

**THE GOVERNMENT**

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**SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**

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No.81/2018/ND-CP

*Hanoi, May 22, 2018*

## **DECREE**

### **ELABORATION OF REGULATIONS OF COMMERCIAL LAW ON TRADE PROMOTION**

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

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

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

*The Government promulgates a Decree on elaboration of regulations of commercial law on trade promote.*

## **Chapter I**

### **GENERAL REGULATIONS**

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

This Decree provides for detailed enforcement of Commercial Law on trade promotion activities including sales promotion, trade fairs and exhibitions.

#### **Article 2. Regulated entities**

1. Traders doing sales promotion, including:

a) traders involved in the production and trading of goods or services conducting sales promotion directly or through distribution trader such as wholesalers, retailers, agents, franchisers and other distribution traders as regulated by laws.

b) traders that do sales promotion for goods or services of other traders under an agreement.

2. Traders directly hosting trade fairs and exhibitions, including:

a) traders holding trade fairs and exhibitions or organize trade fairs and exhibitions for other traders, traders, organizations and individuals participating in trade fairs and exhibitions, for instance, traders providing the service of launching trade fairs and exhibitions;

b) traders themselves hold the trade fairs and exhibitions or hire other traders to open trade fairs and exhibitions for their own goods or services.

3. Organizations and individuals engaged in commerce-related activities, entities entitled to do trade promotion activities prescribed in Article 91 and 131 of the Commercial Law when doing trade promotion activities must comply with regulations in this Decree and relevant law provisions.

## **Chapter II**

### **SALES PROMOTION**

#### **Section 1. PRINCIPLES OF SALES PROMOTION, MAXIMUM VALUE OF GOODS OR SERVICES USED FOR SALES PROMOTION AND MAXIMUM DISCOUNT RATE OF GOODS OR SERVICES THAT ARE TARGET OF SALES PROMOTION**

##### **Article 3. Principles of sales promotion**

1. Sales promotion program must be implemented in a lawful, honest, public and transparent manner and must not harm legitimate rights and benefits of consumers, other traders, organizations or individuals.

2. The trader doing sales promotion must enable the winners to receive prizes and take responsibility to handle complaints (if any) regarding the sales promotion program.

3. The trader doing sales promotion must guarantee the quality of goods and services that are target of the sales promotion (hereinafter referred to as ‘promoted product’) and goods and services used for sales promotion (hereinafter referred to as ‘promotional product’).

4. Sales promotion must ensure:

a) Customers are not required to give up, refuse or exchange goods and services of other traders or organizations;

b) The trader doing sales promotion must not directly make comparisons of their goods and services to those of other traders, organizations or individuals.

5. The lottery results must not be used as a foundation to determine the prize winner or to present and reward bonuses in sale promotion program in the forms prescribed in Claus 5, 6 and 9 in Article 92 of the Commercial Law.

##### **Article 4. Sales promotion in the form of multi-level marketing**

1. Businesses not registering multi-level marketing activities must not conduct sales promotion in multi-level form, in which there are multiple levels of participants who benefit from purchase by participants in lower levels.

2. Businesses involved in multi-level marketing activities must do sales promotion activities as required by laws must comply with regulations of the law on management of multi-level marketing activities.

### **Article 5. Promoted product and promotional product**

Promoted product or promotional product must comply with regulations of the Commercial Law and the following regulations:

1. Promoted products must not include wines, lottery, cigarettes, breast milk substitutes, medicines for human use including those permitted for circulation as regulated by the Ministry of Health (except for the case in which sales promotion is dedicated to traders involved in drug trading), examination and treatment service of public medical facilities, education service provided by public educational facilities or public vocational training facilities, goods and services that have been banned from circulation in Vietnam and other goods and services prohibited from sales promotion as required by laws.

2. Promotional products must not include wines, lottery, cigarettes, curative medicines for human use including those permitted for circulation as regulated by the Ministry of Health (except for the case in which sales promotion is dedicated to traders involved in drug trading), goods and services that have been banned from circulation in Vietnam and other goods and services prohibited from sales promotion as required by laws.

3. Money can also be used as promotional merchandise, except for sales promotion conducted in the forms prescribed in Article 8, 10 and 11 of this Decree.

### **Article 6. Maximum value of promotional product**

1. The promotional value of a unit of promoted product must not exceed 50% of the price of such promoted product unit before the promotion, except for promotion in the forms prescribed in Clause 8 in Article 92 of the Commercial Law and Article 8, Clause 2 in Article 9, Article 12, 13 and 14 of this Decree.

2. Total value of promotional product of a sales promotion program conducted by traders must not exceed 50% of total value of promoted product, except for forms of promotion prescribed in Clause 8 in Article 92 of the Commercial Law, Article 8 and Clause 2 in Article 9 of this Decree.

3. The value of promotional product falls into of following cases:

a) For the case in which traders conducting sales promotion neither directly produce or export promotional goods nor provide promotional services, the value of such promotional product will be equal to the price paid by traders doing sales promotion to purchase promotional products or the market prices of such promotional products at the time of publication.

b) For promotional products directly produced, exported or provided by traders doing sales promotion, their value will be equal to the buying price or import price of such promotional products.

4. For time-limited sales promotion (effective within certain frame of hours, days, weeks, months or seasons), the limit shall be 100% of the value of the promotional product. Such limit shall also be applied to sales promotion activities included in programs or activities of sales promotion decided by the Prime Minister.

5. Concentrated sales promotion programs prescribed in Clause 4 in this Article include:

a) time-limited sales promotion programs effective within certain frame of hours, days, weeks, months or seasons conducted by the central and provincial state agencies for the purpose of implementing economic development policies which covers national and local objectives. The State shall issue incentive policies for conducting concentrated sales promotion programs. All traders are entitled to participate in such programs;

b) Sales promotion programs on Tet holidays and other holidays as prescribed in the labor law include:

- sales promotion programs on Lunar New Year conducted 30 days ahead of the first day of lunar year;

- sales promotion programs conducted on other holidays. Sales promotion period of each promotion program conducted on Tet holidays or other holidays shall not exceed the time for such holidays in accordance to the labor law.

#### **Article 7. Maximum discount rate for the promoted product**

1. The maximum discount must not exceed 50% of the prices of such promoted product before the sales promotion.

2. For time-limited promotion prescribed in Clause 5 in Article 6, 100% discount shall be offered. 100% discount may be also applied to sales promotion activities included in programs or activities of sales promotion decided by the Prime Minister.

3. Maximum discount rate must not be applied to sales promotion of:

a) goods or services by price stabilization programs of the State;

b) fresh foods;

c) goods or service of the businesses going bankrupt, dissolving, changing their location or business sector or trade

#### **Section 2. TYPES OF SALES PROMOTION**

## **Article 8. Provision of sample goods or services free of charge**

1. Sample goods given or sample services provided to customers must be those which traders are selling or providing or going to sell or provide on the market in accordance to the law.
2. When receiving sample goods or sample services, customers are not required to make any payment.
3. Traders conducting sales promotion programs by giving sample goods or services to customers must take responsibility for the quality of such sample goods or services and must inform customers of all information concerning the trial use of such sample goods or services.

## **Article 9. Gifting of goods or services**

Traders shall do sales promotion in the form of gifting of goods or services in the following modes:

1. Gifting of goods or services with accompanied goods sale and purchase or service provision;
2. Gifting of goods or services without accompanied goods sale and purchase or service provision;

## **Article 10. Sale of goods or provision of services at discounted prices during the announced period of sales promotion**

1. Where sales promotion is done in the form of discount, the discounted price of the promoted product offered at any time during the period of sales promotion shall comply with regulations prescribed in Article 7 of this Decree.
2. Discount on goods or services whose sale prices or charge rates are particularly quoted by the State is prohibited.
3. Discount of goods or services to lower than the minimum levels in cases where the State has set price frames or minimum prices for such goods or service is prohibited.
4. Taking advantage of this form of sales promotion to dump goods or services is prohibited.
5. Total duration of sales promotion done in the form of discount for a certain goods or service mark must not exceed 120 days in a year excluding the duration of sales promotion programs conducted in the form of discount included in the concentrated sales promotion programs and trade promotion programs decided by the Prime Minister.

## **Article 11. Sale of goods or provision of services together with coupons**

1. Coupons are used for receiving or purchasing goods or services from certain traders.

2. The maximum value of the coupon given together with a unit of goods sold or service provided during the sales promotion period must comply with regulations on the maximum material value of the promotional product prescribed in Article 6 of this Decree.

3. Coupons must contain relevant information prescribed in Article 97 of the Commercial Law.

**Article 12. Sale of goods or provision of services together with promotional contest entry form for selecting the prize winner according to rules and prizes already announced**

1. Contents of the promotional contest must include relevant information prescribed in Article 97 of the Commercial Law and must not be contrary to historical, cultural, ethic traditions and fine customs and practices of Vietnam.

2. Promotional contests and prize-awarding day must be organized publicly and witnessed by representatives of customers and notified to Department of Trade and Industry of localities where such promotional contests and prize-awarding day are organized before the promotional contest and prize-awarding day. For the case in which total value of prizes awarded in the sales promotion is under VDN 100 million, the trader doing such sales promotion are not required to notify the Department of Trade and Industry as prescribed in this Clause.

3. The trader doing sales promotion must organize promotional contest and prize-awarding day according to rules and prizes already announced.

**Article 13. Sale of goods or provision of services together with participation by customers in promotional games of chance in connection with the purchase of goods or service and winning of prizes due to chance of participants according to rules and prizes already announced ( hereinafter referred to as promotional games of chance)**

1. The determination of the prize winner of the promotional games of chance must be organized publicly according to rules announced, witnessed by customers and recorded in writing.

2. Where proofs of prize-winning are issued together with goods by being attached to goods or inserted into the goods, the trader doing sales promotion must notify the place and time of inserting proofs of prize-winning into the goods to the Department of Trade and Industry of the locality where proofs of prize-winning are inserted into the goods before the day they are inserted.

3. Proofs of prize-winning of the promotional games of chance must meet the following criteria:

a) The proofs must be presented in the material forms such as lottery form, contest entry form, lottery tickets, scratch cards, tickets or stamps, prize-winning tickets or stamps; lids, buttons, bottoms, hulls, trunks of the product package or the products and the prize itself or in the form of data containing information such as messages; electronic emails, codes, transaction codes, customer codes, product codes or other equivalent forms as the basis for determining the prize winner by chance.

b) The proofs must be issued in the forms different from the lottery ticket issued by the State and the State lottery results must not be used as the basis for determining the prize winner.

4. Traders conducting promotional games of chance must remit 50% of announced prize value into state budget if the prize winner is unidentified.

5. When the duration of awarding ends, the prize without any receiver or unidentified prize winner will be considered as the prize without the winner of the promotional game of chance prescribed in Clause 4 in this Article.

**Article 14. Organization of frequent customer programs as the basis for awarding customers according to the quantity or value of goods or services purchased in the forms of customer cards or coupons acknowledging the goods or service purchase**

1. The trader doing sales promotion must comply with regulations on notification of relevant information prescribed in Article 97 of the Commercial Law and be responsible for timely, accurately confirming the participation by customers in frequent customer programs.

2. Contents presented and stored in the customer card or coupon acknowledging the goods or service purchase must contain:

a) name of the card or coupon and customer information such as their full name, identity card or passport

b) conditions and modes for acknowledging the participation by customers in the frequent customer program. For the case in which the card or coupon fails to present sufficient information specified in this point, such information must be promptly and sufficiently provided for customers when they start to participate in the program.

c) the quantity or value of goods purchased as the basis for determining benefits offered to customers; particular conditions for quantity or value of goods or services purchased or used by customers to be awarded.

**Article 15. Goods or service sales promotion with the use of the Internet, electronic media or information technologies**

1. The trader doing sales promotion programs relating to the use of the Internet, electronic media or the application of information technologies or other instruments must comply with sales promotion provisions of the Commercial Law, this Decree or relevant law provisions. 2. The trader providing the service of e-commerce website or promotional online website shall be responsible for:

a) assuring all information about sales promotion activities posted on the website conforms to the law on sales promotion, e-commerce, advertisement and relevant law provisions;

- b) asking the trader doing sales promotion on the website to provide information on sales promotion activities;
- c) providing an inspection and supervision mechanism to make sure information is provided sufficiently and accurately by the trader doing sales promotion;
- d) timely taking actions against sales promotion acts violating the law on the website when discovering or receiving comments on such acts.
- dd) assisting state management agencies in investigating, inspecting, supervising sales promotion acts violating the law, providing information concerning trading registration and trading history and other documents regarding the offenders;
- e) playing the role of a third party in charge of providing information on sales promotion activities for consumers as required by the law on consumer rights and benefits protection.

### **Section 3. NOTIFICATION, REGISTRATION, PUBLICATION, REPORTING OF SALES PROMOTION RESULTS AND TERMINATION OF SALES PROMOTION**

#### **Article 16. Obligations of traders doing sales promotion**

1. The trader doing sales promotion prescribed in Point a in Clause 1 in Article 2 of this Decree is required to:

- a) notify and register sales promotion with competent regulatory agencies;
- b) be responsible to laws and customers for sales promotion programs, except for hiring traders that do sales promotion as prescribed in Point b in Clause 1 in Article 2 of this Decree;
- c) provide customers, distribution traders and relevant parties with sufficient, accurate and clear information required to be publicly notified as prescribed in Article 97 of the Commercial Law;
- d) fulfill other obligations as prescribed in Article 96 of the Commercial Law and this Decree.

2. The trader doing sales promotion prescribed in Point b in Clause 1 in Article 2 of this Decree is required to:

- a) fulfill other obligations as prescribed in Clause 5 in Article 96 of the Commercial Law and this Decree.
- b) be responsible to laws and customers for activities specified in the sales promotion service contract.

#### **Article 17. Notification of sales promotion**



1. Traders must notify sales promotion activities to all Departments of Trade and Industry of localities where the sales promotion is conducted before conducting sales promotion programs in the forms prescribed in Clause 8 in Article 92 of the Commercial Law and Article 8, 9, 10, 11, 12 and 14 of this Decree. The notification document must be sent to the Department of Trade and Industry at least 03 working days before the sales promotion program is conducted (according to the receiving date specified in the delivery note if the document is sent by post, according to the date recorded in the confirmation note of if it is sent directly; according to the time recorded on the email system or the date recorded on the system if it is sent via the public online service system).

2. Traders not required to notify sales promotion if doing types of sales promotion prescribed in Clause 8 in Article 92 of the Commercial Law and Article 8, 9, 10, 11, 12 and 14 of this Decree including:

a) Traders doing sales promotion prescribed in Clause 1 in this Article of which the total prizes or gifts are valued under VND 100 million;

b) Traders selling goods and doing sales promotion via e-commerce website or promotional online website

3. Traders may select one of the following forms of notification:

a) Submitting a notification document to the Department of Trade and Industry of the locality where the sales promotion program is conducted by post;

a) Submitting a notification document directly to the head office of the Department of Trade and Industry of the locality where the sales promotion program is conducted;

c) Submitting a notification document with an e-signature or a scan of the announcement of sales promotion bearing the signature and seal of such traders to the email address published by the Departments of Trade and Industry;

d) Using the public online service system provided by the Department of Trade and Industry.

4. The notification document shall include an announcement of sales promotion according to Form no.1 provided in the Appendix issued together with this Decree.

5. Contents of sales promotion to be notified shall contain:

a) the name of the trader doing sales promotion;

b) the name of the sales promotion;

c) the place of sales promotion program (province, city where the trader conduct the program);

d) the type of sales promotion;

- dd) promoted product;
- e) promotional product (prize or gift);
- g) time of sales promotion;
- h) customers of the sales promotion (who benefits from the sales promotion)
- i) prize structure and total value of the prize of the sales promotion;
- k) details of the sales promotion
- l) names of traders involved in the sales promotion, duty of each trader engaged in such sales promotion if the sales promotion is done by more than one trader.

6. The information on sales promotion provided by the trader must be published in suitable forms such as written form or via websites or others forms with equivalent effectiveness not sooner than the time of such sales promotion by state management agencies.

Information to be published must contain:

- a) the name of the trader doing sales promotion;
- b) details of the sales promotion;
- c) time of sales promotion;
- d) place of sales promotion

#### **Article 18. Notification of amendments to sales promotion**

1. With regard to amendments to sales promotion that is notified to the Department of Trade and Industry, traders must notify the amendments to sales promotion to the Department of Trade and Industry to which the sales promotion has been notified before amending such sales promotion. The notification document shall include an announcement of amendments to sales promotion according to Form no.6 provided in the Appendix issued together with this Decree.

2. Traders may select one of the following forms of notification:

- a) Submitting a notification document to the Department of Trade and Industry of the locality where the sales promotion is done by post;
- a) Submitting a notification document directly to the head office of the Department of Trade and Industry of the locality where the sales promotion is done;

c) Submitting a notification document with an e-signature or a scan of the announcement of sales promotion bearing the signature and seal of such traders to the email address published by the Departments of Trade and Industry;

d) Using the public online service system provided by the Department of Trade and Industry.

3. Amendments to sales promotion programs must not harm rights and benefits of customers participating in the program before it is amended.

### **Article 19. Registration of sales promotion**

1. Traders must follow the administrative procedure for registration of sales promotion and must have their registration certified by competent state management agencies before conducting sales promotion programs in the forms prescribed in Article 13 of this Decree and other forms as prescribed in Clause 9 in Article 92 of the Commercial Law.

2. Competent state management agencies prescribed in Clause 1 in this Article include:

a) the Department of Trade and Industry for promotional games of chance conducted in the locality of a province or centrally-affiliated city;

b) the Ministry of Trade and Industry for promotional games of chance conducted in localities of 2 or more provinces and centrally-affiliated cities and other types of promotional games of chance

3. Traders may make registration in one of the following forms:

a) Submitting an application for registration to competent state management agencies by post;

a) Submitting an application for registration directly to the head office of competent state management agencies;

c) Using the public online service system provided by competent state management agencies.

4. An application for sales promotion registration must include:

a) an application form for registration of sales promotion according to Form no.2 provided in the Appendix issued together with this Decree;

b) documented rules of sales promotion according to Form no.3 provided in the Appendix issued together with this Decree;

c) proofs of prize winning or a detailed description of such proofs;

d) an uncertified copy of document of the promotional product as required by laws

5. Contents of registration of sales promotion contain:

- a) the name of the trader doing sales promotion;
- b) the name of the sales promotion;
- c) the locality where such sale promotion is done (province, city where the trader do the sales promotion);
- d) the type of sales promotion;
- dd) the promoted product;
- e) the promotional product (prize or gift);
- g) time of sales promotion;
- h) customers of the sales promotion who benefit from the promotion
- i) prize structure and total value of the prizes of the promotion;
- k) details of the promotion (rules of the sales promotion)
- l) names of traders involved in the sales promotion and duty of each trader engaged in such promotion if the sales promotion is done by more than one trader.

6. Competent state management agencies in charge of commerce prescribed in Clause 2 in this Article must consider and reply to traders whether to certify their registration of sales promotion programs and provide clear explanation as regulated by laws if refusing such registration within 05 working days from the day on which the application is received (according to the receiving date recorded in the delivery note if such application is sent by post or according to the date recorded in the confirmation note if it is submitted directly or the date recorded on the system if it is sent via the public online website system). a) Contents of certifying or refusing the registration must conform to Form no.4 or 5 provided in the Appendix issued together with this Decree.

7. For the case in which the registration is certified by the Ministry of Trade and Industry, such Ministry must notify the certified sales promotion program to the Department of Trade and Industry of the locality where such program is conducted for the purpose of cooperating in management.

8. The information on sales promotion programs registered by traders and certified by competent agencies must be published in suitable forms such as written form or via websites or others forms with equivalent effectiveness not sooner than the time of such programs by state management agencies. Information to be published must contain:

- a) the name of the trader doing sales promotion;
- b) details of the sales promotion
- c) time of sales promotion;
- d) the locality where such promotion is done

## **Article 20. Registration of amendments to sales promotion programs**

1. With regard to amendments to registered sales promotion programs, the traders must register the amendments to sales promotion programs with the competent state management agencies to which the registration is applied for before amending such programs. An application for amendments shall include a document according to Form no.6 provided the Appendix issued together with this Decree.

2. The trader may apply for the registration in one of the following forms:

- a) Submitting an application for amendments to competent state management agencies by post;
- a) Submitting an application for amendments directly to the head office of competent state management agencies;
- c) Using the public online service system provided by competent state management agencies.

3. Competent state management agencies in charge of commerce prescribed in Clause 2 in this Article must consider whether to approve of amendments to sales promotion programs and provide clear explanation as regulated by laws if refusing such amendments within 05 working days from the day on which the application is received (according to the receiving date recorded in the delivery note if such application is sent by post or according to the date specified in the confirmation note if it is submitted directly or the date recorded on the system if it is sent via the public online website system).

4. For the case in which the amendments is approved by the Ministry of Trade and Industry, such Ministry must notify amended sales promotion program to the Department of Trade and Industry of the locality where such program is conducted for the purpose of cooperating in management.

5. Amendments to sales promotion programs must not harm the rights and benefits of customers participated in the program before it is amended.

## **Article 21. Publishing sales promotion results, awarding and reporting the results of sales promotion programs**

1. For sales promotion programs conducted in the forms prescribed in Article 12 and 13 of this Decree and other forms prescribed in Article 92 of the Commercial Law, the duration of

publishing promotion results and awarding of sales promotion programs must not exceed 45 days from the day the sales promotion programs end.

## 2. Reporting the results of sales promotion programs:

a) The trader doing sales promotion must send a written report of the results of sales promotion programs according to Form no.7 provided in the Appendix issued together with this Decree to competent state management agencies who have received their application for registration and granted a registration certificate to them within 45 days from the expiration date of the awarding period of the sales promotion programs conducted in the forms prescribed in Article 13 of this Decree or other forms prescribed in Clause 9 in Article 92 of the Commercial Law. For the case in which 50 % of value of the prize without the winner is remitted into state budget, state management agencies must issue a decision on collecting 50% of value of such prize of sales promotion programs according to Form no.8 provided in the Appendix issued together with this Decree within 07 working days from the day on which the report is received. Traders must remit 50% of announced value of the prize without the winner into state budget as decided within 15 working days from the day on which such decision is received.

The trader must send a written report according to Form no.9 provided in Appendix issued together with this Decree to state management agencies who issue the collection decision within 10 days from the day on which the prize value is remitted into state budget. The trader must retain and take responsibility for documents regarding the report of promotion results as regulated by laws for serving the works of investigation, inspection and supervision.

b) The trader doing sales promotion in the forms prescribed in Clause 8 in Article 92 of the Commercial Law, Article 8, 9, 10, 11 and 14 and cases prescribed in Point a in Clause 2 in Article 17 of this Decree is not required to make a report of promotion results.

3. The traders doing sales promotion in the type different from those prescribed in Point b in Clause 2 in this Article must publish the promotion results at the place of sales promotion or on media or their website (if any). Information to be published must contain:

b) the name of the sales promotion program;

c) the locality where such program is conducted (province, city where the trader conduct the program);

d) the type of sales promotion;

dd) the promoted product;

e) the promotional product (prize or gift);

c) time of sales promotion;

h) customers of the sales promotion program (who benefit from the promotion)

i) prize structure and total value of the prizes of the promotion;

## **Article 22. Termination of sales promotion programs**

The trader doing sales promotion must not terminate the sales promotion programs ahead of the announced time confirmed by the competent state management agencies, except for the following cases:

1. In case of force majeure, the trader must notify the termination of sales promotion programs ahead of time to customers and competent state management agencies in charge of commerce.
2. For the case in which the trader doing sales promotion runs out of promoted product or promotional product or issues all proofs of winning announced or certified by state management agencies, termination of sales promotion programs is acceptable if it is notified to competent state management agencies and must not harm the rights and benefits of customers participating in such promotion.
3. For the case in which the termination of a part or whole sales promotion programs is required by state management agencies, such termination must be published in one of the forms prescribed in Article 98 of the Commercial Law, on the website of the trader (if any) and must not harm the rights and benefits of customer participating in such promotion; except for the case in which the promotional product is prohibited or restricted product or product not permitted for circulation or provision, alcoholic drink given to people under 18 or cigarette, wine, medicines (except for medicines used for sales promotion for medicines traders) The trader will be asked to terminate sales promotion programs if he/she:
  - a) violates regulations in Article 100 of the Commercial Law and Article 3 of this Decree;
  - b) fails to fulfill or fulfills obligations prescribed in rules of sales promotion programs registered with competent state management agencies in charge of commerce in an improper and insufficient manner.

## **Chapter III**

### **TRADE FAIRS AND EXHIBITIONS**

#### **Section 1. GOODS AND SERVICES DISPLAYED OR INTRODUCED AT TRADE FAIRS AND EXHIBITIONS**

##### **Article 23. Labeling of goods to be displayed or introduced at trade fairs and exhibitions**

1. Goods to be displayed or introduced at trade fairs and exhibitions in Vietnam must be labeled in accordance to regulations of the law on goods labeling.
2. Goods temporarily imported for display or introduction at trade fairs and exhibitions in Vietnam must comply with regulations of the law on goods labeling.

**Article 24. Display of counterfeit goods, intellectual property right-infringing goods for comparison with genuine goods**

1. Display of counterfeit goods, intellectual property right-infringing goods at trade fairs and exhibitions must be clearly specified in the application for registration when the trader registers trade fairs and exhibitions or amendments to those fairs and exhibitions.
2. Counterfeit goods and intellectual property right-infringing on display must be shown with clear notices that they are counterfeit of infringing objects.

**Article 25. Use of names and themes of trade fairs and exhibitions**

1. Traders and organization engaged in commerce-related activities, when organizing trade fairs and exhibitions, may choose the names and themes of such trade fairs and exhibitions not contrary to provisions of law, ethic tradition, fine custom and practices of Vietnam.
2. Where the names and themes of trade fairs and exhibitions contain certain words or expressions to popularize the quality and titles of goods and services or reputation and titles of traders, organizations and individuals participating in such trade fairs and exhibitions, traders and organizations engaged in commerce-related activities, when organizing trade fairs and exhibitions, must comply with the following regulations:
  - a) There are evidence to prove that the quality and titles of goods or services participating in trade fairs and exhibitions are suitable to the registered names and themes of such trade fairs and exhibitions;
  - b) There are evidence to prove that the reputation and titles of traders, organizations and individuals participating in trade fairs and exhibitions are suitable to the registered names and themes of such trade fairs and exhibitions.

**Article 26. Conferment of awards and grant of certificates of quality and titles of goods or services, certificates of reputation and titles of traders, organizations and individuals participating in trade fairs and exhibitions**

1. The conferment of awards and grant of certificates of the quality and titles of goods or services, certificates of reputation and titles of traders, organizations and individuals participating in trade fairs and exhibitions must comply with relevant law provisions and must be clearly specified in the application for registration when traders organizing such trade fairs and exhibitions make registration of trade fairs and exhibitions or registration of amendments to such trade fairs and exhibitions.
2. The conferment of awards and grant of certificates of the quality and titles of goods or services, certificates of reputation and titles of traders, organizations and individuals participating in trade fairs and exhibitions must comply with relevant law provisions and the following principles:



- a) The conferment of awards is only acceptable for traders, organizations and individuals registering the conferment of awards in trade fairs and exhibitions.
- b) All models of businesses must be fairly treated;
- c) The conferment of awards and grant of certificates must be fair and published for voluntary traders, organizations and individuals participating in trade fairs and exhibitions;
- d) The names of awards and titles must contain the names of trade fairs and exhibition in which traders, organizations and individuals participate and not contrary to provisions of laws, ethic tradition, fine customs and practices of Vietnam;
- dd) Traders, organizations and individuals registering the conferment of awards must not mobilize funding in any forms;
- e) The conferment of awards and awards must not be used for violating provisions of laws;
- g) Traders, organizations and individuals must not be forced to participate in the conferment of awards.

**Article 27. Temporary import for re-export of goods or services participating trade fairs and exhibitions in Vietnam; temporary export for re-import goods or services participating trade fairs and exhibitions in foreign countries**

Temporary import for re-export of goods or services participating trade fairs and exhibitions in Vietnam; temporary export for re-import goods or services participating trade fairs and exhibitions in foreign countries must comply with regulations of the law on customs and other relevant law provisions.

**Section 2. ORDERS AND PROCEDURES FOR REGISTRATION OF ORGANIZATION OF OR PARTICIPATION IN TRADE FAIRS AND EXHIBITIONS**

**Article 28. Obligations of traders organizing or participating in trade fairs and exhibitions**

1. Traders organizing trade fairs and exhibitions are obliged to:

- a) register the organization of trade fairs and exhibitions with competent state management agencies;
- b) handle complaints and receive feedbacks from consumers or organizations and individuals on trade fairs and exhibitions or goods displayed at trade fair and exhibitions;
- c) provide participants with sufficient and accurate information on the participation in trade fairs and exhibitions and other activities than goods display in trade fairs and exhibitions;
- d) fulfill other obligations as prescribed in Article 139 and 140 of the Commercial Law.

2. Traders, organizations and individuals participating trade fairs and exhibitions (participating in goods display at trade fairs and exhibitions) are obliged to:

- a) take full responsibility for goods or services displayed at trade fairs and exhibitions;
- b) provide sufficient and accurate information on goods to be displayed for traders organizing trade fairs and exhibitions and take responsibility for such information;
- c) fulfill other obligations as prescribed in Article 138 and 139 of the Commercial Law.

#### **Article 29. Registration of organization of trade fairs and exhibitions**

1. Traders organizing trade fairs and exhibitions in Vietnam, exclusive trade fairs and exhibitions included in trade promotion programs or activities decided by the Prime Minister or provincial People's Committee, or organizing the participation by traders, organizations and individuals in overseas trade fairs and exhibitions, exclusive trade fairs and exhibitions included in trade promotion programs or activities decided by the Prime Minister, must apply for the registration of organization of trade fairs and exhibitions with competent state management agencies.

2. Competent state management agencies prescribed in Clause 1 in this Article include:

- a) the Department of Trade and Industry of locality where trade fairs and exhibitions are organized in Vietnam;
- b) the Ministry of Trade and Industry for trade fairs and exhibitions in foreign countries

3. Traders may apply for the registration in one of the following forms:

- a) Submitting an application for registration to competent state management agencies by post;
- a) Submitting an application for registration directly to the head office of competent state management agencies;
- c) Using the public online service system provided by competent state management agencies.

4. Time for registration (according to the receiving date in the delivery note if the application is submitted by post; according to the date recorded in the confirmation note if it is directly submitted or the date recorded on the system if it is submitted via the public online service system) shall be specified as follows:

- a) At the earliest 365 days or at least 30 days before the opening date of trade fairs and exhibitions in Vietnam;
- b) At the earliest 365 days and at least 45 days before the opening date of overseas trade fairs and exhibitions

5. An application for registration of organization of trade fairs and exhibitions shall include:

- a) An application form for registration of organization of trade fairs and exhibitions according to Form no.10 provided in the Appendix issued together with this Decree;
- b) An uncertified copy of the enterprise registration certificate, investment registration certificate, decision on foundation or other decision with equal validity in accordance to provisions of laws;

6. Contents of registration of organization of trade fairs and exhibition shall contain:

- a) the names of traders or organizations engaged in commerce-related activities organizing trade fairs and exhibitions;
- b) the names and themes of trade fairs and exhibitions (if any);
- c) time and place of trade fairs and exhibitions;
- d) expected scale of trade fairs and exhibitions;
- dd) the display of counterfeit goods and intellectual property right-infringing goods; the conferment of awards and grant of certificates of the quality and titles of goods or services, certificates of reputation and titles of traders, organizations and individuals participating the trade fairs and exhibition; the organization of trade fairs and exhibitions on behalf of provinces, cities or the country of Vietnam.

7. Competent state management agencies must reply in writing whether to certify the registration of organization of trade fairs and exhibitions within 07 working days from the day on which the satisfactory application is received. In case such registration is refused, clear explanation is required. Contents of certifying or refusing of registration will comply with Form no.11 or 12 provided in the Appendix issued together with this Decree.

8. For the case in which two or more traders, organizations engaged in commerce-related activities register the organization of trade fairs and exhibitions with the same name, theme as well as time and place, competent state management agencies shall hold a negotiation for the purpose of selecting traders or organizations engaged in commerce-related activities eligible to organize such trade fairs and exhibitions.

9. If the negotiation prescribed in Clause 8 in this Article fails, competent state management agencies may decide to grant a certificate of registration of organization of trade fairs and exhibitions to one trader or organization engaged in commerce-related activities according to:

- a) the results of similar trade fairs and exhibitions organized by such trader or organization;
- b) the capacity to organize trade fairs and exhibitions;

c) experiences in organizing trade fairs and exhibitions with the same names, themes or similar trade fairs and exhibitions;

d) the evaluation of relevant trade associations

10. Traders or organizations engaged in commerce-related activities must send a written report of the results of trade fairs and exhibitions depending on registered and certified contents in consistent with Form no.14 provided in the Appendix issued together with this Decree within 30 days from the termination date of trade fairs and exhibitions.

11. Trade fairs and exhibitions organized in Vietnam must meet criteria as follows:

a) Goods at trade fairs and exhibitions must be displayed or introduced in standard booths (sized 3mx3m) or areas equivalent to standard booths;

b) The service of electricity, water, security and cleaning must be fully provided.

12. The organization of trade fairs and exhibitions in Vietnam on behalf of provinces or cities must meet standards prescribed in Clause 11 in this Article and those prescribed in regulations issued by People's Committees of provinces and cities. The organization of participation in overseas trade fairs and exhibitions on behalf of the county of Vietnam must meet standards as regulated by the Ministry of Trade and Industry.

13. Provincial People's Committees shall publish the annual list of places eligible for the organization of trade fairs and exhibitions and preferential sectors for trade fairs and exhibitions organized in provincial localities in the following year before October 01.

14. Traders organize or participate in overseas trade fairs and exhibitions for their own goods or services are not required to comply with regulations in this Article.

### **Article 30. Registration of amendments to trade fairs and exhibitions**

1. With regard to amendments to registered trade fairs and exhibitions, traders or organizations engaged in commerce-related activities must apply for the registration of the amendments to trade fairs and exhibitions. An application for amendments to trade fairs and exhibitions must be submitted to competent state management agencies at least 30 days prior to the opening date of such trade fairs and exhibitions. The application for amendments to trade fairs and exhibitions must be consistent with Form no.13 provided in the Appendix issued together with this Decree.

2. Traders may apply for the registration in one of the following forms:

a) Submitting an application for amendments to competent state management agencies by post;

a) Submitting an application for amendments directly to the head office of competent state management agencies;

c) Using the public online service system provided by competent state management agencies.

3. Competent state management agencies may approve or not approve the amendments to trade fairs and exhibitions within 07 working days from the day on which the satisfactory application is received. In case such amendments are disallowed, clear explanation is required.

4. The amendments to trade fairs and exhibitions must not harm the rights and benefits of relevant traders, organizations and individuals.

### **Article 31. Termination of trade fairs and exhibitions**

1. Traders organizing trade fairs and exhibitions are obliged to terminate a part or the whole trade fairs and exhibitions as required by state management agencies. State management agencies may ask the traders to terminate trade fairs and exhibitions only when discovering their violations against regulations in Clause 2 and 3 in Article 131, Clause 3 in Article 133, Article 134, 135, 136 and 137 of the Commercial Law.

2. The termination of trade fairs and exhibitions must be published and must not harm the rights and benefits of traders participating in such trade fairs and exhibitions.

## **Chapter IV**

### **IMPLEMENTATION**

### **Article 32. Responsibilities for implementation**

1. The Ministry of Trade and Industry is responsible to governmental bodies in charge of state management for trade promotion prescribed in the Commercial Law and this Decree as follows:

a) Establish administrative procedures for trade promotion as authorized;

b) Verify, inspect and supervise the compliance with the regulations on trade promotion of the Commercial Law of traders and organizations engaged in commerce-related activities and take actions against violations by such traders and organizations engaged in commerce-related activities as regulated.

c) Inspect and make a consolidated report of final accounts with same-level agencies in charge of finance management regarding the expected money amount to be collected and the realized one remitted into state budget which is 50% of announced value of the prize without the winner of sales promotion programs;

d) The Department of Commercial Promotion affiliated with the Ministry of Trade and Industry must assist the Minister of Trade and Industry in the management works prescribed in Clause 1 in this Article; General Department of market management affiliated with the Ministry of Trade and Industry must assist the Ministry of Trade and Industry in management works prescribed in Point b in Clause 1 in this Article.

2. The Ministry of Finance must preside over the collection and accounting to adjust 50% of announced value of the prize without the winner of sales promotion programs remitted into state budget.

3. Ministries, ministerial agencies, Governmental agencies must cooperate with the Ministry of Trade and Industry in fulfilling state management duties regarding trade promotion as authorized.

4. Relevant People's Committees of provinces and centrally-affiliated cities (hereinafter referred to as provincial People's Committees) must fulfill the duty of state management with respect to trade promotion as authorized.

a) Establish administrative procedures for trade promotion as authorized;

b) Verify, inspect and supervise the compliance with the regulations on trade promotion of the Commercial Law of traders and organizations engaged in commerce-related activities and take actions against violations against provisions of laws by traders and organizations engaged in commerce-related activities as regulated.

c) Inspect and make a consolidated report of final accounts with same-level agencies in charge of finance management concerning the expected money amount to be collected and the realized one remitted into state budget which is 50% of announced value of the prize without the winner of sales promotion programs;

d) The Department of Trade and Industry must assist provincial People's Committees in fulfilling management duties prescribed in Point a, b and c in this Clause and send a report to such provincial People's Committees as well as the Ministry of Trade and Industry;

dd) Market management forces in local authorities must assist provincial People's Committees and the General Department of Market Management in fulfilling management duties prescribed in Point b in this Clause.

5. Competent state management agencies must publish the information on trade promotion activities including sales promotion, trade fairs and exhibitions that

a) have been notified to state management agencies;

b) have been certified by state management agencies after being registered;

c) have been imposed penalties for violating relevant provisions of laws as regulated.

### **Article 33. Effect**

1. This Decree comes into force on July 15, 2018.

2. Decree No.37/2006/ND-CP dated April 04, 2006 of the Government on elaboration of regulations of Commercial Law on trade promotion will expire from the day this Decree comes into force./.

**PP. THE GOVERNMENT  
MINISTER**

**Nguyen Xuan Phuc**

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