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Report Highlights:

This report provides information of the food and agricultural laws and regulations currently in force in Vietnam. Updates were made to the Executive Summary, Section I – Food Laws, Section II – Labeling Requirements, Section 6.3.2. Import Quarantine for Plants and Plant Products and Section X - Trade Facilitation. Minor updates were made to Section IV - Food Additives Regulations and Section 8.1. Laws on Intellectual Property.

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Abbreviated terms for easy reference:

- CFS (Certificate of Free Sale)
- DAH (Department of Animal Health, MARD)
- DFISH (Directorate of Fisheries, MARD)
- DLP (Department of Livestock Production, MARD)
- FBOs (Food Business Operators)
- FSL (Food Safety Law)
- GDVC (General Department of Vietnam Customs)
- GVN (Government of Vietnam)
- MARD (Ministry of Agriculture and Rural Development)
- MOF (Ministry of Finance)
- MOH (Ministry of Health)
- MOIT (Ministry of Industry and Trade)
- MOST (Ministry of Science and Technology)
- NAFIQAD (National Agro-Forestry-Fishery Quality Assurance Department, MARD)
- NOIP (National Office of Intellectual Property, MOST)
- SPS (Sanitary and Phytosanitary)
- VFA (Vietnam Food Administration, MOH)
- WTO (World Trade Organization)

DISCLAIMER

This report was prepared by the Office of Agricultural Affairs of the USDA/Foreign Agricultural Service in Hanoi Vietnam, for U.S. exporters of domestic food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies may have changed since its preparation, or because clear and consistent information about these policies was not available. It is strongly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY.

Post also notes that this report may not cover the regulations released after June 2023 by the Government of Vietnam (GVN), should U.S. exporters have any questions, please contact <u>aghanoi@usda.gov</u>.

Executive Summary

Vietnam is currently a lower-middle income country, but one of the largest export markets for U.S. food and agricultural products in Southeast Asia. In 2022, the value of U.S. agricultural exports to Vietnam surpassed \$3.5 billion USD, increasing 1.9 percent compared to 2021. Consumer-oriented products increased slightly with rising exports of beef and poultry, processed fruits, tree nuts, food preparations, and wine. Intermediate products were up by 4.4 percent with a significant increase in distiller's dried grain soluble and meals and fodders exports. Over two years of the COVID-19 pandemic, Vietnam adopted various resolutions to reduce most-favored-nation (MFN) tariff rates and value added taxes (VAT) for goods and services, in order to support supply chains and production. As of May 2023, the Government of Vietnam (GVN) announced a proposal to request the National Assembly's approval for the continued reduction of VAT on goods and services, including food and agricultural products.

Vietnam's import requirements for food and agricultural products are regulated under several key laws, including the Food Safety Law (FSL), the Law on Quality of Goods and Products, the Law on Animal Health, and the Law on Plant Health and Quarantine. The FSL assigns the role of food safety inspection to three ministries, the Ministry of Health (MOH), the Ministry of Agriculture and Rural Development (MARD) and the Ministry of Industry and Trade (MOIT). Most processed products are under MOH and MOIT's jurisdiction, while meat and poultry, bulk commodities, dairy products, fresh fruits, and tree nuts are under only MARD's jurisdiction. Vietnam reformed its Food Safety Law in 2018, which allowed self-declaration without pre-approval for the import of processed products. Product declaration, which needs to be approved by the competent health authorities, is required for supplemental foods, medical food and health supplements, medical foods, food for special dietary uses, and products for children up to 36 months. After 10 years of implementing the FSL, in April 2023, the GVN assigned MOH to lead and coordinate with other ministries to review the FSL and propose amendments to the law.

In 2022, Vietnam continues to review and complete the amendment of several laws and regulations related to food and agricultural products. Vietnam has notified key amendments to the World Trade Organization (WTO): nutrition labeling requirements, food additives circular, amendment of the list of quarantine pests for plants and plants products. Vietnam no longer requires quarantine inspection for prepackaged products containing dairy ingredients and processed fishery products.

Section I: Food Laws

Law on Food Safety

The Food Safety Law (FSL), which entered into force on July 1, 2011, is the umbrella law guiding food safety in Vietnam. The FSL outlines requirements for food safety; food production and trading; food import and export; food advertisement and labeling; food testing and analysis; risk analysis; prevention of and response to food safety incidents; communication on food safety; and state management of food safety.

According to the FSL, all imported food, food additives, substances used in food processing, and tools and materials used for containing and packing food shall be subject to import inspection for food safety, except in cases where the import inspection is exempt. Imported food is only granted customs clearance once inspection results show that the products meet import requirements. The Food Safety Law outlines three categories of food inspection based on risk analysis: 1) Strict Inspection; 2) Normal Inspection, and 3) Simplified Inspection. The FSL assigns responsibility for the inspection of imported food to three ministries, MOH, MARD, and MOIT, among those, MOH is the Government Ministry with overall responsibility for the state management of food safety.

Registration and Inspection of Food Safety

To improve the enforcement of the FSL, the GVN issued Decree 15/2018 on February 2, 2018, replacing Decree 38/2012, to detail the implementation of the FSL (GAIN Report <u>VM8016</u>). This Decree makes fundamental changes to the registration and inspection of both domestic and imported food and the assignment of food safety management among MOH, MARD, and MOIT. Decree 15 provides the lists of food products subject to MOH, MARD, and MOIT's jurisdiction in Appendix II, III, and IV.

Under Decree 15, the GVN applies a new simplified registration procedure for pre-packaged processed foods, food additives, and food processing aids and authorizes food enterprises to produce, import, and sell these products immediately after the enterprises have published product self-declaration documentation. The GVN also set a new import inspection regime to streamline and synchronize the import inspection methods applied by MOH, MARD, and MOIT. The new inspection regime maintains three inspection methods for all imports - reduced inspection, tightened inspection, and normal inspection, but reduces the sampling frequency, and switches to post-clearance inspection.

Handling of Food Safety Violations

Violations of food safety are subject to severe penalties and additional sanctions under GVN's Decree 115/2018 dated September 4, 2018, on handling administrative violations in food production and trade and food import and export. According to this Decree, organizations or individuals found using expired materials or products, those of unclear origin, or those from animals and plants not yet quarantined for food production will be given fines double the value of the infringing goods. Decree 115/2018 also increases fines for food safety violations up to VND 200 million or seven times higher than the value of

the infringing goods. Additional penalties, such as the revocation of certificates of food safety and the registration of products and the confiscation of materials or the suspension of business operations can also be enforced. Violating businesses are required to destroy their infringing food products and pay all expenses for handling any resulting food poisoning cases. Decree 115 took effect on October 20, 2018.

Under Article 317 of the Penal Code 100/2015/QH13, which took effect from January 1, 2018, a certain violation, such as using banned substances in the manufacture, preparation, processing, or preservation of food, or processing, providing, or selling food with the knowledge that it does not comply with technical or food safety regulations, are considered criminal offenses.

Reform of Food Safety Import Inspection

In January 2021, the GVN issued Decision 38/QD-TTg to approve the Ministry of Finance (MOF)'s project to reform the food safety and quality inspection for imported goods to improve clearance procedures and facilitate trade. In April 2021, the General Directorate of Vietnam Customs (GDVC) published a draft Decree establishing a reformed specialized inspection scheme of food safety and quality for imported goods (Specialized Inspection (SI) Decree). The draft Decree covered both imported foods and agricultural products and integrated the self-declaration (for food safety) and conformity announcement (for quality inspection) into the registration for import inspection. That resulted in a set of proposals on revision and replacement of certain parts of Decree 15 on Food Safety and the Decrees guiding the Law on Quality of Goods and Products. Vietnam notified this draft Decree to WTO members as G/SPS/N/VNM/122 and G/TBT/N/VNM/194 in July 2021. In February 2022, the GVN required MOF to review the role of Customs in the new inspection model and requested MOF to continue working with line Ministries to integrate registration procedures for specialized inspection into the National Single Web Portal.

As of April 2023, MOF affirmed the Ministry is continuing to work with line Ministries to reform inspection procedures in the SI Decree as it will greatly influence the reform process of line Ministries. MOF also confirmed it will complete the SI Decree in line with the reforms approved by the GVN.

Review of the Food Safety Law

The Vietnam National Assembly (NA) conducted the first review of the implementation of the FSL and food safety policies in 2017. Following the first review of the FSL, the NA issued Resolution 43/2017/QH14 to request the GVN to facilitate risk analysis in food safety management. Decree 15/2018, issued by the GVN on February 2, 2018, detailed the implementation of risk analysis to reform the food safety import inspection scheme.

After ten years of the implementation of the FSL, the GVN issued Decision 426/QD-TTg dated April 21, 2023, promulgating the Implementation Plan to Enhance Food Safety in the New Situation. Accordingly, in 2023-2025, the GVN assigned MOH to lead the overall review of the implementation of the FSL and propose amendments to the FSL. The GVN also assigned the Ministry of Internal Affairs to study and propose the re-organization of the entire state management of food safety towards only one focal agency. Post will continue to monitor the review of the FSL and update on new developments.

Proposals on Special Consumption Tax for Sugar-Sweetened Beverages

GVN has announced its plan to develop the revised Law on Special Consumption Tax (SCT), proposing the inclusion of sugar-sweetened beverages in the categories subject to excise tax. The proposal has raised concerns for beverage industry as it is likely to impact businesses and consumers. Post will continue to monitor and update the development of the Laws.

Section II: Labeling Requirements

Vietnam imposes strict requirements on the labeling of goods. Currently, mandatory labeling content is regulated under GVN's Decree 43/2017 dated April 14, 2017 (GAIN Report <u>VM7031</u>) and Decree 111/2021 dated December 9, 2021, amending and supplementing Decree 43 on Goods Labeling. In addition to the mandatory content stipulated in Decree 43, Decree 111 requires the labeling of the origin of imported goods on their original labels. Decree 111 took effect on February 15, 2022 (<u>GAIN Report 2021-0110</u>).

On April 19, 2022, Vietnam notified a draft Circular on Nutrition Labeling as G/TBT/N/VNM/219. This draft Circular, proposed by MOH, outlines the mandatory labeling of nutritional ingredients, nutritional values, and a roadmap for the implementation of labeling for foods produced and imported for circulation in Vietnam. This draft has raised concerns regarding the basis of the national Nutrient Reference Values (NRVs) and the mandatory requirement to label the percentages of nutritional values with NRVs. There are also concerns with the limited transition period for implementation.

As of May 2023, MOH affirmed that it has received numerous comments from industry and trading partners regarding the draft Circular of Nutrition Labeling. The Ministry has accepted a wide range of comments regarding nutritional facts listed on labels and it will conduct further technical discussions with industry and related ministries to move forward the draft Circular.

2.1. General Requirements

Decree 43/2017 on Goods Labeling

Decree 43/2017 provides labeling requirements for all categories of food, beverages, and agricultural inputs circulated in Vietnam, both domestically produced and imported. This Decree went into effect on June 1, 2017 (GAIN report <u>VM7031</u>).

According to Decree 43, labels must be in Vietnamese and cover all mandatory content. Depending on the requirements of each type of food, the content can be included in a foreign language but must match the Vietnamese description with font size no larger than the relevant language in Vietnamese.

The mandatory labeling content for food includes: i) name of the goods, ii) name and address of the enterprise responsible for the goods; iii) origin of the goods, and iv) additional details in conformity with the nature of the goods prescribed in Appendix I of Decree 43/2017 and other relevant legal documents. This Decree provides flexibility for the presentation of expiration dates which may be represented either as a "use by" date or "best before" date. However, the manufacture and expiration dates must be written

in the "day-month-year" format (according to the Western calendar) and must also be noted in this order if those dates are presented in another order on the product.

Food imported for consumption and circulation in the Vietnamese market must be labeled either in Vietnamese with the full mandatory labeling content or using secondary labels, which contain the Vietnamese translation of the mandatory information of the original label, or to provide additional mandatory information based on the nature of the commodity as prescribed in Decree 43/2017. Secondary labels are not required for food ingredients, food additives, and food processing aids imported for internal production only and not for resale in the market.

Decree 111/2021 Supplementing and Revising Decree 43/2017

In addition to mandatory requirements stipulated in Decree 43, Decree 111/2021 requires the original label of imported goods to include the origin of the goods. Accordingly, the origin of the goods should include one of the following phrases: "made in"; "manufactured in"; "producing country"; "origin"; "made by"; "product of" in addition to the name of the country where the goods were produced. When the origin of goods cannot be determined, the place where the final stage of production is performed should be labeled using one of the following phrases: "assembled at"; "bottled at"; "blended at"; "completed at"; "packed at" or "labeled at" (GAIN Report 2021-0110).

MOST Circular 5/2019 Detailing the Implementation of Decree 43/2017

The Ministry of Science and Technology (MOST) issued Circular 5/2019 on June 26, 2019, to detail the implementation of a number of articles of Decree 43/2017 on Goods Labeling. This Circular took effect on January 1, 2021. Article 8 of Circular 5/2019 requires that the quantity of an ingredient be shown on a goods label, if its name is shown on the label, to draw attention to the product.

Circular 5/2019 allows for a label to include the terms, "no presence" or "not containing" or "no addition" of an ingredient only if: i) the ingredient does not exist in the product nor in the materials used to produce the product; or ii) the product does not contain ingredients of the same group with similar properties or uses, unless the nature of the substitution is clearly stated. However, Circular 5/2019 accepts labeling per Codex's guidance in certain cases, for example, goods are labeled "No sugar" if the sugar content is less than or equal to 0.5g/100g (solid) or 0.5g/100ml (liquid).

2.2. Other Specific Labeling Requirements

Vietnam imposes specific requirements on the labeling of the shelf life for prepacked food and special provisions for functional food, food additives, irradiated food, and genetically engineered food under the FSL. To guide the implementation of these provisions, MOH, MOIT, and MARD issued Joint Circular 34/2014/TTLT-BYT-BNNPTNT-BCT on October 27, 2014, Guiding the Goods Label for Various Foods, Food Additives, and Aids for Processing Packaged Foods, which remains in effect (GAIN report <u>VM5005</u>).

2.2.1. Labeling Food Additives

According to Joint Circular 34, in addition to the mandatory requirements, labels of food additives must

include the following content:

- Class name and international code (if any) must be enclosed with the name of the food additive.
- If two or more food additives are present in packaging, their names must be listed in the order of proportion by weight.
- The phrase "Use for food" (*Dùng cho thực phẩm* in Vietnamese) must be clearly written below the name of food additive using bold letters with a minimum height of 2 millimeters.

2.2.2. Labeling Irradiated Food

According to the FSL, in the case of food manufactured, processed, or preserved using irradiation, in addition to the mandatory labeling contents, the phrase "irradiated food", or an internationally recognized irradiation food symbol accepted by Vietnam must be printed on the label.

2.2.3. Labeling Functional Food

The key legislation regarding the labeling of functional foods is the FSL and MOH's Circular 43/2014/TT-BYT (Circular 43), dated November 24, 2014, regulating the management of functional foods. Circular 43 entered into force on January 15, 2015.

Under Circular 43, functional foods are categorized into four sub-groups: i) supplementary food (*Thực phẩm bổ sung* in Vietnamese); ii) health supplements, food supplements, and dietary supplements (collectively "*thực phẩm bảo vệ sức khỏe*"); iii) food for special medical purposes or medical food (*thực phẩm dinh duỡng dùng cho mục đích y tế đặc biệt* or *thực phẩm dinh duỡng y học*); and iv) food for special dietary use (*thực phẩm dùng cho chế độ ăn đặc biệt*).

The labeling of these products must comply with the requirements applicable to foodstuffs. Along with complying with standard regulations, the labeling for functional food must meet the following requirements:

- The specific phrase for the relevant sub-group name must be recorded on the product label (supplemental food, health supplement, food for special medical purposes, and food for special dietary use). The nutrient content (e.g., the quantity of vitamins, minerals, enzymes, fatty acids, amino acids, or biological substances) must be displayed on the label.
- For supplementary food, the label must include the following content: the objective of use, product utility, dosage, and special precautions or side effects of the product (if any);
- For food for special medical purposes and/or for special dietary uses, the label content must include directions for use and special precautions (if any);
- For health supplements, food supplements, and dietary supplements, the statement "This product is not a medicine, nor effective to replace medicine" must be listed directly after the product's effects or with other recommendations (if any). This phrase must have a contrasting color to the background color of the label and the letters must be at least 1.2 millimeters in height (or at least 0.9 millimeters if one side of the package is smaller than 80 square centimeters). In cases where the product name is the same as one of the main active ingredients, the quantity of that ingredient must be displayed on the label.

2.2.4. Labeling Genetically Engineered Food (GE food)

In addition to requiring mandatory labeling for most GE food, the FSL also requires the phrase "*thực phẩm biến đổi gen*" (genetically engineered food) to be displayed on the product.

MARD and MOST issued Joint Circular 45/2015/TTLB-BNNPTNT-BKHCN (Circular 45) dated November 23, 2015, guiding the Labeling of Prepacked Genetically Engineered Foods, which details the labeling requirements applicable to food products containing GE organisms and products of GE organisms for sale in Vietnam. This Circular entered into force on January 8, 2016 (GAIN report VM5088). This Circular applies to pre-packed foods containing at least one GE ingredient that is at least five percent of the total makeup of the product. In instances where Circular 45 is applicable, the Vietnamese phrase "*biến đổi gen*" (genetically engineered) must be printed next to the GE component on the ingredient list of the Vietnamese-language secondary label that is affixed on a product.

The labeling of GE food products as stipulated in Joint Circular 45/2015 does not apply in the following cases: a) food carried by people on entry for personal use within the duty free limit; food in diplomatic bags; food temporarily imported for re-export; food in bonded warehouses; food used as samples for testing and research; and food used during exhibitions or trade shows; and b) materials/food additives/food processing aids, and food packaging material imported for internal production that are not for sale in the market or for internal transportation among warehouses of an enterprise.

Joint Circular 45/2015 also required the supplemental printing of the phrase "*biến đổi gen*" on the label of GE food products which were circulated in the market before this Circular took effect. Pre-packed GE food products lacking labels compliant with Circular 45/2015 are not allowed to be produced, traded, or imported into Vietnam.

Decree 15/2018/ND-CP dated February 2, 2018, keeps the requirements for the labeling of foods containing at least one GE ingredient that exceeds five percent of the product's total makeup and labeling exemptions for GE food in the following cases:

- Pre-packaged food containing GE ingredients without the detection of the modified genes or products of the modified genes in the food;
- Fresh GE foods and unpackaged processed GE foods sold directly to consumers; and
- GE foods used in emergencies, such as natural disasters or epidemics.

2.2.5. Nutrition Labeling

According to the MOH's draft Circular on Nutrition Labeling published in May 2023, food produced, traded, imported, and circulated in Vietnam, by July 1, 2025, must present the following nutrition facts on labels:

- Energy
- Protein
- Carbohydrate
- Fat

• Sodium

The draft Circular does not apply to foods in the following cases:

- Food ingredients not sold directly to consumers;
- Single ingredient foods;
- Natural mineral water, bottled drinking water (including those containing only CO2 and/or flavorings), instant ice;
- Food-grade salts;
- Vinegar and substitutes for vinegar, including those with added flavorings;
- Flavorings, additives, food processing aids;
- Food enzymes;
- All kinds of tea, coffee without other added ingredients except colors and flavorings;
- Functional foods;
- Alcoholic beverages;
- Foods produced by small-scale businesses and households.
- Foods with small packages whose surface area is smaller than 10 square centimeters.

Post notes that the draft Circular is still in the process of review and consultation. There may be further updates and changes, including its scope of application and the date of implementation. Post will continue to monitor and update the development of the Circular.

Section III: Packaging and Container Regulations

3.1. National Technical Regulations (NTR) for food packages and containers

MOH issued the following National Technical Regulations on food safety and hygiene for packages, containers, and equipment directly in contact with food:

- NTR 12-1:2011/BYT on food safety and hygiene for synthetic resin packages, containers, and equipment in direct contact with food,
- NTR 12-2:2011/BYT on food safety and hygiene for rubber packages, containers, and equipment in direct contact with food, and
- NTR 12-3:2011/BYT on food safety and hygiene for metallic packages, containers, and equipment in direct contact with food.

3.2. Packaging Sustainability Measures

Recycling of Packages

The Vietnam National Assembly adopted the Law on Environment Protection (EPL) 72/2020/QH14 on November 17, 2020. This Law replaced the EPL 55/2014/QH13 and took effect on January 1, 2022. This Law requires that manufacturers/importers must recycle packages that are determined to have a recycled value or make a financial contribution to the Vietnam Environmental Protection Fund (EFP) to support recycling. On January 10, 2022, the GVN issued Decree 08/2022 detailing a number of articles of the EPL 72/2020. Article 77 of this Decree stipulates that manufacturer and/or importer must recycle packages with a recycled value according to the mandatory recycling rates and specified specifications. The mandatory recycling rate for each type of package in the first three years is provided in Appendix XXII of Decree 08. The mandatory recycling rate is adjusted every three years gradually to meet the national recycling target and environmental protection requirements. According to this Decree, the recycling of packages with a recycled value is mandatory from January 1, 2024.

Roadmap to Single-use Plastic Restriction by 2030

Article 73.7 of the EPL stipulates that the GVN prescribe a roadmap to restrict the production and import of single-use plastic products and bio-persistent plastic packaging. According to Article 3.14 of Decree 08/2022, single-use plastic products include food utensils and containers with plastic components that are designed and marketed with the intention to be used once before being disposed of in the environment. These products will be banned in commercial centers, supermarkets, hotels, and tourist resorts starting on January 1, 2026. Manufacturers/importers of single-use plastic products must suspend their production/import by December 31, 2030.

Section IV: Food Additives Regulations

Vietnam currently regulates the use of food additives and the lists of permissible additives under the FSL and MOH's Circular 24/2019, dated August 30, 2019, (GAIN report <u>VM2019-0066</u>). Circular 24/2019 took effect on October 16, 2019 and replaced MOH's Circular 27/2012 and Circular 8/2015.

Lists of Permitted Food Additives and Maximum Use Levels (MLs) in Food

Vietnam continues to adopt the use of food additives in accordance with Codex General Standard for Food Additives (GSFA) STAN 192-1995. Appendix 2A of Circular 24/2019 lists the additives permitted for use in food and their MLs in accordance with GSFA.

In addition, Circular 24/2019 permits the use of additional additives for wine, dairy products, spices, cereal, processed meat, sauces, and fish, which are currently not adopted in Codex standards. The list of additives and MLs that are not prescribed in GSFA, is provided in Appendix 2B of this Circular.

On August 12, 2021, Vietnam notified a draft Circular amending the Food Additives Circular and other Food Safety Regulations to the SPS Committee as G/SPS/N/VNM/123. The draft Amendment proposes the immediate update of the List of Permissible Food Additives in Vietnam as soon as Codex updates its standards on food additives. As of May 2023, the Vietnam Food Administration (VFA) stated that MOH continues to review a part of this draft Circular regulating recommended dietary allowances (RDA) for vitamins and minerals, thus the Ministry hasn't completed the Amendment. Post continues to monitor the Amendment and will provide updates on this issue.

Flavorings

Vietnam allows the use of flavorings that are evaluated and determined as safe at estimated intakes or acceptable daily intake (ADI) by the Joint FAO/WHO Expert Committee on Food Additives (JECFA).

These flavorings must meet technical requirements on identity and purity prescribed in National Standard TCVN 6417:2010 guiding the use of flavorings.

In the SPS notification G/SPS/N/VNM/123, Vietnam proposed to extend the approval for the flavorings that are on the General Recognized As Safe (GRAS) Lists released by the Flavors and Extracts Manufacturers Association of America (FEMA) and the list of flavorings permitted for use in food by the European Union.

Section V: Pesticides and Other Contaminants

5.1. Maximum Residue Limits (MRLs) for Pesticides

Vietnam continues to maintain MRLs for pesticides in food, which are regulated in MOH's Circular 50/2016/TT-BYT dated December 30, 2016 (GAIN report <u>VM7026</u>). This Circular, which took effect from July 1, 2017, provides MRLs for 205 compounds for a wide range of foods, including: fruits, vegetables, cereals, nuts, coffee, tea, meat, fat, skin, offal, eggs, milk and dairy products, dried food, vegetable oils, and spices. MRLs for a number of compounds currently banned from use in Vietnam (e.g., endosulfan, endrin, lindane) are maintained in accordance with Codex standards.

Vietnam continues to maintain the MRLs for glyphosate, even as Vietnam banned the domestic use of glyphosate on July 1, 2021. The Vietnam SPS Office confirmed to FAS in June 2020, that the MRLs for glyphosate, prescribed in MOH's Circular 50/2016, remain unchanged.

5.2. Maximum Limits for Mycotoxin and other Contaminants

MOH has promulgated the following National Technical Regulations (NTR) regulating the tolerance of contaminants in food:

- NTR 8-1:2011, promulgating the tolerance of mycotoxin contamination in food. This regulation sets up the maximum limits of aflatoxin, ochratoxin A, and other mycotoxins in many types of food, including, nuts, corn, rice, raw milk, milk powder, spices, food formula for babies, etc.
- NTR 8-2:2011, promulgating the tolerance of heavy metal contamination in food. This regulation establishes the safety limits for levels of contamination of arsenic, cadmium, lead, mercury, methyl mercury and zinc allowed in food.
- NTR 8-3:2012/BYT, promulgating the tolerance of microbiological contamination in food. This regulation prescribes the limits of microbiological contamination in food for milk and dairy, eggs, and products from eggs, meat and products from meat, aquaculture products, nutrition products for children aged 0 to 36 months old, bottled natural water, bottled water and instant-use ice, cream, vegetables and fruits, and products from vegetables and fruits.

5.3. Maximum Residue Limits for Veterinary Drugs

On September 7, 2016, MOH announced the amendment of Circular 24/2013/TT-BYT, dated August 14, 2013, regulating MRLs for veterinary drugs in food. The amendment proposed zero tolerances for a number of compounds in food, including ractopamine, trenbolone acetate, and zeranol.

In response, the USG and other countries requested Vietnam not deviate from its past practice of following Codex standards and urged MOH to maintain its current MRLs for ractopamine and other veterinary drugs. On May 31, 2017, the United States and Vietnam announced a resolution of the veterinary drug MRLs issue in a Joint Statement issued by the U.S. President and the Vietnamese Prime Minister. On November 9, 2018, MOH confirmed they reached an agreement with MARD to temporarily suspend the amendment of Circular 24/2013 and maintain the current MRLs for veterinary drugs in food.

On November 28, 2019, MARD issued Circular 21/2019 Guiding a Number of Articles of the Animal Husbandry Law on Animal Feed. The Circular removes ractopamine, trenbolone acetate, and zeranol from the list of chemicals banned for domestic use in Vietnam (GAIN Report <u>VM2019-0065</u>).

5.4. Maximum Limits (MLs) of Contaminants in Feed

MARD issued National Technical Regulation on Maximum Limits (MLs) of Undesirable Substances in Feed and Feed Ingredients (NTR190) on March 9, 2020. NTR190, was initially going to enter into force on July 1, 2020, set a zero tolerance for *Salmonella* and renewed MLs for heavy metals in feed and feed ingredients, including grains and oilseeds for both livestock and aquaculture feed (GAIN Report <u>VM2020-0016</u>).

As the United States and other trading partners raised concerns about the negative trade impacts of NTR190, MARD notified it to the WTO as G/SPS/N/VNM/113. On June 30, 2020, MARD issued Circular 08/2020 postponing the implementation of the zero tolerance for *Salmonella* and MLs for heavy metals in feed ingredients of plant origin until June 30, 2021, to allow time for further review and assessment.

On July 1, 2021, Vietnam eliminated the zero tolerance for Salmonella and tolerances for heavy metals in feed ingredients of plant origin in National Technical Regulation (NTR)190:2020 (GAIN Report <u>VM2021-0057</u>). The revision helps to avoid increasing testing costs and ensure the trade flow of grain and oilseed products, including soybean meal, distillers dried grains with solubles (DDGS), and corn gluten feed.

Section VI: Other Requirements, Regulations, and Registration Measures

Vietnam requires several kinds of certificates for imported food and agricultural products. The list of export certificates and certification requirements relevant for each group of food and agricultural products are detailed in the FAIRS Export Certificate Report. Generally, Vietnam requires Export Certificates for meat, poultry, and seafood, and Phytosanitary Certificates for plant products. A

Certificate of Free Sale or Health Certificate is required for health supplements, medical foods, food for special dietary uses, dietary products for children up to 36 months, genetically engineered (GE), and irradiated food. A Certificate of Analysis (COA) is required for feed ingredients, including grains and oilseeds. There are no mandatory requirements for a COA, but Vietnamese importers usually request a COA containing test results of key specifications prescribed in national technical regulations on food/feed safety.

Imported food and agricultural products are subject to relevant specialized inspections, including food safety inspection, quarantine inspection, and quality inspection at points of entry. Testing of safety indicators (per national technical regulations on food safety) is required for meat, poultry, seafood, and dairy products. Vietnam carries out testing to monitor residues of pesticides in imported fruits and vegetables. Imported foods are also subject to food safety monitoring in the domestic market.

COVID-19 Food Inspections

Vietnam no longer conducts monitoring of the SARS-CoV2 virus in imported food. As of March 2021, DAH suspended the SARS-CoV-2 virus test in imported meat, poultry, and seafood after reporting no detections of the SARS-CoV-2 virus. Previously, per MOH's request, from November 2020 to March 2021, DAH conducted testing of the SARS-CoV2 virus in meat, poultry and seafood imported from countries identified as high risk based on their COVID-19 status for monitoring purposes.

6.1. Meat, Poultry, and Seafood Facility Registration

Vietnam requires exporters of meat, poultry, and seafood to be registered on the list of establishments eligible for export of foodstuffs of animal origin and seafood prior to exporting these products to Vietnam. Starting from July 18, 2017, the Department of Animal Health (DAH) assumed responsibility for the registration of establishments (GAIN report <u>VM7036</u>).

As mentioned in Section I of this report, GVN's Decree 15/2018 consolidates import requirements for food derived from aquatic animals and terrestrial animals. Accordingly, Vietnam requires a two-step registration process for the export of meat and seafood to Vietnam:

- Exporting countries are required to register to be included on the list of countries and territories approved for export to Vietnam.
- Exporters of food derived from aquatic animals and terrestrial animals, except for processed and pre-packaged products, are required to register to be included on the list of establishments approved for export to Vietnam.

DAH considers heat-treated meat, poultry, and seafood products to be processed products, and establishments exporting these products do no need to be registered.

DAH approves establishments' application packages on a case-by-case basis, within 30 days of receiving an application. U.S. exporters of meat and poultry products wishing to register an establishment or update a registration should reach out to <u>aghanoi@usda.gov</u> or <u>usda4circ25@gmail.com</u>. FAS/Hanoi will provide exporters with the application packet or information needed to update a current registration.

U.S. seafood exporters should refer to the guidance of the National Ocean and Atmospheric Administration's Seafood Inspection Program at: <u>https://www.fisheries.noaa.gov/export-requirements-country-and-jurisdiction-n-z#vietnam</u>

The list of establishments eligible to export meat and meat products to Vietnam is available at: <u>https://cucthuy.gov.vn/web/guest/danh-sach-cac-doanh-nghiep-cua-22-nuoc-du-dieu-kien-xuat-khau-thuc-pham-co-nguon-goc-dong-vat-tren-can-vao-viet-nam</u>

The list of establishments eligible for exporting seafood to Vietnam is available at: <u>https://cucthuy.gov.vn/web/guest/danh-sach-doanh-nghiep-xk-thuy-san</u>

6.2. Product Registration

6.2.1. Self- Declaration for Processed and Pre-packaged Food

Decree 15/2018 requires food enterprises to publish a Product Self-Declaration to clarify quality specifications, labeling information, product shelf-life, and other technical information prior to manufacture and/or import of these products.

Article 4.2 of Decree 15 allows products and raw materials imported for processing for re-export or for internal production that are not for domestic sale to be exempt from self-declaration. On March 9, 2018, the Directorate of Customs instructed local customs authorities to allow this exemption based on the importer's declaration on the purposes of use for imported shipments. Importers are fully responsible for the use of imported shipments in accordance with their declaration (GAIN Report <u>VM8016</u>).

6.2.2. Product Declaration for Health Supplements and Dietary Products

Decree 15/2018 requires a Product Declaration for the following products:

- Health supplements, medical foods, and food for special dietary uses.
- Dietary products for children up to 36 months.
- Mixed food additives with new usages, food additives that are not on the permitted list, or food additives not intended for use for the food categories as prescribed by MOH.

Importers are required to submit applications for Product Declaration to either VFA or the provincial competent authorities. Within seven working days (for unregistered food additives, medical foods, food for special dietary uses, and dietary products for children up to 36 months) or 21 working days (for

health supplements) from the day the competent authorities receive an application, the authorities will verify the application and issue a Certificate of Registered Product Declaration. An application for product declaration consists of:

- Certificate of Free Sale, or Certificate of Exportation, or Health Certificate issued by the competent authority of the country of origin/exporting country, which has a safety assurance statement for users or permits the free sale of the products in the country of origin/exporting country (the certificate must be consular-notarized);
- Original copy or certified true copy of the testing results, completed within 12 months up to the date of the document submission, issued by recognized laboratories or ISO 17025 accredited laboratories. The testing results must specify the safety indicators prescribed by MOH according to the risk management principles per international regulations or standards applied by the supplier, if relevant MOH regulations are not available.
- An original or authenticated copy of documentation of scientific evidence of the effects of the product or ingredients.

An authenticated copy of a Certificate of Good Manufacturing Practice (GMP) or an equivalent certificate for health supplements is required as of July 1, 2019.

6.2.3. Registration for Import Inspection of Foodstuffs of Plant, Animal Origin, and Seafood

Vietnam requires foodstuffs of plant, animal origin, and seafood to be registered for import quarantine and food safety inspection prior to importation to Vietnam. The procedures are detailed in Section 6.3.

6.2.4. Registration for Import of Live Aquatic Animals for Consumption

Vietnam allows imports of live aquatic animals for human consumption if they are listed in the Appendix VIII of Government's Decree 26/2019 Guiding the Implementation of the Law on Fishery - The List of Aquatic Animals Eligible for Trade in Vietnam. DAH does not require U.S. exporters of live aquatic animals to register for export to Vietnam.

Risk Assessment for Live Aquatic Animals

For the initial import of live aquatic animals that are not included in the list of aquatic animals eligible for trade, the live aquatic animal's environmental impacts must be evaluated by the Directorate of Fisheries (DFISH). According to MARD's Circular 25/2018 regulating risk assessments and granting import permits for live aquatic animals, importers must submit applications to DFISH for their evaluation. The application consists of:

- An application for import permit.
- A description of the biological characteristics of imported live aquatic animals.
- A plan for the management and observation of imported live aquatic animals (using the form issued together with Circular 25/2018).

Import of Live Lobsters to Vietnam

DFISH issued Decision 540/QD-TCTS-TTKN, dated September 7, 2015, recognizing American lobsters (*Homarus americanus*) as approved under a risk assessment. The Decision is available at: https://thuvienphapluat.vn/van-ban/Thuong-mai/Quyet-dinh-540-QD-TCTS-TTKN-tom-hum-nhap-khau-thuy-san-song-da-duoc-danh-gia-rui-ro-289629.aspx. This decision permits the importation of American lobsters (*Homarus americanus*) into Vietnam for food use, but importers are required to obtain an import permit for each shipment from DFISH (Article 6 of Circular 25/2018).

6.2.5. Approval of Genetically Engineered (GE) Food and Feed

GE products are required to obtain a Certificate of Approval for Food and/or Feed Use (Food and Feed Certificate) prior to importation, production, and trade in Vietnam.

Under Decree 69/2010/ND-CP dated June 21, 2010, on Biosafety for Genetically Modified Organisms, MARD is responsible for reviewing applications and granting Food and Feed Certificates for GE products. The conditions for import and trade of GE food and feed, previously prescribed in Decree 69/2010, are consolidated in Decree 123/2018 dated September 17, 2018, amending and supplementing conditions for agricultural trade and business.

The process for applying for a Food and Feed Use Certificate is detailed in MARD's Circular 2/2014 dated January 24, 2014. The Circular also regulates the process to revoke Food and Feed Use Certificates.

6.3. Specialized Import Inspection

6.3.1. Food Safety Inspection

Decree 15/2018 set a new import inspection scheme to streamline and synchronize inspection methods conducted by MOH, MARD, and MOIT. The new inspection regime includes three inspection methods: reduced inspection, tightened inspection, and normal inspection, which reduce the amount of required sampling, mainly through document examinations (GAIN report <u>VM8016</u>).

Exemption from Food Safety Import Inspection

As mentioned in Section I - General Food Laws, Decree 15/2018 establishes a broader range of foods exempt from of import inspections. According to Article 13 of Decree 15/2018, the following products are exempted from import inspection:

- The product has a Certificate of Registered Product Declaration.
- Food in hand luggage of inbound passengers that is sent before or after arrival to serve the passengers' personal needs or travel purpose, gifts within duty-free allowances.
- Imports for personal use of people eligible for diplomatic immunity.
- Products in transit, temporarily imported for re-export or in bonded warehouses.

- Samples for testing or research whose quantities are suitable for these purposes and confirmed by the owners.
- Products used for display at exhibitions or fairs.
- Products or raw materials imported for production or processing for export or internal production that are not for domestic sale.
- Temporarily imported products for sale at duty-free shops.
- Imports serving emergency purposes under orders of the Government or the Prime Minister.

6.3.2. Import Quarantine for Plants and Plant Products

Plant Quarantine

Plant quarantine is governed by the Law 41/2013/QH13 on Plant Protection and Quarantine. This law entered into force on January 1, 2015. The Plant Protection Department (PPD), under MARD, is the agency responsible for import quarantine of products of plant origin. The list of its inspection bodies is specified in Appendix II of this report.

Under the Law on Plant Protection and Quarantine, MARD released the following Circulars to guide the implementation of the law:

- Circular 30/2014 dated September 5, 2014, issuing the list of articles subject to plant quarantine and the list of articles subject to pest risk analysis before importation into Vietnam (GAIN report <u>VM4057</u>).
- Circular 33/2014 dated October 10, 2014, providing guidance on quarantine procedures for import, export, and in-transit consignments of plant origin.
- Circular 35/2014 dated October 31, 2014, providing the list of quarantine pests (GAIN report <u>VM4067</u>).

As of March 2023, Vietnam notified WTO a draft Circular revising the list of quarantine pests as G/SPS/N/VNM/148 (GAIN Report VM2023-0016). The list comprises two groups: Group 1 including 113 quarantine pests which are not present in the territory of Vietnam and Group 2 including 5 pests which are narrowly distributed in the territory of Vietnam. The new Circular will replace Circular 35/2014 and is scheduled to take effect at the end of 2023. The United States provided comments on the notification to Vietnam on May 21, 2023. Post continues to monitor and update developments of this draft Circular.

MARD first released the Harmonized Schedule (HS) codes for imported goods subject to its jurisdiction, including the HS codes for regulated articles subject to plant quarantine in 2015. The list is revised annually or biannually. On September 20, 2021, MARD issued Circular 11/2021 to revise the list of HS codes for imported goods. The list of HS codes for regulated articles subject to plant quarantine are promulgated under Section 9, Appendix I of Circular 11 (<u>GAIN Report VM2021-0104</u>). Should U.S. exporters have any questions on the HS codes, please email to <u>aghanoi@usda.gov</u>

6.3.3. Import Quarantine for Animals and Animal Products

Animal quarantine is governed under the Law on Animal Health, which entered into force on July 1, 2016. DAH is the agency in charge of both quarantine and food safety inspections for imported food of animal origin. DAH follows the GVN's Decree 15/2018 on Food Safety as well as Circular 25/2016 (GAIN report <u>VM6065</u>) and Circular 26/2016 (GAIN report <u>VM6053</u>) for inspection procedures for the quarantine of terrestrial and aquatic animal products.

Vietnam notified the amendment of Circular 25/2016 as G/SPS/N/VNM/139 on May 4, 2022, and the amendment of Circular 26/2016 as G/SPS/N/VNM/138 on April 25, 2022. The amendments streamline the registration procedures for import permits and limit the list of products subject to quarantine. Post continues to monitor the amendments of these Circulars and will publish GAIN reports when the amendments are finalized.

The inspection bodies responsible for quarantine and food safety inspection for imported food of animal origin are the Regional Offices of Animal Health (RAHO) under DAH. These inspection bodies are listed in Appendix II of this report.

Quarantine of Terrestrial Animals and Animal Products

The quarantine inspection process for terrestrial animals and animal products, is detailed in MARD's Circular 25, dated June 30, 2016 (GAIN report <u>VM6065</u>). The list of products subject to animal quarantine and their HS Codes was revised in Appendix I, Section 1, of MARD's Circular 11/2021. Accordingly, MARD removed processed products under HS codes 19, 21 and 22 from the list of products subject to animal quarantine (<u>GAIN Report VM2021-0104</u>). Post notes that imported animal products, including processed meat and poultry, dairy products, and egg products are subject to both food safety and quarantine inspection.

Quarantine of Aquatic Animals and Aquatic Animal Products

The quarantine inspection process for aquatic animals and aquatic animal products is prescribed in MARD's Circular 26/2016 (GAIN report <u>VM6053</u>) and MARD Circular 36/2018 (GAIN report <u>VM9020</u>). The list of aquatic animals and aquatic animal products subject to quarantine and their HS codes has been revised in Appendix I, Section 5 of MARD's Circular 11/2021 (<u>GAIN Report VM2021-0104</u>). MARD removed processed fishery products including, smoked, salted, brined, and heat-treated products from the list of products subject to quarantine.

Section VII: Other Specific Standards

7.1. National Technical Regulations on Food Quality and Safety

MOH has promulgated National Technical Regulations (NTR) setting quality specifications and safety limits for food products, including:

• NTR for nutritious cereal products for children ages 6 to 36 months,

- NTR on supplemental formula products for children ages 6 to 36 months,
- NTR on special medical-treatment products for children ages 0 to 12 months,
- NTR on micronutrient fortified food,
- NTR on natural mineral water and bottled water, and
- NTR on food additives including acidity regulators, firming agents, artificial sweeteners, antifoaming agents, antioxidant agents, and others.

The NTRs are available in Vietnamese at: http://www.vfa.gov.vn/van-ban.html

7.2. Micronutrients and Fortified Food

The GVN issued Decree 9/2016/ND-CP, dated January 28, 2016, regulating the mandatory fortification of salt, wheat flour, and vegetable oils (GAIN report $\underline{VM6012}$). Accordingly, the following foods must be fortified with the relevant micronutrients:

- Edible salt and salt used for food processing must be fortified with iodine,
- Wheat flour used for food processing must be fortified with iron and zinc, and
- Vegetable oils which contain one of the following ingredients: soy oil, palm oil, rapeseed oil, and peanut oil, must be fortified with vitamin A, except for vegetable oils used for food processing.

MOH issued Circular 44/2015/TT-BYT, dated November 30, 2015, promulgating the List of Micronutrients Allowed for Supplementation and Fortification in Food Products. However, this Circular is not applicable for nutritional formula products for children (GAIN report <u>VM6005</u>).

7.3. Plant-based Meat and Dairy Alternatives

Plant-based meat and dairy alternatives are regulated under the FSL and Decree 15/2018. Depending on the products' ingredients, the product may be subject to specific NTRs on maximum limits of contaminants in foods. For example, dairy alternatives are subject to NTR 6-2:2010 on maximum limits of heavy metals, microorganisms, and mycotoxins for non-alcohol beverages. Dairy alternatives are also subject to regulations on pesticide MRLs in foods. Importers must follow regulations on food import inspection and self-declaration for dairy alternatives.

Plant-based meat, primarily made from soybeans and green peas, such as "*giò chay*" or "*chå lua chay*" have been consumed in Vietnam for centuries for religious reasons. Products, like pea protein based burger patties or sausages have recently been introduced to the Vietnam market. Vietnam currently has no specific requirements on these products. Generally, these products are subject to NTRs on maximum limits of contaminants in food, e.g., NTR 8-3:2012 on maximum limit of microbiological contaminants.

These products are also subject to regulations on food additives and flavors and regulations on labeling and advertising. Should U.S. exporters have any questions, please contact <u>aghanoi@usda.gov</u>.

Section VIII: Trademark Law, Brand Names, and Intellectual Property Rights

Copyright and trademarks are protected under the Intellectual Property Law and related legislation. MOST's National Office of Intellectual Property of Vietnam (NOIP), is the relevant Vietnam trademark authority.

On November 12, 2018, Vietnam became the seventh member of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) to ratify the agreement, which includes greater protection of intellectual property rights. On June 30, 2019, Vietnam and the European Union signed the EU-Vietnam Free Trade Agreement (EVFTA), which provides safeguards for protected designation of origin products like cheese, cognac, and wine (GAIN report <u>VM2020-0059</u>).

8.1. Laws on Intellectual Property (IPL)

- Law 50/2005/QH11 issued on November 29, 2005, on Intellectual Property (the English translation is available at <u>http://www.wipo.int/wipolex/en/details.jsp?id=5005</u>), stipulates copyrights, copyright-related rights; industrial property rights; rights for plant varieties, and the protection of these rights. This law entered into force on July 1, 2006.
- Law 36/2009/QH12 issued on June 19, 2009, amending and supplementing a number of articles of the Law on Intellectual Property (the English translation is available at http://www.wipo.int/wipolex/en/details.jsp?id=6566). This law entered into force on January 1, 2010.
- Law 07/2022/QH15 issued on June 16, 2022, amending and supplementing a number of articles of the Law on Intellectual Property (the Vietnamese version is available at https://congbao.chinhphu.vn/noi-dung-van-ban-so-07-2022-qh15-37504). This law entered into force on January 1, 2023.

8.2. Related Regulations on Trademark Registration

- Decree 103/2006/ND-CP issued on September 22, 2006, detailing and guiding the implementation of a number of articles of the Law on Intellectual Property regarding Industrial Property, details provisions and guidelines for implementing certain articles of the 2005 Intellectual Property Law concerning industrial property rights, including rights to trademarks, geographical indications, industrial designs, and patents. The Decree entered into force on October 21, 2006 (see details at: http://www.wipo.int/wipolex/en/details.jsp?id=5011).
- Circular 1/2007/TT-BKHCN issued on February 14, 2007, guiding the Implementation of the Government's Decree 103/2006/ND-CP from September 22, 2006, details provisions on the procedures for the registration of industrial property rights. The Circular entered into force on May 6, 2007 (available at: http://www.wipo.int/wipolex/en/details.jsp?id=5013).

- MOST's Circular 18/2011/TT-BKHCN issued on July 22, 2011, amending and supplementing several provisions of Circular 1/2007/TTBKHCN issued on February 14, 2007, on procedures for the registration of industrial property rights (available at: <u>http://www.wipo.int/wipolex/en/details.jsp?id=14703</u>).
- Decree 99/2013/ND-CP dated August 29, 2013, on Sanctioning of Administrative Violations in Industrial Property, specifies administrative violations in industrial property, sanctioning forms and levels, remedies; procedures for filing written requests for handling of violations; competence and procedures for settling written requests for handling of violations; sanctioning competence and procedures and enforcement of decisions to sanction administrative violations in industrial property. The Decree entered into force on October 15, 2013 (available in Vietnamese at: <u>https://ipvietnam.gov.vn/vi_VN/web/guest/nghi-inh</u>).

Section IX: Import Procedures

9.1. Law on Customs

Vietnam's National Assembly promulgated the Law on Customs 54/2014/QH13, which entered into force on January 1, 2015. Accordingly, live animals, plants, goods difficult to preserve, or deemed as other special goods shall be prioritized for customs inspection. Importers will conduct the customs declaration before the date that the commodities arrive at the border checkpoint or within 30 days from the date on which the commodities arrive at the border checkpoint.

According to the Law on Customs, the customs declaration is made electronically. A paper declaration is only allowed for following exceptions:

- Imported and exported goods of border residents.
- Imported and exported goods in excess of the limit of tax exemption applied to incoming and outgoing persons.
- Cargo for the purpose of emergency assistance and humanitarian aid.
- Cargo that is personal gifts, presents, properties.
- Cargo that is equipment containing goods according to the temporary importation/re-exportation, temporary exportation/re-importation method.
- Cargo to be temporarily imported and re-exported or exported and re-imported and carried by incoming and outgoing persons for working in the pre-determined time.
- If the customs electronic data processing system or electronic customs declaration system fail to carry out transactions, which may be caused by the operational failure of one or both systems or caused by other reasons. In cases where the electronic data processing system fails to carry out the customs procedures, customs authorities shall be responsible for making an announcement at least one hour from the time when such failures take place.

• Other cargo, as stipulated by the Minister of Finance.

The Customs electronic data processing system can receive, examine, register, and handle electronic customs declarations 24 hours a day, seven days a week.

9.2. Decrees and Circulars Guiding the Law on Customs

The GVN issued the following Decrees to guide the implementation of the Law on Customs:

- Decree 08/2015/ND-CP, dated January 21, 2015, promulgating the implementation of the Law on Customs, regarding customs procedures, customs supervision, and inspection. Decree 08/2015 entered into force on March 15, 2015.
- Decree 59/2018/ND-CP, dated April 20, 2018, revising, and supplementing a number of articles of Decree 08/2015/ND-CP on the regulations and enforcement rules for customs procedures, audits, and inspections. Specifically, Decree 59/2018/ND-CP amends and supplements content on customs declaration; valuation methods for import goods; customs inspection authority; customs procedures for temporary import and export goods, in-transit goods, etc. Decree 59/2018 took effect from June 5, 2018.

MOF Details Customs Procedures

On April 20, 2018, MOF issued the following Circulars on customs procedures:

- Circular 39/2018/TT-BTC amending and supplementing a number of articles of Circular 38/2015/TT-BTC, dated March 25, 2015, on customs procedures, customs supervision, inspection, export tax, import tax, and tax administration applied to exported and imported goods.
- Circular 38/2018/TT-BTC regulating the identification of the origin of imported and exported goods.

For goods subject to food safety inspection, Clause 21 of Circular 39/2018 requires imported goods to be held at checkpoints, in-land ports, or warehouses for inspection, except if the specialized inspection body allows the goods to be inspected at other designated places; or if the imported goods are brought to a storage place at the request of the customs declarant.

Certificate of Origin

For animal products in HS Code Chapters 2, 15, and 16, due to Circular 38/2018/TT-BTC, a Certificate of Origin (C/O) is required for meat and poultry products since June 5, 2018 (GAIN Report <u>VM8062</u>). This C/O must contain the following required information: i) Name of exporter; ii) Name of importer; iii) Means of transport; iv) Goods description and HS codes; v) Quantity, weight, or volume of goods; vi) Countries, groups of countries, or territories of origin; vii) Date of issuance; and viii) Signature of the person in charge of issuing the C/O.

In October 2020, FAS Vietnam engaged with GDVC to address their questions on the authenticity of the C/O issued by U.S. authorities not containing a stamp. On October 28, 2020, the GDVC issued Official letter 6932/TCHQ-GSQL instructing Customs Departments at entry points, that a C/O is not required to bear a stamp of the issuing authority. A signed C/O from a certifying authority is accepted without a stamp.

Customs Valuation

Clause 9 of Decree 59/2018 stipulates that if an importer's declared customs value was rejected during the Customs' valuation process, the importer has five working days to adjust their documentation. If the importer does not adjust the relevant declarations within this timeframe, the Customs authorities will adjust the customs value at their own discretion and impose the tax and duty assessment. This process also applies in cases where the customs authorities doubt the importer's declared customs value and conducts a consultation meeting with the importer. Following a consultation meeting, the importer has five working days to adjust the declared customs value, or the Customs authorities will adjust the customs value at their own discretion and impose the tax and duty assessment.

On August 30, 2019, MOF issued Circular 60/2019 to revise a number of articles of Circular 39/2015 on the determination of customs value for imported and exported goods. Accordingly, the Customs authorities shall determine the customs value of imported goods by using either: a) the transaction value of imported goods (actual price paid by the buyer); b) the transaction value of identical imported goods; c) the transaction value of similar imported goods; d) the method of deduction value; d) the method of calculation value or e) the method of inference. The Directorate of Customs manages the list of exported and imported goods with risk of the value being declared at a lower price than the actual transaction price, which is the basis for customs authorities to compare and check the declared value of the customs declarant.

Customs valuation is an issue of concern as the GDVC continues to use reference pricing to value U.S. meat and poultry imports. The GDVC notified their national customs valuation legislation to WTO members as G/VAL/N/1/VNM/1 on June 7, 2021. Should U.S. exporters have any questions, please contact aghanoi@usda.gov.

Section X: Trade Facilitation

Vietnam has implemented the Trade Facilitation Program (TFP), funded by the United States Agency for International Development (USAID) since 2018. The TFP has supported MOF, the focal point for the implementation of the WTO Trade Facilitation Agreement (TFA), to complete the legal framework for the implementation of the TFA, promote the implementation of the National Single Window to improve the customs clearance procedures, promote the application of risk management principles, and reform the specialized inspection system for imported goods. According to the TFP, after 5 years of implementation, the TFP has helped Vietnam to fulfill 80 percent of its commitments of the TFA and Vietnam expects to comply with all of its commitments by the end of 2024.

Pre-clearance Program

Currently, Vietnam has no pre-clearance program for food and agricultural products exported from the United States.

National Single Window and E-Customs System

Vietnam implements the registration for specialized inspections of imported and exported goods via the National Single Window (NSW). Up to date, single-window procedures are applicable for most food and agricultural products, including quarantine and food safety inspection for meat, poultry, and seafood, quarantine inspection for plant products, quality inspection of feed ingredients, quarantine and food safety inspection for plant products used for food, and food safety inspection for processed and packaged foods.

Customs procedures are managed through an e-Customs system, "Vietnam Automated Cargo and Port Consolidated System/ Vietnam Customs Intelligence Information System (VNACCS/VCIS)". There are six key functions within VNACCS/VCIS: e-Declaration; e-Manifest; e-Invoice; e-Payment; e-Certificate of Origin; and Selectivity. The Selectivity function automatically assigns imported shipments to one of three channels, green, yellow, or red. Each channel is subject to a different level of customs inspection based on the assessment of the importers' history and the risks of the specific commodity.

E-certificates

DAH accepts Export Certificates for U.S. meat and poultry products, issued by the U.S. Food Safety Inspection Service (FSIS), with digital signatures starting from December 21, 2020, when FSIS updated its animal health attestations in the certificates.

For plant products, starting January 1, 2022, the U.S. Animal and Plant Health Inspection Service (APHIS) has implemented a new format for phytosanitary certificates, that includes improved security measures generated in its Phytosanitary Certificate Issuance and Tracking (PCIT) system. However, PPD continues to request phytosanitary certificate printed on plain paper must be physically signed by authorized certification officials.

Port Fees

Port fees vary from port to port. Major fees include but are not limited to storage fees; repair and maintenance fees; lift-on and off fees; fees for transferring goods to the inspection yard; unloading fees related to manual inspections, and sampling. Large ports usually publish their fee schedules on their respective websites. Information on service fees at major ports are available at:

- Quang Ninh: Cai Lan International Container Terminal
- Hai Phong: Hai Phong Port (in Vietnamese)
- Da Nang: <u>Da Nang Port (in Vietnamese)</u>
- Ba Ria Vung Tau: <u>Cai Mep International Terminal</u>
- Ho Chi Minh City: <u>Saigon New Port Cooperation (in Vietnamese)</u>

Average Release Times

Release times for goods depends on a number of factors, including but not limited to, timing of specialized inspections, freight operations, and timing of customs inspection at the points of entry.

According to current regulations, if imported goods are subject to specialized inspection, customs must inspect the cargo within eight working hours upon receipt of the specialized inspection result. In special cases involving extremely large volumes, diverse products, or complicated inspection processes, customs can extend the cargo inspection, but not more than two days. The use of electronic documents via the NSW has helped enterprises to save time and customs clearance costs. A survey on cross-border trade transactions in 2020, showed that the average total time to carry out customs procedures for imported goods at entry gates is around 27.2 hours, down 43 percent compared to 2019; and the average time to prepare import documents took half the time compared to 2019, at 27.6 hours.

Time required for specialized inspections vary depending on the applicable lab tests. According to industry sources, the release times for frozen meat and poultry shipments is between three to five working days. For processed foods, the release times could be up to three working days if the products are subject to required tests. For grains and oilseeds, the release times are around three to five working days. In 2022, GDVC reported the average release time of the goods, from the arrival to the point of entry to the departure was about 127 hours, decreasing of nearly 7 hours compared to 2021.

Common Delays

Delays in a shipment release can occur for various reasons, including but not limited to documentation issues, quarantine pests, or regulatory changes. For meat and poultry, shipments can be detained due to discrepancies between export certificates and product labels, parts of the shipment sourced from an unlisted facility, or facility numbers that do not match with the export certificate and DAH's approved list. Since April 2023, industries reported delays and refusals of quarantine inspection for a number of poultry shipments since the Vietnam DAH has not accepted the replacement of export certificates for shipments originally sent to the third country.

Vietnam customs also reported difficulties in identifying HS codes may result in delays, for examples, processed products like soup base, broths and hot pot seasonings are not detailed in the list of HS codes issued by line Ministries. For dairy products, the main reasons for detainments include certificates issued after the date on the bill of lading, shipments for food use obtaining an APHIS certificate instead of an AMS certificate, or discrepancies in the product description between the sanitary certificate and other export documents. For grains and oilseeds, if there is a suspected issue with quarantine pests, shipment clearance may take up to four working days, depending on lab test results times and the endorsement of plant inspection certificates. In some cases, new regulatory requirements, especially those without clear guidance and sufficient lead time, can cause delays or detained shipments at ports.

Appendix I. Government Regulatory Agency Contacts

MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT International Cooperation Department (ICD)

(MARD) 2 Ngoc Ha Street, Hanoi, Contact: Ms. Nguyen Do Anh Tuan, Director General, Email: <u>htqt@mard.gov.vn</u>

Plant Protection Department (PPD)

149 Ho Dac Di, Hanoi Website: <u>www.ppd.gov.vn</u> Contact: Mr. Hoang Trung, Director General, Email: <u>htqt.bvtv@mard.gov.vn</u>

Department of Animal Health (DAH)

15/78 Phuong Mai-Dong Da Hanoi Website: <u>www.cucthuy.gov.vn</u> Contact: Mr. Pham Van Dong, Director General Email: <u>TY@mard.gov.vn</u>;

DAH/Animal Quarantine Division

Contact: Nguyen Hoang Tung, Deputy Head of Animal Inspection Division Email: kiemdich.cty@dah.gov.vn

Directorate of Fisheries (DFISH)

10 Nguyen Cong Hoan, Hanoi Email: <u>tcts@mard.gov.vn</u>

Department of Livestock Production (DLP)

16 Thuy Khue, Tay Ho, Hanoi Email: <u>cn@mard.gov.vn</u>

National Agro-Forestry and Fishery Quality Assurance Department (NAFIQAD)

10 Nguyen Cong Hoan, Hanoi Contact: Mr. Nguyen Nhu Tiep, Director General Email: <u>nafiqad@mard.gov.vn</u>;

MINISTRY OF HEALTH (MOH)

Vietnam Food Administration (VFA) 138A Giang Vo, Hanoi Email: <u>vfa@vfa.gov.vn;</u> Website: <u>www.vfa.gov.vn;</u> Contact: Mr. Nguyen Thanh Phong, Director General; Ms. Tran Viet Nga, Deputy General Director.

MINISTRY OF TRADE AND INDUSTRY (MOIT)

Department of Science and Technology 54 Hai Ba Trung, Hoan Kiem, Ha Noi Website: <u>www.moit.gov.vn</u> Email: <u>VKHCN@moit.gov.vn</u>

MINISTRY OF SCIENCE AND TECHNOLOGY

National Office of Intellectual Property of Vietnam (NOIP) 386 Nguyen Trai, Thanh Xuan, Hanoi Website: <u>www.noip.gov.vn</u>

MINISTRY OF FINANCE

General Department of Vietnam Customs Block E3 - Duong Dinh Nghe street, Yen Hoa, Cau Giay, Hanoi

Website: <u>https://www.customs.gov.vn/home.aspx?language=en-US</u>

Appendix II. Other Import Specialist Contacts

Processed and Packaged Foods

National Institute of Food Control 65 Pham Than Duat, Cau Giay District, Hanoi http://nifc.gov.vn/index.php/en/

Quality and Certification Centre 1 8 Hoang Quoc Viet, Cau Giay District, Hanoi https://quatest1.com.vn/

Quality and Certification Centre 2 02 Ngo Quyen, Son Tra District, Da Nang. http://quatest2.gov.vn/en/

Quality and Certification Centre 3 49 Pasteur, District 1, HCMC http://www.quatest3.com.vn/

Ho Chi Minh City Institute of Public Health 159 Hung Phu, District 8, HCMC http://www.iph.org.vn/

National Institute of Nutrition 48B Tang Bat Ho, Hai Ba Trung district, Hanoi http://viendinhduong.vn/

Food Industry Research Institute 301 Nguyen Trai, Thanh Xuan district, Hanoi <u>https://firi.vn/</u>

Plant Products

PPD/Plant Quarantine Sub-Department of Region I
2 Tran Quang Khai, Hai Phong
Email: <u>kdtv1hp@yahoo.com</u>
Management area: Hai Phong, Thai Binh, Hung Yen, Hai Duong, Quang Ninh

PPD/Plant Quarantine Sub-Department of Region II

28 Mac Dinh Chi, District 1, Ho Chi Minh City Email: <u>kdtvv2hcm@vnn.vn</u>

PPD/Plant Quarantine Sub-Department of Region III

146 Hoang Dieu, Da Nang Email: <u>kdtv3@vnn.vn</u>

PPD/Plant Quarantine Sub-Department of Region IV

66 Le Hong Phong, Quy Nhon, Binh Đinh

PPD/Plant Quarantine Sub-Department of Region V

149 Ho Dac Di, Dong Da, Hanoi Email: <u>cckdtv5@fpt.vn</u>

PPD/Plant Quarantine Sub-Department of Region VI

28 Tran Phu, Vinh city, Nghe An Email: <u>cckdtvv6@hn.vnn.vn</u>

PPD/Plant Quarantine Sub-Department of Region VII

98B Ngo Quyen, Dong Kinh ward, Lang Son Email: <u>chicuckdtv7@gmail.com</u>

PPD/Plant Quarantine Sub-Department of Region VIII

7 Nguyen Hue, TP Lao Cai

PPD/Plant Quarantine Sub-Department of Region IX 386B Cach Mang Thang 8, Can Tho

Email: <u>kdtvv9@hcm.vnn.vn</u>

Animal Products

DAH/Regional Animal Health Office I Phuong Mai, Dong Da, Ha Noi Email: cqtyvung1.tonghop@gmail.com

DAH/Regional Animal Health Office II

23 Da Nang, Ngo Quyen District, Hai Phong Email: <u>tonghoptyv2@gmail.com</u> Website: http://raho2.gov.vn/

DAH/Regional Animal Health Office III

51 Nguyen Sinh Sac, Vinh City, Nghe An **Email**: <u>hcthtyv3@gmail.com</u>

DAH/Regional Animal Health Office IV

12 Tran Quy Cap, Hai Chau district, Da Nang **Email**: <u>tyvdn@vnn.vn</u>

DAH/Regional Animal Health Office V

36 Phạm Hùng - TP. Buôn Ma Thuột - Đắk Lắk

Email: phongtonghoptyv5@gmail.com Website: http://raho5.com/

DAH/Regional Animal Health Office VI

521/1 Hoang Van Thu, Tan Binh District, Ho Chi Minh City **Email**: <u>rahhcmc@hcm.fpt.vn</u>

DAH/Regional Animal Health Office VII

88 Cach Mang Thang 8, Can Tho Email: coquanthuyvung7@gmail.com

Attachments:

No Attachments