

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIET NAM
Independence - Freedom - Happiness

No. []/2012/ND-CP

Hanoi, [Date] 2012

DRAFT 14

DECREE

ON LIQUOR PRODUCTION AND TRADING

THE GOVERNMENT

*Pursuant to Law on Organization of the Government dated 25 December 2001;
Pursuant to Commercial Law dated 14 June 2005;
Pursuant to Law on Food Safety dated 17 June 2010;
In consideration of the recommendation of the Minister of Industry and Trade,*

DECREE:

Chapter I

GENERAL PROVISIONS

Article 1. Governing Scope

This Decree governs the production and trading of liquor and beverage alcohol, including: investment in, production, import, export, purchase and sale of liquor and beverage alcohol and other activities related to liquor and beverage alcohol production and trading.

Liquor and beverage alcohol are (for the purpose of liquor production) collectively referred to in this Decree as liquor.

Article 2. Applicable entities

1. This Decree applies to organizations and individuals involved in liquor production and trading and other related activities to liquor production and trading in the Vietnamese territory.
2. Foreign traders, foreign-invested companies in Vietnam are governed by this Decree and other relating regulations.

Article 3. Interpretation of terms

In this Decree, the terms below shall be construed as follows:

1. "Liquor" means drinks containing beverage alcohol made through the process of fermentation, whether or not distilled from starch of various cereals or sugar juices of various plants and fruits or prepared from food alcohol (Etanol).

2. "Beverage alcohol" in this Decree means organic compound with the molecular formula C_2H_5OH and the scientific name in accordance with The International Union of Pure and Applied Chemistry Etanol, meeting the food safety and hygiene standards.
3. "Manual production of liquor" means liquor production activities by traditional instruments such as: bronze pot, alcohol pipe, cold tub ... conducted by organizations, households or individuals with simple equipment and on a small scale.
4. "Industrial production of liquor" means liquor production activities conducted by industrial equipment and machines.
5. "Medicated liquor" means liquor prepared, soaked with materials originating from animals, plants or minerals with the purpose of use to cure or enhance health and support body functions.
6. "Semi – finished liquor" means liquor that has not been finished yet, needs a number of production processes, such as: filtering, preparation, bottling, labeling to be finished liquor products.
7. "Distribution of liquor products" means direct liquor purchase activities from organizations and individuals engaging in liquor production, and traders importing liquor products directly from foreign traders to sell to liquor wholesale traders.
8. "Liquor wholesale" means liquor purchase activities from liquor distribution traders, organizations and individuals engaging in liquor production to sell to liquor retail traders.
9. "Liquor retail" means liquor purchase activities from liquor wholesale traders for direct sale of liquor to consumers.

Article 4. Principles for management of liquor production and trading

1. Liquor belongs to the group of commodities subject to restricted trading under the States regulations. Organizations and individuals engaged in liquor production or trading (distribution, wholesale, retail) must obtain relevant licenses, except for those producing liquor by manual methods for distribution to trading enterprises those having licenses for production of liquor for re-preparation.
2. All activities of liquor production, trading must comply with the provisions of this Decree and other relevant regulations.
3. The State performs the unified management of activities of investment in, production, import, export, trading, labeling, advertisement, quality, food safety, environmental protection, fire and explosion prevention and fight in the liquor production and trading and related activities.
4. Organizations and individuals producing or trading in medicated liquor shall comply with the provisions of this Decree and regulations by the Ministry of Health and other relevant regulations.

Article 5. Liquor production planning

1. Liquor production planning is a branch planning incorporated in the master plan on development of the beer, liquor and beverage industry elaborated for the next decade with a vision toward the subsequent decade.
2. The Ministry of Industry and Trade shall assume the prime responsibility for organizing the elaboration, appraisal and approval of the master plan on development of the beer, liquor and beverage industry, covering the planning on nationwide liquor production.
3. Based on the master plan on development of the beer, liquor and beverage industry approved by the Ministry of Industry and Trade, Peoples Committees at provincial or municipal level under the Center (hereafter collectively referred to as provinces) shall organize the elaboration,

appraisal and approval of master plans on development of the beer, liquor and beverage industry in their localities, including planning on liquor production and traditional liquor production villages.

4. The elaboration, adjustment, amendment and supplementation of master plans on development of the beer, liquor and beverage industry must comply with current regulations on management of plans.

Article 6. Recognition of traditional liquor villages

Provincial-level Peoples Committees shall decide on recognition of traditional liquor production villages in their localities in accordance with current regulations on recognition of traditional craft villages, satisfying the following conditions:

1. Traditional liquor production villages are identified in local master plans on development of the beer, liquor and beverage industry.
2. These villages shall elaborate and apply common production processes to the production of liquor bearing their brands.
3. Liquor products satisfy all conditions on food quality, food safety and goods labeling applicable to all liquor producers within these villages.
4. These villages satisfy all regulations on environmental protection and fire and explosion prevention and fight applicable to all liquor producers within these villages.
5. Recognized traditional liquor production villages shall build, preserve and develop traditional craft village brands.

Chapter II LIQUOR PRODUCTION

Article 7. Investment in industrial liquor production

1. Investment in liquor production must be in line with the approved master plan on development of the Beer – Liquor – Beverage industry.
2. Investors of liquor production projects shall strictly comply with regulations on investment; construction; food quality, safety; environmental protection; fire and explosion prevention and fight and other relevant regulations.

Article 8. Conditions for grant of licenses for industrial liquor production

Conditions for the grant of an industrial liquor production license to an enterprise:

1. The enterprise has registered liquor production business sector.
2. The industrial liquor production of the enterprise must be in line with the approved master plan on development of the Beer – Liquor - Beverage industry.
3. The enterprise has machinery, equipment and technological process for liquor production meeting on food quality and safety.
4. The enterprise satisfies specified conditions on labor safety and sanitation, fire and explosion prevention and fight and environmental protection.
5. The enterprise has the right to legally own or use liquor product brands in Vietnam.
6. The enterprise is staffed with technicians who are professionally qualified for liquor production.

7. The employees of the enterprise who are directly engaged in liquor production must be physically fit and free from infectious diseases.

Article 9. Licenses for industrial liquor production

1. The Ministry of Industry and Trade shall provide detailed guidelines on the competence, licensing order and procedures for the grant of industrial liquor production licenses.
2. Enterprises can only conduct production or business activities from the time they are granted the licenses.

Article 10. Rights and obligations of industrial liquor production enterprises

In addition to the rights and obligations provided for by law, industrial liquor production enterprises have the following rights and obligations:

1. To train staff on fire and explosion prevention and fight, environmental protection and food safety in accordance with relevant regulations.
2. To strictly comply with regulations on food quality, safety, and brand names.
3. To supply information on liquor products as instructed by competent state agencies.
4. To observe the reporting regime prescribed by law.
5. To organize medical checks every 12 months for their employees. Those who are directly engaged in liquor production, must be ensured to be healthy and free from infectious diseases.
6. To be permitted to organise the distribution and wholesale of liquor produced by the enterprise, and only to be permitted to retail liquor directly at the system of stores under the enterprise in accordance with Vietnamese law, without request to grant business licenses for liquor distribution, wholesale and retail.
7. To be permitted to distribute liquor produced by the enterprise (directly or via its affiliates or branches) for sale to the enterprises which are licenced to distribute and wholesale liquor.
8. To be permitted to import beverage alcohol, first extract of alcohol and material for preparation of finished liquor products, or entrusted import for the other enterprises which are licenced to produce industrial liquor.
9. To pay fees and licensing fees of industrial liquor production regulated by the Ministry of Finance.

Article 11. Manual production of liquors for commercial purposes

1. Conditions on grant of licenses for manual liquor production for commercial purposes:
 - a/ Having certificates of registration of the manual liquor production business;
 - b/ Ensuring conditions on environmental protection; food quality, safety; labeling of liquor products in accordance with current regulations.
2. The Ministry of Industry and Trade shall provide detailed guidelines on the competence, licensing order and procedures and application dossier for grant of licenses for manual liquor production for commercial purposes.
3. Rights and obligations of organizations and individuals manually producing liquors for commercial purposes.

Apart from the rights and obligations provided for by law, organizations and individuals manually producing liquors also have the following rights and obligations:

- a/ To join the association of traditional liquor production villages in case they reside in the same locality with such a village;
- b/ To distribute and wholesale liquor produced by the organisations or individuals; only to be permitted to retail liquor at the system of stores under the organisations or individuals in accordance with the law, without request to grant business licenses for liquor distribution, wholesale or retail.
- c/ To be permitted to distribute liquor produced by the organizations and individuals for sale to the enterprises which are licenced to distribute and wholesale liquor .
- d/ Organizations and individuals manually producing liquors are not permitted to import liquor products, food alcohol, first extract of alcohol and material for preparation of finished liquor products;
- e/ To pay fees and licensing fees of manual production of liquors for commercial purposes regulated by the Ministry of Finance.

Article 12. Manual production of liquors for distribution to enterprises having the liquor producing licence for re-preparation

1. Organizations and individuals manually producing liquor to sell to enterprises which are licensed to engage in liquor production for re-preparation must register their businesses with their local authorities.
2. Organizations and individuals manually producing liquor to sell to enterprises which are licensed to engage in liquor production for re-preparation must be responsible to comply with regulations on environmental protection in liquor production on quality as well as food safety with respect to the liquor they produce.
3. The Ministry of Industry and Trade shall provide detailed guidelines on the competence, licensing order and procedures and application dossier for grant of licenses for manual liquor production in order to sell to enterprises which are licensed to engage in liquor production for re-preparation.
4. Rights and obligations of organizations and individuals manually producing liquor to sell to enterprises which are licensed to engage in liquor production for re-preparation.

In addition to the rights and obligations as stipulated by law, organizations and individuals manually producing liquor to sell to enterprises which are licensed to engage in liquor production for re-preparation have the following rights and obligations:

- a) Be not compulsory for product quality announcement, brand registration and labeling.
- a) During the transportation to consumption, organizations, representatives of organizations and individuals only need to show liquor trading agreement to relevant authorities if being checked.
- a) Must register manual liquor production business with the local authorities and request the local authorities certify the business regarding manual liquor production to sell to enterprises which are licensed to engage in liquor production in accordance with Clause 2 of this Article.
- a) Organizations/individuals manually producing liquor to sell to enterprises which are licensed to engage in liquor production for re-preparation, shall only sell to enterprises which are licensed to engage in liquor production. If they do not wish to sell to enterprises which are licensed in production, they shall have to apply for a liquor product production as stipulated in Article 11.
- a) To comply with regulations on environmental protection.

Article 13. Food quality and safety

1. Liquor is a product subject to compulsory announcement registration of national technical regulation for alcoholic beverages.
2. The procedures for announcement registration of national technical regulation for alcoholic beverages must comply with the Law on food safety and Law on standards, technical standards, Law on product quality and other relating laws.

Article 14. Liquor product labels

1. Liquor products may be consumed in Vietnam only when labelled with registered trademarks, except for the cases stipulated in Article 12 of this Decree
2. Liquor products consumed in Vietnam must be labelled under legal provisions on labels of food products.
3. For liquor products to be exported, their labels must be made at the request of importing countries provided that these requests does not make product nature changed, not breaching the Vietnamese law and the laws of importing country

Article 15. Stamps of liquor products

1. Liquor products produced for sale in Vietnam must be stuck with import stamps on their packages under the regulations of the Ministry of Finance (except for the liquor manual production case in order for sale to enterprises having licence of liquor production for re-preparation). Starting from 1 July 2013, liquor products for sale in Vietnam must be stuck with import stamps on their packages.
2. Starting from 1 July 2013, imported liquor products for sale in Vietnam must be stuck with import stamps on their packages at the country of export or production place.
3. The Ministry of Finance shall specify the printing, distribution and management of use of domestically produced and imported liquor product stamps.
4. Domestically produced liquor product stamps shall only be granted to organizations, individuals with liquor production licenses.
5. Liquor products produced for export, overseas introduction or exhibition must be stuck with stamps under importing countries regulations.

Article 16. Responsibility for supplying information on liquor products

1. Organizations and individuals producing or trading in liquors shall be responsible for supplying information on their liquor products when requested by competent government agencies and to the mass media..
2. Information must contain liquor products' ingredients, content and consequences of liquor abuse.
3. Liquor product's advertising must comply with current regulations on advertisement.

Chapter III

LIQUOR TRADING

Article 17. Conditions for liquor trading licenses

1. Conditions for a trader to be granted a liquor distribution license are as follows:

- a/ Being an enterprise lawfully established and having made business sector registration for liquor wholesale or liquor trading;
- b/ Having a fixed place of business with an unambiguous address, which ensures technical, facility and equipment requirements;
- c/ Having a distribution system covering at least 6 provinces (each province must have at least 3 liquor wholesalers);
- d/ Having a recommendation letters made by or sales and purchase agreement with liquor producing individuals or organizations; or other liquor distributors;
- e/ Having a copy of the certificate of regulated announcement or the certificate of quality for the liquor products that the trader proposes for its business;
- g/ Having warehouses (or warehouse system) owned or co – owned in accordance with the joint venture agreement, collaboration in capital contribution; or having a warehouse lease agreement compatible with trader's business scale (total area of at least 300 m² or total volume of at least 1000 m³) that satisfy requirements on preservation of liquor quality during the warehousing period;
- h/ Having transportation vehicles owned or co – owned in accordance with the joint venture agreement, collaboration in capital contribution; or having a vehicle lease agreement compatible with business scale of the enterprise (having at least 03 trucks with capacity of at least 500 kg) that satisfy requirements on preservation of liquor quality during the transportation;
- i/ Having financial capacity to ensure the normal operation of the distribution system of the enterprise (having a letter from the Bank confirming the financial capacity of at least VND 01 billion);
- k/ Having a written commitment of the enterprise to fully comply with provisions of fire prevention and extinguishment, environmental protection in accordance with the Vietnamese regulations;
- l/ In accordance with Article 18 of this Decree.

2. Conditions for issuance of a liquor wholesale licence include:

- a/ Being an enterprise lawfully established and having made business sector registration for liquor wholesale or liquor trading;
- b/ Having a fixed place of business with an unambiguous address, which ensures technical, facility and equipment requirements;
- c/ Having a distribution system in the province/city where its head office is located (having at least 3 liquor retailers);
- d/ Being included in the trading systems of the liquor producing organisations or individuals or the liquor product distributing organisations; having agreement with or recommendation letter made by liquor producing organisations or individuals or liquor distributors;
- e/ Having a copy of the certificate of of quality for the liquor products that the trader proposes for its business;
- g/ Having warehouses (or warehouse system) owned or co – owned in accordance with the joint venture agreement, collaboration in capital contribution; or having a warehouse lease agreement compatible with trader's business scale (total area of at least 50 m² or total volume of at least 150 m³) that satisfy requirements on preservation of liquor quality during the warehousing period;
- h/ Having transportation vehicles owned or co – owned in accordance with the joint venture agreement, collaboration in capital contribution; or having a vehicle lease agreement compatible with business scale of the enterprise (having at least 01 truck with capacity of at least 500 kg) that satisfy requirements on preservation of liquor quality during the transportation;

i/ Having financial capacity to ensure the normal operation of the distribution system of the enterprise (having a letter from the Bank confirming the financial capacity of at least VND 300 million);

k/ Having a written commitment of the enterprise to fully comply with provisions of fire prevention and extinguishment, environmental protection in accordance with the Vietnamese regulations;

l/ In accordance with Article 18 of this Decree.

3. Conditions for the issuance of a liquor retail licence include:

a/ Registered scope of business covers alcoholic beverage retail or liquor trading;

b/ Having a fixed place of business with an unambiguous address, which ensures technical, facility and equipment requirements;

c/ Being included in the trading systems of the liquor wholesaling traders; having agreement with or recommendation letter made by liquor wholesaling traders;

d/ Having a copy of the certificate of quality for the liquor products that the trader proposes for its business;

e/ Having warehouses (or warehouse system) owned or co – owned in accordance with the joint venture agreement, collaboration in capital contribution; or having a warehouse lease agreement compatible with trader's business scale that satisfy requirements on preservation of liquor quality during the warehousing period ;

g/ Having a written commitment of the enterprise to fully comply with provisions of fire prevention and extinguishment, environmental protection in accordance with the Vietnamese regulations;

h/ Being compatible with liquor product retail system planning regulated and announced by the Department of Industry and Trade;

i/ In accordance with Article 18 of this Decree.

Article 18. Liquor product trading licenses

1. The number of distribution, wholesale, retail licenses to be granted is determined based on the following principles:

a/ The number of distribution licenses shall be determined with regard to national level based on the ratio of (01) license per (400,000) citizens.

b/ The number of wholesale licenses at provincial level shall be determined based on the ratio of (01) license per (100,000) citizens.

c/ The number of retail licenses for retail outlets within the territory of a district or township (hereafter referred to as district) shall be determined based on the ratio of (01) license per one thousand (1,000) citizens and compatible with liquor product retail system planning

2. Every year from the effective date of this Decree, based on the demographic changes, the Vietnamese competent authorities in charge of disclosing the number of liquor product trading licenses (distribution, wholesale, retail) must announce the number of valid licenses and the number of licences which are pending for issuance (if any) and the principles mentioned in clause 1 of this article:

a/ The Ministry of Industry and Trade shall announce the maximum number of distribution licenses (including the number of current valid licences and the number of licenses to be granted) nation-wide before 31 December annually.

b/ The provincial Department of Industry and Trade shall announce the maximum number of liquor wholesale licenses (including the number of current valid licences and the number of

licenses to be granted) province-wide and submit the report on this issue to the Ministry of Industry and Trade before 31 December annually.

c/ Economic Department or Economic – Infrastructure Department (hereinafter referred to as Economic Department at district level shall announce the maximum number of liquor retail licenses (including the number of current valid licences and the number of licenses to be granted) district-wide and submit the report on this issue to the Department of Industry and Trade before 31 December annually.

3. Distribution, wholesale, and retail licenses shall be granted on the basis of priority: licenses shall be granted to those who apply for extension of licenses which expired, if they satisfy the stipulated requirements and do not breach the regulations; issuance of licenses to new traders who meet the requirements as stipulated by the Vietnamese law shall be considered; “first come first serve” principle shall be applied for consideration of the issuance of licences. Number of licenses to be issued shall not exceed the number of licenses announced.

4. Competent licensing authorities:

- a) Ministry of Industry and Trade is the competent authority for liquor distribution licensing.
- b) Provincial/ City Departments of Industry and Trade are the competent authorities for liquor wholesale licensing.
- c) District level Economic Departments are the competent authorities for liquor retail licensing.

5. Procedures of liquor trading licensing:

- a) Within 15 days from the date of receipt of valid dossiers, the competent authorities shall consider and grant liquor trading licences to the applicant traders in accordance with guidance from the Ministry of Industry and Trade. In the case of rejection, the authorities shall respond in writing including the reasons for rejection.
- b) In the case of incompleteness or invalidity of dossiers, within 7 days from the date of receipt of the dossiers, the competent authorities shall request the applicants to complete the dossiers.

6. Distribution, wholesale and retail licenses shall be valid for 5 years. Traders, in order to continue trading liquor must send a written request for re-granting of licenses to the competent licensing authorities for their consideration 30 days prior to the expiry date in accordance with this Decree.

7. The Ministry of Industry and Trade shall provide detailed guidelines the order, procedures and authorities for granting distribution, wholesale and retail licenses.

6. Each trader is only granted one type of liquor product trading licenses. Licensed traders must pay related fees as stipulated by the Ministry of Finance.

Article 19 Rights and obligations of liquor product traders

1. Purchase of liquor products with lawful origin.
2. Organise the circulation and consumption of liquor products in the market in accordance with the issued liquor trading license.
3. Liquor distributors and wholesalers are only permitted to wholesale liquor to traders in their distribution systems which are licensed to trade liquor products, within the geographical area stipulated in their licences.
4. Liquor distributors are permitted to purchase liquor products from other individual or organisational producers or distributors or traders which import liquor directly from foreign traders, for sale to wholesalers or directly organise the retail activities at their own outlets within the geographical area stipulated in their licences.
5. Liquor wholesalers are permitted to purchase liquor products from organizational or individual producers or distributors for sale to retailers or directly organise the retail activities at their own outlets within the licensed province.

6. Liquor retailers are permitted to purchase liquor products from organizational, individual producers or wholesalers for sale at their licensed locations.
7. Liquor retailers must not sell liquor product to people under 18.
8. Liquor traders must list a valid copy of liquor trading license issued by the State competent authorities and types and prices of liquor products being traded at their head office, branches, representative offices, trading places.
9. Liquor trading must be in written agreements or sale and purchase agreements.
10. Liquor traders must be responsible for reporting and registering their distribution systems with the State competent authorities.
11. Prepare periodic reports on business in accordance with the guidelines of the competent authorities who issue Liquor trading license to the traders in accordance with the law.

Article 20. Liquor import

1. Imported liquors include finished liquor products which are bottled, or packaged in boxes or cartons... for instant sale and liquors in the forms of semi - finished goods and auxiliary materials for the preparation of finished liquor products in Vietnam.
2. Imported liquors must be accompanied with lawful import documents under current regulations and comply with regulations on import liquor stamps as stipulated in Point 2 of Article 15 of this Decree.
3. Imported liquors must be labeled in accordance with provisions of Article 14 in this Decree and other related regulations.
4. Only enterprises with liquor distribution licenses may directly import liquors. They are responsible for ensuring the imported liquor satisfaction of food quality and safety. Traders importing liquor essences and auxiliary materials for the preparation of finished liquor products may only sell these imports to enterprises with liquor production licenses.
5. Enterprises with liquor production licenses may directly import or entrust other entities to import liquor essences and auxiliary materials for the preparation of finished liquor products.
6. Liquor products imported into Vietnam, importers shall register for assessment of conformity to the national technical regulation of alcoholic products at the Vietnamese competent authority before carrying out import procedures, and obtain "Notice of certification of satisfaction of food import requirements" for each imported consignment under current regulations.
7. Liquors may only be imported into Vietnam through international border gates. In addition to the documents shown to customs authorities when carrying out import procedures in accordance with Vietnamese law, importers must show Designation Letter or Authorisation Letter to be distributors, importers of the authentic producers, traders of the imported goods or agent contract with the liquor authentic producers, traders of the imported goods.

Article 21. Smuggling and trade fraud prevention and combat

1. Fake liquors, imitate liquors and liquors not up to prescribed food quality, hygiene and safety standards must all be confiscated for destruction. Smuggled liquors must all be confiscated and disposed in accordance with relevant regulations.
2. Organizations/individuals trading in liquors are obliged to collaborate with competent state agencies in preventing and combating liquor smuggling, fake liquor production, trading and fraud in liquor trading.

Chapter IV OFFENCES AND DEALING WITH OFFENCES

Article 22. Acts of offence of legal provisions on liquor production and trading

1. Producing or trading liquors without licenses granted by competent state agencies.
2. Producing, buying or selling smuggled or fake liquor products, liquor products with imitation marks or bottle designs or liquor not satisfying quality standards stipulated by the Vietnamese law.
3. Liquor production exceeds the licensed productivity stipulated in the license.
4. Machinery, equipment and technology process for liquor production do not meet quality, food safety or are not those as announced by organizations and individuals.
5. Circulating or consuming liquor products without labels or with incorrect labels; or failing to register the regulated announcement or failing to label the liquor products in accordance with the Vietnamese law.
6. Trading liquors for the consumers or at the places prohibited by the law or trading liquor not in compliance with liquor trading licenses.
7. Trading liquors after liquor trading license expires.
8. Forging, erasing, amending, leasing, lending, transferring, purchasing or selling liquor production or trading licenses.
9. Trading liquors at the places restricted by law.
10. Trading liquors without sales and purchase agreements or not complying with provisions in the agreements.
11. Retailing liquors by slot machines.
12. Selling liquors to people aged under 18 years or selling liquors via internet.
13. Failing to report or reporting on liquor production not in compliance with regulations promulgated by competent authorities.
14. Advertising or promoting liquors not in compliance with law.
15. Sponsoring cultural, artistic, sport, entertainment, recreation, healthcare and other social activities related to advertisements of liquor products.
16. Offering liquors as prizes of contests, except for liquor contests.
17. Other illegal acts specified by law.

Article 23. Revocation of liquor production licences, liquor trading licenses

Liquor production licences and liquor trading licenses of organizations/individuals shall be revoked by the licensing authorities if the organisations/individuals do not meet the conditions on liquor production and trading in accordance with the Vietnamese law

Article 24. Dealing with offences

Organizations/individuals that commit acts of offence of regulations on liquor production and trading shall, depending on the nature and severity of their violations, be disciplined, administratively sanctioned or held responsible for penal offences. Where causing any material

damages, the organisations/individuals shall compensate for the damages caused in accordance with law.

Chapter V

STATE MANAGEMENT RESPONSIBILITIES

Article 25. Responsibilities of the Ministry of Industry and Trade

1. To submit to the Government or the Prime Minister for promulgation, or promulgate according to its competence legal documents on liquor production and trading.
2. To coordinate with ministries, branches and localities in controlling and managing liquor production and trading under the master plan on development of the beer, liquor and beverage industry.
3. To perform the state management of the liquor industry in its construction investment in accordance with law and this Decree.
4. To manage food safety of liquor during the production, preparation, maintenance, transportation, export, import, trade.
5. To specify the competence, order and procedures for the grant, re-grant, modification and withdrawal of liquor production licenses, licenses for manual liquor production, liquor distribution trading or wholesale trading licenses, liquor retail trading licenses.
6. To inspect and examine the observance of liquor production master plans, regulations on product quality, food hygiene and safety, environmental protection by liquor production establishments; to settle complaints and denunciations and handle illegal acts in liquor production and trading.
7. To assume the prime responsibility for, and coordinate with concerned functional agencies in, organizing inspections for detecting and handling other violations in liquor trading.
8. To coordinate with functional state agencies in organizing the confiscation and destruction of smuggled, fake, imitation or not ensuring quality and safety liquors or those with expired use durations, bearing trademarks illegally, neither properly labeled nor stuck with stamps.
9. To coordinate with other entities in organizing the dissemination and public information for the implementation of this Decree.

Article 26. Responsibilities of the Ministry of Finance

1. To assume the prime responsibility for, and coordinate with concerned ministries and branches in printing, issuance of stamps and managing the use of these stamps regarding liquor production for domestic consumption and imported liquors.
2. To assume the prime responsibility for, and coordinate with the Ministry of Industry and Trade and concerned branches to issue regulations on liquor production and trading licensing fees.

Article 27. Responsibilities of the Ministry of Health

1. To assume the prime responsibility for, and to draft and submit to the Government or the Prime Minister for promulgation legal documents on food safety, prevention and control of harms of liquor abuse.

2. To inspect and supervise the observance of regulations on food safety and prevention and control of harms of liquor abuse.
3. To coordinate with concerned agencies in detecting, inspecting and handling establishments producing fake liquors or trading in smuggled liquors or failing to ensure food safety.
4. To assume the prime responsibility for, and coordinate with concerned ministries and branches in, elaborating and promulgating regulations on management of medicated liquor production and trading.

Article 28. Responsibilities of ministries, ministerial-level agencies and government-attached agencies

Ministries, ministerial-level agencies and government-attached agencies shall, within the scope of their powers and under the Governments assignment, coordinate with the Ministry of Industry and Trade in performing the state management of liquor production and trading, disseminating the Decree on liquor production and trading for its effective enforcement.

Article 29. Responsibilities of provincial/municipal Peoples Committees

1. To perform the state management of the liquor industry in their respective localities. To manage and solve problems of the liquor industry falling under their competence.
2. To elaborate, appraise and approve master plans on development of the Beer – Liquor - Beverage industry in their localities, including plannings on liquor production and traditional liquor production villages; to evaluate and decide on recognition of traditional liquor production villages.
3. To instruct the department of industry and trade in preparing liquor product retail trading system at provincial level in accordance with the guidance of the Ministry of Industry and Trade.
4. To direct local liquor production establishments in strictly observing the master plan approved by competent authorities, ensuring the achievement of the set objectives and development orientations.
5. To inspect the liquor production, import, circulation and consumption in their localities.
6. To supervise and inspect the implementation of the master plan, product quality, food safety, and fulfillment of tax obligations toward the State, labor safety and environmental protection in liquor production enterprises, and handle violations in their localities in accordance with law.
7. To organize the implementation of the master plan on development of the beer, liquor and beverage industry and the provisions of this Decree, and disseminate and educate about them among people for their strict observance in liquor production.
8. To conduct public information and education about harms of liquor abuse and use of liquors with high contents of toxic ingredients in order to improve public awareness about the necessity to gradually replace them with high-quality liquors up to the prescribed food quality and safety.
9. To direct local administrations at all levels in identifying causes of liquor poisoning in their localities and taking remedial measures according to their competence.

Chapter VI

IMPLEMENTING PROVISIONS

Article 30. Transitional provisions

1. Organizations and individuals that were licensed to conduct liquor production and liquor trading shall not be required to apply for new issuance of the licenses. When these above mentioned licenses expire, these organizations and individuals shall carry out procedures for applying for the licenses prescribed by this Decree.

2. Organizations and individuals that are not licensed to conduct liquor production and liquor trading shall carry out the licensing procedures prescribed under this Decree.

Article 31. Effectiveness

1. This Decree takes effect from [date].

2. Within 06 months from the valid date of this decree, the State competent authorities as stipulated in Article 18.2 shall announce the number of liquor product trading licenses.

3. Decree 40/2008/ND-CP of the Government dated 7 April 2008 regarding liquor production and trading shall be replaced.

Article 32. Guidelines for implementation

1. The Ministry of Industry and Trade shall coordinate with concerned ministries and branches in guiding the implementation of this Decree.

2. Ministers, heads of ministerial-level agencies, heads of government-attached agencies and presidents of provincial/municipal Peoples Committees shall implement this Decree.

**ON BEHALF OF THE GOVERNMENT
PRIME MINISTER**

Nguyen Tan Dung