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POLICY

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## Vietnam

**Post:** Hanoi

### MOIT Refines Sugar TRQ Implementation

**Report Categories:**

Sugar

Trade Policy Monitoring

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**Report Highlights:**

On August 3, 2015, the Ministry of Industry and Trade (MOIT) issued Circular 25/2015/TT-BCT on providing the principles of management of the import tariff quota on sugar in 2015. Circular 25/2015 indicates that in-tariff rate quota (TRQ) sugar shall be allocated to traders supplying sugar as an input in food manufacturing or to traders supplying raw sugar for the production of refined sugar. Although not specifically stated in the Circular, it appears that Circular 25/2015 indirectly discourages the in-TRQ importation of refined sugar for direct sale to Vietnamese consumers.

**Policy Summary:** On August 3, 2015, the Ministry of Industry and Trade (MOIT) issued Circular 25/2015/TT-BCT on providing the principles of management of the import tariff quota on sugar in 2015. Circular 25/2015 indicates that in-tariff rate quota (TRQ) sugar shall be allocated to traders supplying sugar as an input in food manufacturing or to traders supplying raw sugar for the production of refined sugar. According to Vietnam’s World Trade Organization Accession Agreement, Vietnam must establish an annual TRQ for raw and refined sugar (the TRQ covers both products) at a minimum volume. The level is subject to annual increases. The minimum allowed TRQ for 2015 is 81,000 tons, the volume set by MOIT.

Although not specifically stated in the Circular, it appears that Circular 25/2015 indirectly discourages the in-TRQ importation of refined sugar for direct sale to Vietnamese consumers by only referencing in-TRQ allocation for food processing and refining.

FAS-Vietnam will continue to monitor the process of Vietnamese importers receiving an in-TRQ allocation to import sugar to ensure that importers that import refined sugar for direct sale to Vietnamese consumers are able to do so under the TRQ.

An unofficial translation of MOIT Circular 25/2015 follows:

<b>MINISTRY OF INDUSTRY AND TRADE</b> -----	<b>SOCIALIST REPUBLIC OF VIETNAM</b> <b>Independence – Freedom - Happiness</b> -----
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No. 25/2015/TT-BCT

Hanoi, August 3, 2015

**CIRCULAR**

**PROVIDING FOR THE PRINCIPLES OF MANAGEMENT  
OF IMPORT TARIFF QUOTA ON SUGAR COMMODITY IN 2015**

*Pursuant to Decree 95/2012/ND-CP dated November 12, 2012 of the Government stipulating the functions, tasks, powers and organizational structure of the Ministry of Industry and Trade;*

*Pursuant to Decree 187/2013/ND-CP dated November 20, 2013 of the Government making detailed provisions for the implementation of the Commercial Law with respect to international purchases and sales of goods and agency for purchases and sales, processing and transit of goods involving in foreign business entities;*

*Implementing the guidance of the Deputy Prime Minister Hoang Trung Hai in Document 5064/VPCP-KTTH dated July 2, 2015 on the mechanism for management of sugar imports in accordance with the tariff quota;*

*At the request of the Head of the Import and Export Department,*

*Minister of Industry and Trade hereby promulgates Circular on the principles for management of import in accordance with the tariff quota for sugar commodity in 2015.*

## Article 1. Volume of the import tariff quota in 2015

No	Commodity's code	Name of commodity	Unit	Quantity
1	1701	Refined sugar, raw sugar	Ton	81,000

## Article 2. Management principles

### 1. The principle of allocating import tariff quota

The allocation of tariff quota on import of sugar is implemented in accordance with the provisions of Circular 4/2014/TT-BCT dated January 27, 2014 of the Minister of Industry and Trade making detailed provisions for the implementation of some articles of Decree 187/2013/ND-CP dated November 20, 2013 of the Government detailing the implementation of the Commercial Law with respect to international purchases and sales of goods and agency for purchases and sales, processing and transit of goods involving in foreign business entities.

### 2. Subjects to be allocated with import tariff quota

Import tariff quota on sugar shall be allocated to traders importing sugar as a production material and traders importing raw sugar for refining.

### 3. The time at which import tariff quota on sugar is allocated

The time at which import tariff quota on sugar is allocated shall be conducted at the request of the Ministry of Agriculture and Rural Development in order to not affect the consumption of domestically produced sugar.

## Article 3. Implementation effectiveness

This Circular takes effect as from August 3, 2015 to the end of December 31, 2015.

### *Recipients:*

- The Prime Minister and Deputy Prime Ministers;
- The ministries, ministerial-level agencies and agencies under the Government;
- People's committees of centrally-run provinces and cities;
- Office of the State President, Office of the National Assembly;
- The Office of the General Secretary;
- The Central Office, the Central Economic Committee;
- The Supreme People's Procuracy;
- The Supreme People's Court;
- The Central Bodies of the Unions
- The Ministry of Justice (Department of Examination of Legal Normative Documents);
- The State Audit;
- The Official Gazette;
- The Government Website;
- MOIT's website;
- Services of Trade and Industry;
- Ministry of Industry and Trade: Minister, Deputy Ministers, Departments and Divisions belonging to the Ministry of Industry and Trade;
- Kept as archives: at Office, Import-Export

**ON BEHALF OF  
MINISTER  
DEPUTY MINISTER**

*(Signed)*

**Tran Tuan Anh**