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Consumer Protection

Quarterly Regional Update:

Introduction

It is our pleasure to share with you recent significant legal developments in the consumer protection sector as of the beginning of the third quarter of 2017.

This quarterly update aims to highlight the significant consumer protection - related legal developments in the ASEAN region, as well as in the key economies across the world.

Written as a series of short, easy to digest summaries, we hope this update will help keep you informed of important events in the past year, and set you thinking about the potential opportunities as well as the legal issues in the area of the consumer protection in 2017. We will issue these short regional updates every quarter to help you and your business keep up to speed with the latest developments.

1. Regulation on the provision of information relating to the National Steering Committee on anti-smuggling and fraudulent trading and counterfeiting of goods

On 25 January 2017, the National Steering Committee on anti-smuggling and fraudulent trading and counterfeit goods issued Decision 01/QĐ-BCĐ389 on promulgating "regulation on provision information relating to the National Steering Committee's anti-smuggling and fraudulent trading and counterfeiting of goods". This regulation stipulates the regime, contents, and forms of providing information on cases and results of detecting, seizing and handling violations committed by ministries, branches and localities in service of public works of the National Steering Committee's anti-smuggling and fraudulent trading and counterfeit goods (hereafter referred to as the National Steering Committee 389) on news agencies. The Decision specifies the protocols on providing periodic information and providing information in extraodinary cases relating to anti-smuggling and fraudulent trading and conterfeiting of goods through news agencies.

Link: https://thuvienphapluat.vn/van-ban/Thuong-mai/Quyet-dinh-01-QD-BCD389-cung-cap-thong-tin-phuc-vu-cong-tac-chong-buon-lau-gian-lan-thuong-mai-2017-339930.aspx

2. Implementation of development program on consumer protection activities for the period of 2016 – 2020.

On 15 February 2017, the Ministry of Industry and Trade (MOIT) issued Decision No. 449/QĐ-BCT on establishment of the Steering Committee, the Appraisal Board and the <a nagement Board for development programs of consumer protection activities for the period of 2016-2020.

Link: https://thuvienphapluat.vn/van-ban/Thuong-mai/Quyet-dinh-449-QD-BCT-Ban-Chi-dao-phat-trien-hoat-dong-bao-ve-quyen-loi-nguoi-tieu-dung-2017-340809.aspx

On 17 May 2017, the MOIT subsequently issued Decision No. 1730 QĐ/BCT on promulgating working regulations of the Steering Committee, the Appraisal Broad and the Management Broad for development program on consumer protection activities for the period of 2016 – 2020. The main content of this Decision is to stipulate (i) responsibilities of members in the Steering Committee, the appraisal and the Management Board and (ii) location and working regime of the above subjects.

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On 17 May 2017, MOIT also issued Decision No.1729 QĐ/BCT on promulgation of procedures, appraisal, and approval and evaluation criteria for the implementation of development program on consumer protection activities for the period of 2016 -2020. The Decision applies to organizations and individuals involved in the implementation, enjoyment and management of projects under the Program as stipulated in the Decision No 1997/ QĐ-TTG on approval for development program of customer protection activities for the period of 2016-2020. Accrodingly, the Decision regulates (i) principles for program development; (ii) basic contents of the program implementation project; (iii) procedures for the formulation, appraisal and approval of the project; (iv) profile and registration time for the implementation of the projec; and (v) procedures for adjustment, supplementation and cessation of the project.

Link dowload Decision No. 1730 QĐ/BCT and Decision No.1729 QĐ/BCT:

http://www.vca.gov.vn/NewsDetail.aspx?ID=3632&CateID=436

3. New labelling regulations on protecting consumers

On 14 April 2017, the Government issued Decree No. 43/2017/ND-CP on Product Labels (Decree 43) replacing Decree No. 89/2006/ND-CP. Decree 43 takes effect on 1 June 2017. It also provides new labelling regulations with an aim of protecting consumers. Notably:

- (i) Organizations and individuals selling products with simple packaging and bulk goods, namely food additives and chemicals which have no commercial packaging for direct sale to consumers, must publicize the name of the goods, expiry dates, warning information (if any), name and address of the entities responsible for the products, and directions for use.¹
- (ii) In addition to the requirement on the use of additional labels (showing the compulsory contents in Vietnamese and retaining the original goods labels) for the imports into Vietnam, of which the labels have not yet reflected or have insufficiently been reflected in compulsory contents in Vietnamese pursuant to the current regulations.² Decree 43 also requires the use of additional labels on the non-exported or returned goods, which are put to the market³ and, at the same time, must have "Made in Vietnam" in bold print⁴.
- (iii) For goods which are divided, transferred, extracted, or re-packaged, labels must show the date of division, transfer, extraction or re-packing.⁵

Decree 43 facilitates consumers to have more information for product selection, avoids confusion among consumers and contributes significantly in the fight against smuggled and fake goods as well as trade fraud in order to protect rights and health of consumers.

Link: https://thuvienphapluat.vn/van-ban/Thuong-mai/Nghi-dinh-43-2017-ND-CP-nhan-hang-hoa-346310.aspx

4. Circular No. 16/2017/TT-BTC

On 28 February 2017, the Ministry of Finance issued Circular No. 16/2017/TT-BTC ("Circular 16") which provides guidance Decision No. 20/2016/QD-TTg dated 11 May 2016 by the Prime Minister on funding support for anti-

² Decree 43, Article 7.3

¹ Decree 43, Article 19

³ Decree 43, Article 8.2

⁴ Decree 43, Article 8.4

⁵ Decree 43, Article 14.3

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smuggling, and fraudulent trading and counterfeiting of goods and payment of fees for management and handling of assets confiscated as regulated by law on smuggling and fraudulent trading and counterfeit goods("**Decision 20**"). This Circular took effect on 17 April 2017. The Circular provides regulations including (i) expenditure content and level of support from support funds; (ii) management and use of voluntary support funds; (iii) expenditures and levels of expenses for management and handling of confiscated assets and (iv) preparing estimates and finalizing state budget funds in support of anti-smuggling forces, trade frauds, and counterfeits goods.

Link: https://thuvienphapluat.vn/van-ban/Thuong-mai/Thong-tu-16-2017-TT-BTC-huong-dan-Quyet-dinh-20-2016-QD-TTg-ho-tro-kinh-phi-chong-buon-lau-327959.aspx

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