

## LEGAL UPDATES (March 30<sup>th</sup>, 2020)

*In this issue, we would like to bring to your attention a brief overview of the recent legal news concerning the following:*

- *The Government issued new Decree 35/2020/ND-CP guiding the implementation of the Competition Law 2018*
- *The Decree 15/2020/ND-CP outlining the administrative fines for violations in telecommunications, radiofrequency, technology information, and e-transactions*

### **1. The Government issued new Decree 35/2020/ND-CP guiding the implementation of the Competition Law 2018**

The Decree 35/2020/ND-CP issued on March 24<sup>th</sup> 2020, providing detailed guidance on the implementation of the Vietnamese Law on Competition 2018. The Decree specifies two important points, namely:

#### **a) The two cases considered as controlling, dominating the acquired company or certain business lines of such company, including:**

- The acquiring company owns more than 50% of the charter capital or more than 50% voting shares of the target company;
- The acquiring company acquires the ownership right or usage right over more than 50% of the assets in all or some of the business lines of the target company.

#### **b) Specifying the barriers to enter into or expand the market that restricts the market competition, including:**

- The legal barriers created by the laws and policies include regulations on import duties and restrictions; technical regulations; conditions and procedures for producing and trading in goods and services; regulations on the use of goods and services; professional standards and other administrative decisions of state agencies;
- Financial barriers including costs of investment in production and trading of goods and services, accessing to capital, credit and other financial resources of companies;
- Initial costs of entering a market that enterprises cannot recover when withdrawing from such market;

- Barriers to access and hold supply and essential infrastructure for companies' production and business operation; distribution network, consumption of goods and services on the market;
- Consuming customs;
- Business customs and practices;
- Barriers related to the exercise of intellectual property rights of organizations and individuals, including copyright and neighbouring rights, industrial property rights and rights to plant varieties as prescribed by intellectual property laws;
- Other barriers to enter or expand the market.

The Decree will be effective from May 15<sup>th</sup>, 2022.

## **2. The Decree 15/2020/ND-CP outlining the administrative fines for violations in telecommunications, radiofrequency, technology information, and e-transactions**

Notably, Article 101 of the Decree regulates fines of between 10 million – 20 million VND for the following behaviours:

- Providing and sharing fake information, untruthful information, misrepresenting, slandering, insulting the reputation of agencies, organizations, honour and dignity of individuals;
- Providing and sharing information promoting the superstition, obscenity, depravity inconsistent with the traditions and customs of the nation;
- Providing and sharing fabricated, confusing information, inciting violence, crimes, social evils, gambling or serving to gamble;
- Advertising, propagating and sharing information about prohibited goods and services;
- Providing and sharing images of Vietnam map but not showing or improperly displaying the national sovereignty;
- Providing, sharing links to prohibited online contents.

The Decree will be effective from April 15<sup>th</sup>, 2020.

We hope this short Letter of legal updates would bring you useful information.  
Best regards.

**Disclaimer:** All materials have been prepared for general information purposes only. The information is not intended as, and should not be taken as, legal advice. Do not act or refrain from acting based upon information provided herein without first consulting our lawyers about your particular factual and legal circumstances. Apolat Legal can accept no responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate adviser.

## ABOUT US,

Apolat Legal is a professional law firm with its offices in Ho Chi Minh city and Ha Noi city. The firm's lawyer team specializes in almost all legal practice areas in Vietnam including: Enterprise and Investment; Labor and Employment; Intellectual Property; Dispute Resolution; Real Estate and Construction; Information and Communication; Natural Resources and Environment; Transport; Industry and Trade; Education and Training; Finance and Banking; Agriculture; Legal Document Translation; Legal Training.

Our reputation and the quality of its services are reflected by our clients. We are serving nearly 1,000 clients both local and multi-national companies.

We are also honored to receive numerous recognitions and/or articles posted by world-leading and local organizations and publications including: The Law Association for Asia and the Pacific (LawAsia, 1966), The Legal500, IP Link, IP Coster, Lexology, Global Trade Review (GTR), The Saigon Times, etc.

## Contacts:

### HO CHI MINH CITY (Head office)

5th Floor, GIC Buidling  
36A Nguyen Gia Tri, Binh Thanh District  
Ho Chi Minh City, Vietnam  
Tel: +84-28-3899 8683  
info@apolatlegal.com  
www.apolatlegal.com

### SINGAPORE (Affiliated office)

#26-10, SBF Center,  
160 Robinson Road  
Singapore 068914  
Tel: +84-93-2014 986  
info@apolatlegal.com  
www.apolatlegal.com