment as prescribed by law;

b) Having at least 03 appraisers on prices registering practice in such enterprises, aomong that at least must have 02 General partners;

c) The legal representatives, Directors or general Directors of Partnerships must be price appraiser registering practice in such enterprises.

4. Private enterprises when requesting for grant of the eligible certificate of business price appraisal service must have full the following conditions:

a) Having Certificate of Business registration, certificate of Enterprise registration or certificate of investment as prescribed by law;

b) Having at least 03 appraisers on prices registering practice in enterprises, and among them must have a member is owner of Private enterprises;

c) Director of Private enterprises must be price appraiser and register practice in such enterprises.

5. Joint-stock companies when requesting for grant of the eligible certificate of business price appraisal service must have full the following conditions:

a) Having Certificate of Business registration, certificate of Enterprise registration or certificate of investment as prescribed by law;

b) Having at least 03 appraisers on prices registering practice in such enterprises, aomong that at least must have 02 Founding shareholders;

c) The legal representatives, Directors or general Directors of Joint-stock companies must be price appraiser registering practice in such enterprises.

d) The contribution capital of members being organization shall not exceed the level of contribution capital stipulated by the Government. The representative of member being organization must be price appraiser and register practice in such enterprise.

6. The Government stipulates order of, procedures for granting the eligible certificate of business price appraisal service.

Article 40. Suspending business price appraisal service and withdrawing the eligible certificate of business price appraisal service

1. Price-appraising enterprises may be suspended business price appraisal service when belong to one of the following cases:

a) Do not ensure one of conditions specified in clause 1, 2, 3, 4 and 5, article 59 of this Law during 03 consecutive months;

b) Having serious mistake of profession or violating standard of price appraisal;

2. Price-appraising enterprises shall be withdrawn the eligible certificate of business price appraisal service when belong to one of the following cases:

a) Declaring wrong or cheating, forging dossier of request for granting the eligible certificate of business price appraisal service;

b) Do not business price appraisal service for 12 consecutive months;

c) Do not overcome violations specified in clause 1 of this article within 60 days, since being suspended;

d) Being dissolved, bankrupted or self-ending business operation on price appraisal

dd) Being withdrawn Certificate of Business registration, certificate of Enterprise registration or certificate of investment;

3. Price-appraising enterprises being withdrawn the eligible certificate of business price appraisal service shall end business operation on price appraisal since decision on withdraw taking effect

4. The Government provides in details on suspending business price appraisal service and withdrawing the eligible certificate of business price appraisal service

Article 41. Branch of price-appraising enterprise

1. Branch of price-appraising enterprise is dependent unit of price-appraising enterprise, having task to perform partly or wholly work on price appraisal under authorization in writing of price-appraising enterprise.

2. Branch of price-appraising enterprise is established and operated as prescribed by law and must have at least 02 appraisers on prices and among them, director of branch must be price appraiser registering practice at enterprise which have established such branch;

3. Price-appraising enterprises must be responsible for operations of price-appraising branch being established by itself.

Article 42. Rights and obligations of price-appraising enterprises

1. Rights of price-appraising enterprises

a) Supplying service of price appraisal;

- b) Collecting fee for price-appraising service under the agreed price with customers and being written in contract;
- c) Establishing Branches of price-appraising enterprise;
- d) Placing establishments business service on price-appraising overseas;
- dd) Participating in domestic and foreign professional organizations of price appraisal as prescribed by law;
- e) Requesting the price-appraising customers for supplying dossiers, documents, figures relating to assets being appraised price;
- g) Refusing performance of price-appraising service requested by customers
- h) Other rights as prescribed by law.

2. Obligations of price-appraising enterprises:

- a) Complying with provisions on price-appraising operation under provisions of this Law and the Law on Enterprise'
- b) Supplying report on result of price appraisal and the price-appraising certificate for customers and the third party using result of price appraisal under signed contract of price appraisal;
- c) Taking responsibility of accuracy, honesty, objective of the price-appraising result
- d) Buying professional liability insurance for the price-appraising operation or deducting fund of professional risk backup;
- dd) Compensating for customers as prescribed by law because violating agreements in contract of price appraisal and in case result of price appraisal causing damage to interest of customers due to not complying with provisions on price appraisal;
- e) Managing professional activities of price appraisers under their authorities;
- g) Implementing the reporting regime;
- h) Keeping dossiers, documents on price appraisal;
- i) Other obligations as prescribed by law.

Article 43. Operations of foreign price-appraising organizations in Vietnam

1. The foreign price-appraising organizations being eligible as prescribed by this Law and other provisions of relevant laws may implement operations of price appraisal in Vietnam.
2. The establishment and operation of the foreign price-appraising organizations in Vietnam shall comply with provisions of this Law and other provisions of relevant laws.
3. The Government provides forms, scope of supplying the price-appraising service of foreign price-appraising organizations in Vietnam

Section 4. PRICE-APPRAISING OF THE STATE

Article 44. The scope of state price-appraising operation

The state price-appraising operation shall be implemented by competent state agencies in the following cases:

1. Buy, sale, liquidation, lease of state assets or hiring assets servicing operations of state agencies as prescribed by law on management, use of state assets;
2. Failing to hire price-appraising enterprise;
3. Buy, sale of assets under state secret;
4. Buy, sale of assets with big value which after having hired the price-appraising enterprise, agencies or competent persons for approval consider it is necessary to have appraisal opinion of competent state agencies.

Article 45. Methods of state price-appraising operation

1. As necessary, competent state agencies shall establish council of price appraisal to appraise price in respect to cases specified in Article 44 of this Law. The council of price appraisal shall be dissolved after finishing task.
2. The council of price appraisal has responsibility for price appraisal under provisions of this Law, other provisions of relevant law and has responsibility for accuracy, honesty of the price-appraising result.

Article 46. Order of and procedures for state price appraisal

The Government provides in details on order of and procedures for state price appraisal

Chapter V

ARTICLE FOR IMPLEMENTATION

Article 47. Effects

This Law takes effect from January 01, 2013.

The Ordinance of prices No. 40/2002/PL-UBTVQH10 is invalid from effective day of this Law.

Article 48. Stipulating in details and guiding for implementation

The Government shall stipulate in details and guide for implementation of articles, clauses assigned in this Law.

This Law was passed by the XIII National Assembly of the Socialist Republic of Vietnam at its Third Session on the 20th of June, 2012.

CHAIRMAN OF THE NATIONAL ASSEMBLY

Nguyen Sinh Hung