

LEGAL UPDATES (July 31st, 2019)

In these legal updates, we would like to send clients the legal updates on some following issues:

- Remarkable legislations which has effective date in july 2019.
- The executed legislations in june 2019.
- The executed legislations in june 2019.

Remarkable Legislations which has effective date in july 2019 and the executed legislations in june 2019.

I. REMARKABLE LEGISLATIONS WHICH HAS EFFECTIVE DATE IN JULY 2019

1. The Competition Law No. 23/2018/QH14 was issued by the National Assembly on June 12th, 2018

This Law sets forth anti-competitive practices, economic concentration that causes or may cause anti-competitive effects on the market of Vietnam; unfair competition practices; competition legal proceedings; sanctions against violations of competition law; state management of competition.

Accordingly, the Competition Committee shall be the Competent Authority to initiate competition legal proceedings; control economic concentration; decide on exemptions for prohibited competition restriction agreements; handle complaints against settlement decisions and other duties as prescribed in this Law and other law provisions.

Pursuant to the Competition Law 2018, an enterprise shall be considered to hold a dominant position on the market if it has substantial market power or has market shares of 30% or more on the relevant market. Besides that, this Law also regulates a group of enterprises shall be considered to hold a dominant position on the market if they jointly cause anti-competitive effects and have substantial market power or their total market shares fall into one of the following cases:

- Two enterprises having the total market share of 50% or more on the relevant market;
- Three enterprises having the total market share of 65% or more on the relevant market;
- Four enterprises having the total market share of 75% or more on the relevant market;
- At least five enterprises having the total market share of 85% or more on the relevant market;

As definition in Competition Law 2018, “Relevant market” means the market of those products and/or services that are regarded as interchangeable by reason of their characteristics, intended use and prices in a specific geographical area with homogeneous

conditions of competition, which is considerably differentiated from neighboring geographic areas. Besides, this Law also regulates the substantial market power of an enterprise or group of enterprises is determined based on some of the following factors:

- Market shares of enterprises on the relevant market;
- Financial strength and size of the enterprise;
- Barriers to market entry and expansion to other enterprises;
- Ability to obtain, assess, control the goods distribution/consumption market or sources of supply;
- Advantages in technology and technical infrastructure;
- Right to own, obtain and assess infrastructure;
- Right to own or use subject matters of intellectual property;
- Ability to transfer to other sources of supply or demand associated with other goods and related services;
- Factors in the sector that the enterprise runs the business.

This Competition Law 2018 comes into effect **on July 01st, 2019**.

2. Decree No. 40/2019/ND-CP issued on May 13th, 2019 by Government on amendments and supplements of articles of decrees detailed stipulating, guiding to implement Law on Environment

Decree No. 40/2019/ND-CP amends and supplements the regulations relating to assessment and approval for environmental impact assessment reports which were regulated in Decree No. 18/2015/ND-CP issued on date February 14th, 2015 of the Government regulates on the environmental protection planning, strategic environmental assessment, environmental impact assessment and environmental protection plans.

Decree No. 40/2019/ND-CP amends and supplements the regulations relating to management and improvement of environmental quality which were regulated in Decree No. 19/2015/ND-CP issued on February 14th, 2015 of the Government.

Decree No. 40/2019/ND-CP amends and supplements Decree No.38/2015/ND-CP issued on April 24th, 2015 of the Government regulates on management of waste and discarded materials. The amendments and supplements include the regulations on (i) hazardous waste treatment license; (ii) responsibilities in inspection and monitoring of waste discharges and waste disposal; (iii) conditions for environmental protection in importing discarded material for manufacture.

Decree No. 40/2019/ND-CP amends and supplements Decree No.127/2014/ND-CP issued on December 31st, 2014 of the Government regulates on the requirements applicable to environmental monitoring service activities. The amendments and supplements include the regulations on (i) the requirements for eligibility for environmental monitoring service Licensing regarding field monitoring; (ii) the requirements for issuance of License of eligibility for environmental monitoring service with regard to environmental analysis; (iii) the modification of environmental monitoring service activities.

Decree No. 40/2019/ND-CP comes into effect **on July 01st, 2019**.

II. THE EXECUTED LEGISLATIONS IN JUNE 2019

No.	DOCUMENT TITLE	EXECUTION DATE	EFFECTIVE DATE
1.	Decree No. 48/2019/ND-CP of the Government regulates on management of operation of vehicles used for underwater amusemen	05/06/2019	15/08/2019
2.	Decree No. 51/2019/ND-CP of the Government regulates on prescribing administrative fines for violations arising from scientific and technological activities, and technology transfer	13/06/2019	01/08/2019
3.	Decree No. 54/2019/ND-CP of the Government regulates on the business of karaoke service, dance club service	19/06/2019	01/09/2019
4.	Decree No. 55/2019/ND-CP of the Government regulates on legal support for small and medium enterprises	24/06/2019	16/08/2019
5.	Circular No.32/VBHN-BTC of the Ministry of Finance regulates on guiding the Decree No.67,2011/ND-CP dated August 08th 2011 of the Government which regulates on detailing and guiding the implementation of several articles of Law on Environmental protection tax	17/06/2019	17/06/2019
6.	Circular No. 05/2019/TT-NHNN abolishes some legal documents issued or jointly issued by the Governor of the State Bank of Vietnam	24/06/2019	09/08/2019
7.	Circular No. 08/2019/TT-BCT of the Ministry of Industry and Trade regulates on the the import of dried tobacco and rice leaves originating from the Kingdom of Cambodia under tariff quotas for 2019 and 2020	26/06/2019	12/08/2019

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

Best regards.

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ABOUT US,

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