

# LEGAL ALERT

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## Administrative Sanctions for Failure to Comply with Competition Regulations

On 26 September 2019, the Government of Vietnam promulgated Decree 75/2019/ND-CP on the administrative penalties for violation of competition regulations (“**Decree 75**”). Decree 75 shall revoke the existing Decree 71/2014/ND-CP dated 21 July 2014 (“**Decree 71**”) on the same subject and replace all articles of such decree, except for Article 36 of the latter.

The key differences between Decree 71 and Decree 75 on the regulation that are applicable to enterprises are as follows:

No.	Contents	Decree 71 (Administrative fine)	Decree 75 (Administrative fine)
1	Capping the administrative fine with respect to the breach of regulations on an agreement in restraint of competition, abuse of dominant market position/ monopoly position.	The administrative fine is 10% of the total turnover of the violating enterprise in the financial year immediately preceding the year of the breach.	The administrative fine is 10% of the total turnover of the violating enterprise in the relevant market in the financial year immediately preceding the year of the breach, however, such amount shall be lower than the lowest monetary fine applicable to the violations of corresponding regulations in the Penal Code.
2	Maximum monetary fine for an act in breach of regulation on economic concentration.	10% of the total turnover of the penalised subject in the relevant market in the financial year immediately preceding the year of the breach.	5% of the total turnover of the penalised subject in the relevant market in the financial year immediately preceding the year of the breach.

3	Maximum monetary fine for an act in breach of regulation on unfair competition.	VND200 million.	VND2 billion.
4	The violating enterprise being subject to the sanction in the form of the following:  (a) suspension of operation for six to 12 months; and  (b) Revocation of the enterprise registration certificate or equivalent document.	Not regulated.	P
5	Provisions on penalties for violations in relation to unfair competition in promotion and advertising	P	Having been removed.

If you have any questions or require any additional information, you may contact [Trang Hoang](#) of ZICO Law Vietnam.

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