

CIRCULAR

**ON REGISTRATION AND DECLARATION OF PRICES FOR MILK AND FUNCTIONAL
FOODS FOR CHILDREN UNDER THE AGE OF SIX**

Pursuant to the Law on Prices dated June 20, 2012;

Pursuant to the Commercial Law dated June 14, 2005;

*Pursuant to the Government's Decree No. 177/2013/ND-CP dated November 14, 2013
specifying and providing guidelines for implementation of certain articles of the Law on Prices;*

*Pursuant to the Government's Decree No. 149/2016/ND-CP dated November 11, 2016 on
amendments to certain articles of the Decree No. 177/2013/ND-CP;*

*Pursuant to the Government's Decree No. 95/2012/ND-CP dated November 12, 2012 on
functions, tasks, power and organizational structure of the Ministry of Industry and Trade,*

*The Minister of Industry and Trade promulgates a Circular on registration and declaration of
prices for milk and functional foods for children under the age of six as follows:*

Chapter I

GENERAL PROVISIONS

Article 1. Scope

This Circular deals with registration and declaration of prices for milk and functional foods for children under the age of six (hereinafter referred to as "milk and functional foods"). The list of milk and functional foods shall comply with regulations promulgated by the Ministry of Health.

Article 2. Regulated entities

1. Milk and functional food traders.
2. Competent state authorities responsible for the management of prices.

Chapter II

PRICE REGISTRATION

Article 3. Mandatory applicants for price registration

1. Milk manufacturers and importers shall submit applications for price registration to the competent authorities specified in this Circular (hereinafter referred to as “receiving authorities”) while price registration is made mandatory by the State for the purpose of price stabilization.
2. The Ministry of Industry and Trade shall publish the list of traders that may influence the imposition and fluctuation of prices throughout the country.

The Ministry of Industry and Trade shall review such list and notify its revision on July 01 every year or on an ad hoc basis.

3. People’s Committees of provinces shall publish the list of traders registering prices in their provinces, except for the traders on the list published by the Ministry of Industry and Trade.

On July 01 every year or on an ad hoc basis, People’s Committees of provinces shall review the list of traders registering milk prices and notify its revision in their provinces.

Article 4. Registered prices

1. Milk manufacturers and importers shall register their recommended retail prices and promptly inform their distributors of such prices.
2. Retail prices imposed by traders shall be listed and shall not exceed the recommended retail prices registered.
3. Recommended retail prices registered shall be the basis receiving authorities and relevant authorities to carry out state management of prices and announce prices to consumers.
4. Milk manufacturers and importers may register their different recommended retail prices that are suitable for different areas.

Article 5. Procedures for price registration

1. Each trader shall submit an application for price registration to a receiving authority in any of the following manners:
 - a) In person: two (2) copies of the application (enclosed with a stamped envelope specifying the name and address of the trader, full name and phone number of the recipient);
 - b) By post: two (2) copies of the application sent to the receiving authority (enclosed with a stamped envelope specifying: the name and address of the trader, full name and phone number of the recipient);

c) By email enclosed with an electronic signature or a scan of the application bearing the applicant's signature and seal to the address provided by the receiving authority or by fax and send its original by post to the receiving authority.

2. The specimen of the application for price registration is specified in Appendix No. 1 attached hereto.

Article 6. Receipt of applications for price registration

1. Procedures for receiving the application for price registration submitted in person

a) If the application is valid, the receiving authority shall seal and specify the date on which the application is received on one copy of the application and return it to the trader;

b) If the application is not valid, the receiving authority shall return it to the trader together with a written explanation.

2. Procedures for receiving the application for price registration by post, fax and email

a) If the application is valid, the receiving authority shall seal and specify the date on which the application is received on one copy of the application and return it to the trader by post;

b) If the application is not valid, the receiving authority shall send the trader a written explanation by post, fax or email within 2 working days from the day on which the application is received.

Article 7. Inspection of applications for price registration

1. The following elements of an application for price registration shall be inspected:

a) Date of price registration;

b) Specific prices;

c) Costs affecting price imposition;

d) Reasons for price adjustment;

dd) The compliance of pricing elements.

2. Within 5 working days from the day on which the valid application for price registration specified in Clause 1 or Clause 2 Article 6 is received, if the receiving authority does not require the trader to explain any content of the application, the trader shall be entitled to apply the registered prices.

3. In the cases where the trader's explanation for price increase or decrease is not satisfactory, the receiving authority shall send, by post, fax or email, a written notification specifying explanation and request the trader not to apply registered prices within 4 working days from the day on which the application is received.

4. In the cases specified in Clause 2 this Article, the time limit for the trader to provide a written explanation and submit it and proof of documents is 10 working days from the day on which the receiving authority sends a written notification and requests the trader to provide such explanation.

5. The time limit for inspection of the written explanation is 4 working days from the day on which it is received according to the date stamp appended by the receiving authority. If the receiving authority does not require the trader to submit the written explanation again within the above-mentioned time limit, the trader may apply the adjusted prices at the proposed time.

Article 8. Power to receive and inspect applications for price registration

1. The Ministry of Industry and Trade shall receive and inspect applications for price registration submitted by traders on the list published by the Ministry of Industry and Trade.

2. Departments of Industry and Trade of provinces shall receive and inspect applications for price registration submitted by traders on the list published People's Committees of provinces. People's Committees of provinces may authorize People's Committees of districts to receive and inspect applications for price registration submitted by traders in their provinces if necessary.

Chapter III

PRICE DECLARATION

Article 9. Entities required to declare prices

1. Milk product and functional food traders shall declare prices to a receiving authority during the time other than the period over which price registration is made mandatory by the State.

2. The Ministry of Industry and Trade shall publish the list of traders that may influence the imposition and fluctuation of prices throughout the country and have to notify prices.

The Ministry of Industry and Trade shall review such list and notify its revision on July 01 every year or on an ad hoc basis.

3. People's Committees of provinces shall publish the list of traders declaring prices in their provinces, except for the traders on the list published by the Ministry of Industry and Trade.

On July 01 every year or on an ad hoc basis, People's Committees of provinces shall review the list of traders declaring prices and notify its revision in their provinces.

Article 10. Declared prices

1. Manufacturers and importers shall send declarations of recommended retail prices to their distributors.
2. Retail prices imposed by traders shall be made publicly available. In the cases where a distributor imposes a retail price exceeding the recommended retail price declared by the manufacturer or importer, such distributor will have to submit a price declaration to the receiving authority.
3. Recommended retail prices shall be the basis for receiving authorities and relevant authorities to carry out state management of prices and announce prices to consumers.
4. Manufacturers and importers may declare their different recommended retail prices that are suitable for different areas.

Article 11. Procedures for price declaration

1. Each trader shall submit an application for price declaration to a receiving authority in any of the following manners:
 - a) In person: two (2) copies of the application (enclosed with a stamped envelope specifying: the name and address of the trader, full name and phone number of the recipient);
 - b) By post: two (2) copies of the application sent to the receiving authority (enclosed with a stamped envelope specifying: the name and address of the trader, full name and phone number of the recipient);
 - c) By email enclosed with an electronic signature or a scan of the application bearing the applicant's signature and seal to the address provided by the receiving authority or by fax and send its original by post to the receiving authority.
2. The specimen of the application for price declaration is specified in Appendix No. 2 attached hereto.

Article 12. Receipt and inspection of applications for price declaration

1. Procedures for receiving the application for price declaration
 - a) If the application is valid, the receiving authority shall seal and specify the date on which the application is received on one copy of the application and return it to the trader;
 - b) If the application is not valid, the receiving authority shall send the trader a written explanation by post, fax or email within 2 working days from the day on which the application is received.

2. Declarants shall complete and submit the application fully to the receiving authority within 5 working days from the day on which the receiving authority sends a written request on the supplement of the application by post, fax or email to declarants.

3. Milk and functional food traders shall reduce prices in case of offering a discount and shall submit the receiving authority the application as specified in Clause 1 and Clause 2 this Article.

Article 13. Power to receive applications for price declaration

1. The Ministry of Industry and Trade shall receive applications for price declaration submitted by traders on the list published by the Ministry of Industry and Trade.

2. Departments of Industry and Trade of provinces shall receive applications for price declaration submitted by traders specified in Clause 3 Article 9 and Clause 2 Article 10 herein having their business registered in the provinces. People's Committees of provinces may authorize People's Committees of districts to receive and review applications for price declaration submitted by traders in their provinces if necessary.

Chapter IV

RIGHTS AND RESPONSIBILITIES OF ORGANIZATIONS AND INDIVIDUALS IN PRICE REGISTRATION AND DECLARATION

Article 14. Rights and responsibilities of receiving authorities

1. Rights of the receiving authority:

a) Utilize the prices registered and declared by organizations and individuals (declarants) for the purposes of analyzing, collecting and forecasting the market price fluctuations and developing database on prices;

b) Inspect constituent elements of prices and publish them to the media for the purposes of state management on prices;

c) Review contents of price declaration made by declarants; request traders responsible for price declaration to report the declared prices according to fluctuations of constituent elements of prices to serve the state management of prices if necessary;

d) In the cases where a retailer is responsible for price declaration, the receiving authority shall be entitled to ask such retailer for making a report on costs that increase retail prices compared to recommended retail prices declared by manufacturers and importers.

2. Responsibilities of the receiving authority:

a) Comply with regulations on receiving prices of milk and functional foods registered and declared by traders;

b) Ensure confidentiality of prices registered and declared by traders when such prices have not been applied;

c) Inspect and monitor the application of product selling prices on the market as registered or declared by traders.

Article 15. Rights and obligations of traders in price registration and declaration

1. Rights of traders registering or declaring prices and other traders:

a) Determine recommended retail prices for milk products and functional foods applied to final consumers according to regulations of law on prices;

b) Notify the price adjustment according to the specimen of Appendix 3 attached hereto instead of price declaration provided that the price adjustment does not exceed 5% compared to the previous prices declared or announced. In cases where the cumulative value of adjusted notices exceeds 5% of the declared or announced previous price, traders shall have to declare their prices according to the provisions stated herein.

2. Obligations of traders registering or declaring prices:

a) Register or declare prices according to regulations of law and this Circular and take responsibility for the accuracy of registered or declared prices;

b) Publish registered or declared prices on websites of traders or on the media and make them public to all of their distribution networks when their products' prices are adjusted;

c) Notify their distribution networks in writing to the receiving authority as specified in the specimen of Appendix No. 4;

d) Take responsibility for quality of their milk products and functional foods throughout the country;

dd) Facilitate inspection and supervision carried out by a state authority responsible for price registration and declaration.

3. Obligations of other traders:

a) Publish selling prices according to regulations of law;

b) Sell milk products and functional foods in accordance with provisions of Article 4 and Article 10 herein.

Chapter V

IMPLEMENTATION

Article 16. Responsibility of state authorities

1. The Ministry of Industry and Trade shall:

a) Take charge and cooperate with relevant authorities in monitoring the development of dairy market and requesting the Government to take milk price stabilization measures when the dairy market fluctuates abnormally;

b) Receive and review the price registration and declaration as specified herein;

c) Gather and publish information about recommended prices registered and declared on the website of the Ministry of Industry and Trade by traders and cooperate with local state authorities responsible for the management of prices for milk and functional foods in monitoring such registered and declared retail prices;

d) Inspect and monitor manufacturers and traders of milk and functional foods in the Vietnam market;

dd) Conduct annual or ad hoc inspections and publish the list of central price registration units and notify to revise such list;

e) Carry out periodic or ad hoc inspections of the compliance with regulations of law on prices carried out by milk traders or functional food traders according to provisions stated herein.

2. The Domestic Market Department shall take charge and cooperate with relevant authorities in performing the duties specified in Clause 1 this Article.

3. People's Committees of provinces shall:

a) Publish the list of traders registering and declaring prices in their provinces;

b) Grant the power to inspect, monitor and receive documents on price registration and declaration specifically in their provinces;

c) Impose regulations of Article 3 and Article 9 herein on traders registering and declaring prices in their provinces; grant the power to receive and review documents on price registration and declaration and notify prices in their provinces if necessary;

d) Inspect and monitor milk and functional food traders within their power;

dd) Report the prices registered or declared by traders at Departments of Industry and Trade of provinces or report them to Ministry of Industry and Trade upon its ad hoc requests;

e) Cooperate with the Ministry of Industry and Trade in monitoring how milk and functional food traders apply retail prices to consumers.

4. Departments of Industry and Trade of provinces shall take charge and cooperate with specialized authorities affiliated to People's Committees of provinces and relevant local authorities in performing the duties specified in Clause 3 this Article.

Article 17. Effect

1. This Circular comes into force from August 10, 2017.
2. Within 30 days after the effective date of this Circular, manufactures and importers shall send their lists of recommended retail prices of products that are put on the market without recommended retail prices to competent state authorities.
3. Any issues arising in the course of implementation shall be reported to the Ministry of Industry and Trade.

**PP. MINISTER
DEPUTY MINISTER**

Ho Thi Kim Thoa