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Ha Noi, day 26 month 11 year 2009

## DECREE

## ON TRADING OF LIQUEFIED PETROLEUM GAS

## THE GOVERNMENT

Pursuant to the December 25, 2001 Law on Organization of the Government;

Pursuant to the June 14, 2005 Commercial Law;

Pursuant to the November 29, 2005 Law on Enterprises;

At the proposal of the Minister of Industry and Trade,

## DECREES:

## Chapter I

## GENERAL PROVISIONS

**Article 1. Scope of regulation**

This Decree provides for activities of trading in liquefied petroleum gas and conditions on liquefied petroleum gas trading on the market.

**Article 2. Subjects of application**

1. This Decree applies to traders defined in the Commercial Law that trade in liquefied petroleum gas and liquefied petroleum gas users in Vietnam.
2. Traders that import special-use liquefied petroleum gas for their own needs and do not sell it on the market are not subject to this Decree but shall comply with the Ministry of Industry and Trade's regulations.

**Article 3. Interpretation of terms**

In this Decree, the terms below are construed as follows:

1. Liquefied petroleum gas means a mixture of largely propane (chemical formula C<sub>3</sub>H<sub>8</sub>) and butane (chemical formula C<sub>4</sub>H<sub>10</sub>) and obtained from petroleum (abbreviated to LPG). At a normal temperature and pressure. LPG is in gaseous form. When it is compressed under a certain pressure and at a certain temperature, LPG changes into liquid form and may be stored in fixed tanks or cisterns, tank trucks, special-use ships or pipelines for use as a household fuel, engine fuel or production or daily-life material and called bulk LPG (below collectively referred to as LPG).
2. Bottled LPG means LPG of a certain volume already put into standard bottles.
3. LPG bottle means a pressure-proof bottle made of a metal material (steel) or non-metal material (composite) or mixed material (steel and composite) according to certain technical standards and used for containing LPG and can be refilled, also known as standard bottle.
4. Mini LPG bottle means a pressure-proof bottle made of a metal material according to certain technical standards and used for containing LPG and of a maximum capacity of 300 milliliters (ml).
5. LPG bottle owner means a trader that satisfies all the conditions on LPG trading specified in this Decree, and has purchased LPG bottles from domestic manufacturers or importers or purchased them from other LPG traders (other owners) under lawful transfer contracts, provided these bottles are accompanied with adequate dossiers supplied by the manufacturer or importer and have a brand registered under regulations.
6. LPG bottling means the use of special-use equipment for filling standard bottles with a certain volume of LPG from a fixed tank or cistern.
7. LPG bottling or cistern truck-filling station means a unit using special-use tools and equipment for filling LPG bottles or cistern trucks with LPG (below collectively referred to as LPG bottling station) for sale to customers.
8. LPG-selling store means a shop where bottled LPG of all kinds is sold to customers.
9. Specialized LPG-trading store means a store exclusively used for sale of LPG of all kinds and LPG-fueled auxiliary equipment, and built according to current technical regulations.
10. Automobile LPG-filling station means a unit using special-use equipment for directly filling LPG-fueled automobiles with LPG
11. Pipelined LPG-selling station means a unit using special-use equipment and pipelines for supplying LPG from fixed tanks to customers (below referred to as LPG supply station).
12. LPG trading means continuous performance of one, several or all operations in the LPG trading chain, including LPG production, processing, export, import, storing, filling, distribution, temporary import for re-export, lease of storehouses or ports, forwarding and transport for profit-making purposes.
13. LPG trading establishment means a unit producing, processing, forwarding, storing and distributing LPG including LPG production or processing plant; LPG export or import port; LPG storehouse, LPG bottle and bottled LPG preservation storehouse, LPG-selling store, LPG-bottling station, cistern truck; automobile LPG-filling station; LPG supply station; LPG carrier and LPG transport vehicle lessor.
14. LPG bottle collateral means the giving of a sum of money by a customer (general LPG-trading agent, LPG-trading agent, bottled LPG-selling store, specialized LPG-trading store or LPG consumer) to an LPG bottle owner as a security for the performance of the obligation to return LPG bottles already borrowed under an agreement for LPG circulation, storing and use.

15. LPG bottle collateral money means a sum of money given by a customer that needs to use LPG bottles to an LPG bottle owner for acquiring the right to use LPG bottles for LPG circulation, storing and use.

16. Grade-I LPG distributor means a trader that purchases LPG from an LPG exporter, importer, producer or processor for distribution to general LPG-trading agents or LPG-trading agents.

17. Wholesale LPG trader means an LPG exporter, importer, producer or processor or a grade-I LPG distributor.

#### **Article 4. Application of relevant laws**

LPG traders on the Vietnamese market shall, apart from complying with this Decree, also observe other relevant legal provisions.

#### **Article 5. Development of LPG trading establishments**

1. LPG trading establishments defined in Clause 13. Article 3 (except those transporting or leasing LPG transport vehicles) of this Decree shall be developed under planning and built according to technical regulations.

2. The Ministry of Industry and Trade shall, within the ambit of its tasks and powers, assume the prime responsibility for, and coordinate with concerned ministries and branches and provincial-level People's Committees in, working out and publicizing a national plan on development of LPG-trading establishments, including LPG production or processing plants. LPG storehouses with a total capacity of tanks and cisterns of 5,000 m<sup>3</sup> (five thousand cubic meters) or more, ports for LPG exportation or importation which can accommodate ships of a tonnage of 5,000 tons or more; and inspecting and supervising the implementation of the approved planning.

3. Provincial-level People's Committees shall work out plannings on development of LPG-trading establishments, including specialized LPG-trading stores, LPG supply stations, automobile LPG-filling stations, LPG-bottling stations, LPG storehouses with a total capacity of tanks and cisterns of under 5,000 m<sup>3</sup> (five thousand cubic meters), then incorporate them in their local socio-economic development master plans, ensuring their conformity with the national master plan; and inspect and supervise the implementation of these plannings after they are approved.

4. Traders are encouraged to invest in the development of LPG-trading establishments under current laws.

#### **Article 6. Fire prevention and fighting, security, order, labor safety and sanitation, environmental protection, measurement and quality control**

1. LPG-trading establishments shall constantly observe regulations on fire prevention and fighting; security and order; labor safety and sanitation environmental protection, measurement and quality control in the course of their business operation.

2. LPG traders shall periodically inspect LPG-trading establishments under their management in the observance of legal provisions on safety, fire prevention and fighting; security and order; labor safety and sanitation, environmental protection, measurement and quality control.

3. Employees and workers of LPG-trading establishments or LPG service providers, including also drivers of LPG transport vehicles, shall be professionally trained in fire prevention and fighting, labor safety and sanitation, environmental protection, LPG preservation, measurement and quality control for which certificates shall be issued to them under law.

### **Chapter II**

#### **LPG TRADING**

##### **Section I**

###### **LPG EXPORT, IMPORT, PRODUCTION, PROCESSING AND GRADE-I DISTRIBUTION**

#### **Article 7. Conditions on LPG export or import**

A trader that fully satisfies the following conditions may export or import LPG:

1. Having a business registration certificate, covering the registration of LPG export and/or import.

2. Owning or co-owning a wharf within the Vietnamese seaport system under a joint-venture or capital contribution contract, which has been built under planning and according to current technical regulations; or having entered into a contract for lease of a wharf for at least one year for receiving LPG ships; having storehouses of a total capacity of tanks of 3,000 m<sup>3</sup> (three thousand cubic meters) or more for storing imported LPG from ships or other vehicles.

3. Owning at least 300,000 (three hundred thousand) LPG bottles of all kinds (except mini bottles). These LPG bottles must be compatible with trademarks and brands already registered with a competent functional agency under law.

4. Having an LPG bottling station with a certificate of satisfaction of LPG bottling conditions specified in Article 17 of this Decree.

5. Having an LPG distribution system, including member enterprises, branches, shops or automobile LPG-filling stations or LPG supply stations and at least 40 (forty) LPG-trading agents (general agent and agents or agents) that fully satisfy the conditions specified in this Decree.

#### **Article 8. Rights of LPG exporters and importers**

1. To import LPG under their business plans and ensure the quality of imported LPG under current regulations; to export LPG temporarily import LPG for re-export under Article 51 of this Decree.

2. To set LPG and bottled LPG selling prices applicable within their distribution systems, ensuring these prices' compatibility with market prices.

3. To wholesale LPG under contracts to eligible LPG traders under this Decree; to retail LPG and bottled LPG within their distribution systems.

4. To enter into agency contracts only with traders eligible for acting as general LPG-trading agents (below referred to as general agents), traders eligible for acting as LPG-trading agents (below referred to as agents) and LPG-selling stores defined in this Decree; and to directly sell LPG under contracts to consumers.

5. To organize the filling of LPG in bottles qualified for market circulation under Clauses 1 and 2, Article 20 of this Decree, and owned by traders, or the bottling of LPG under contracts for other eligible LPG traders under this Decree.
6. To organize the provision of services of leasing LPG storehouses, ports for LPG export, import or forwarding, and LPG transport vehicles to other eligible LPG traders under this Decree.
7. To develop material foundations for LPG trading under the approved planning; to organize their own LPG distribution systems consisting of enterprises, branches, LPG storehouses, LPG-selling stores, LPG-bottling stations, automobile LPG-filling stations, LPG supply stations, general agents and agents in localities nationwide.

#### **Article 9. Obligations of LPG exporters and importers**

1. To supply sufficient LPG for their distribution systems to meet production and people's daily-life needs, ensuring the LPG circulation reserves under Clause 1, Article 52 of this Decree.
2. To satisfy the conditions specified in and comply with the provisions of this Decree and other relevant laws on LPG trading; to inspect and supervise LPG-trading establishments, general agents, agents and LPG-selling stores; to take responsibility for the quantity and quality of LPG sold by their distribution systems.
3. To conduct the technical safety inspection and registration of LPG bottles and LPG-fueled auxiliary equipment under their ownership under regulations; to inspect the quality of and maintain and replace LPG bottles and LPG-fueled auxiliary equipment, ensuring safety for consumers.
4. To comply with legal provisions on registration of trademarks and brands; to manage the quantity and quality of LPG bottles under their ownership; to submit to the inspection and supervision by competent authorities under current law.

#### **Article 10. Conditions on LPG production or processing**

A trader that fully satisfies the following conditions may produce or process LPG:

1. Having a business registration certificate, covering LPG production or processing registration.
2. Having an LPG production or processing establishment (below referred to as LPG production plant) under a planning or project already approved by a competent authority for construction investment.
3. Having a certificate of technical eligibility for LPG production or processing.
4. Having an LPG quality testing laboratory capable of inspecting LPG quality under current regulations.
5. Having an LPG storehouse (beyond the storing capacity already approved in the investment project) with a total capacity of tanks of at least 5,000 m<sup>3</sup> (five thousand cubic meters) and built under planning and according to current technical regulations to receive imported LPG from ships or other vehicles.

#### **Article 11. Rights of LPG producers and processors**

1. To set selling prices of LPG produced by their plants (excluding LPG produced in the period of trial operation) and LPG they have imported under the market mechanism as specified in Article 54 of this Decree.
2. To directly import LPG of quality up to current standards or export LPG or authorize traders that are owners of their member enterprises to import LPG under current law; to conduct temporary import for re-export or export of LPG under Article 51 of this Decree.
3. To exercise other rights like LPG exporters and importers specified in Clauses 3 thru 7, Article 8 of this Decree.
4. To form their distribution systems under Clause 5, Article 13 of this Decree when organizing the retail of LPG and bottled LPG.

#### **Article 12. Obligations of LPG producers and processors**

1. To submit to the inspection and certification by the Ministry of Science and Technology in coordination with concerned ministries and branches, of satisfaction of the safety conditions and quality standards under regulations and compliance with regulations of LPG safety and quality assurance throughout the course of production or processing before putting their LPG products into market circulation for the first time.
2. To regularly inspect the safety of machines, equipment and technological chain in order to detect signs of and promptly remedy unsafe operations in the course of LPG production or processing.
3. To install signboards of "No fire", "No smoking", "Staff only", "Fire prevention and fighting rules" and "Rules on entrance into production)processing areas" at conspicuous places in LPG production or processing areas.
4. To wholesale LPG under contracts to other eligible LPG traders under this Decree, ensuring equality, publicity and transparency.
5. To satisfy the conditions and comply with regulations on LPG production or processing; to export or import LPG (in case of LPG export or import) under this Decree and other relevant legal documents; to maintain the LPG circulation reserves specified in Clause 1, Article 52 of this Decree.

#### **Article 13. Conditions on grade-I LPG distributors**

A grade-I LPG distributor must fully satisfy the following conditions:

1. Having a business registration certificate, covering the registration for LPG trading.
2. Owning or co-owning with other parties that have contributed capital for construction, an LPG storehouse with a total capacity of tanks of at least 800 m<sup>3</sup> (eight hundred cubic meters) to receive LPG from ships or other transport vehicles, and built under planning and according to current technical regulations.
3. Owning at least 300.000 (three hundred thousand) LPG bottles of all kinds (except mini bottles); trademarks and brands already registered with competent authorities under law.
4. Having an LPG-bottling station with a certificate of satisfaction of LPG bottling conditions specified in Article 17 of this Decree.

5. Having an attached LPG distribution system, consisting of bottled LPG-selling shops or LPG supply stations or automobile LPG-filling stations, and at least 20 (twenty) LPG-trading agents (general agent and agents or agents) that fully satisfy the conditions specified in this Decree.

#### **Article 14. Rights of grade-I LPG distributors**

Grade-I LPG distributors have the rights like LPG exporters and importers specified in Clauses 2 thru 7. Article 8 of this Decree.

#### **Article 15. Obligations of grade-I LPG distributors**

Grade-I LPG distributors shall fully perform the obligations like LPG exporters and importers specified in Article 9 of this Decree.

### **Section 2**

#### **BOTTLING OF LPG**

#### **Article 16. Conditions on LPG bottling stations**

An LPG bottling station that fully satisfies the following conditions will be granted a certificate of LPG bottling:

1. Having a business registration certificate, covering the registration for LPG bottling.
2. Being located in line with the planning and project or design approved by a competent authority. The building of an LPG-bottling station must comply with the Construction Law and other relevant laws on construction of LPG works.
3. Having a station, bottling equipment, pipeline system, tanks and auxiliary equipment complying with safety rules in current national technical regulations.
4. Having machines and equipment subject to stringent requirements on labor safety and sanitation inspected and registered under regulations.
5. Having surrounding protection fences, which are well-ventilated and built at a safety distance from the station as prescribed in the relevant Vietnam standard and an appendix to this Decree (not printed herein).
6. Having a certificate of satisfaction of fire prevention and fighting conditions and a certificate of satisfaction of security and order conditions granted by competent police offices under law.
7. Performing all the processes of bottling LPG or filling tank trucks with LPG operating its machines and equipment, responding to incidents and complying with safety rules.

#### **Article 17. Grant of certificates of satisfaction of LPG bottling conditions**

The provincial-level Industry and Trade Department shall grant a certificate of satisfaction of LPG bottling conditions to each LPG-bottling station mentioned in this Article. A dossier of application comprises:

1. An application for a certificate, made according to a set form (not printed herein);
2. A certified copy of the business registration certificate, covering the registration for LPG bottling or tank truck filling line;
3. A construction permit enclosed with a project or design approved by the competent authority which permits the investment in the construction of a bottling station and its equipment as specified in Clause 3, Article 16 of this Decree.
4. A site plan (on A2 or larger paper sheets) showing the locations of tanks and the bottling station, positions for pumping LPG out of tank trucks, storehouses or workshops or filling them with LPG lanes for trucks, fire alarms and fighting devices, LPG pipelines, electric system, and LPG supply control. Site drawings must clearly display the capacity, positions, sizes and minimum safety distance of tanks as specified in an appendix to this Decree (not printed herein).
5. Certified copies of:
  - A slip of results of inspection of machines and equipment of the bottling station subject to stringent labor safety requirements;
  - A slip of results of inspection or measurement equipment or devices used by the bottling station: weight scales, capacity-measuring device, pressure gauge and other equipment and devices;
  - A certificate of satisfaction of fire prevention and fighting conditions;
  - A certificate of satisfaction of security and order conditions;
  - Documents on processes of LPG bottling, operation of machines and equipment in the bottling station, response to incidents, and safety rules.
6. Professional training certificates of each employee of the bottling station under Clause 3, Article 6 of this Decree.

Within 10 (ten) working days after receiving a complete and valid dossier as specified in this Article, the provincial-level Industry and Trade Department shall examine the dossier and grant a certificate of satisfaction of LPG bottling conditions, made according to a set form (not printed herein).

A certificate of satisfaction of LPG bottling conditions is valid for 5 (five) years from the date of grant. Upon the expiration of the validity term, the trader shall carry out the prescribed procedures for certification for the subsequent period. In case of refusal to grant a certificate, the provincial-level Industry and Trade Department shall reply in writing, clearly stating the reason so that the applicant can strive to satisfy all the conditions for obtaining a certificate.

7. Traders shall pay fees and charges set by the Ministry of Finance for the grant of certificates of satisfaction of LPG bottling conditions.

#### **Article 18. Rights of LPG-bottling stations**

1. To organize the filling of only LPG bottles owned by their owners and qualified for market circulation under Clauses 1 and 2, Article 20 of this Decree.
2. To organize the filling, under contracts, of LPG bottles for other eligible LPG traders that have LPG bottles qualified for market

circulation as specified in Clauses 1 and 2, Article 20 of this Decree. Traders that hire the LPG bottling shall show to LPG-bottling station owners relevant documents evidencing that LPG bottles are under their use right, including trademark and brand registration certificate(s) and written certification of their lawful right to use LPG bottles.

3. To discard bottles unqualified for market circulation under Clauses 1 and 2, Article 20 of this Decree (including also LPG bottles not under its ownership).

#### **Article 19. Obligations of LPG-bottling stations**

1. To satisfy the conditions specified in this Decree and other relevant laws on LPG bottling. The LPG volume to be bottled must be sufficient for each type of bottle. LPG quality must be compatible with trademarks or brands already publicized by enterprises and up to current quality standards.

2. To ensure that bottled LPG satisfies the conditions specified in Article 21 of this Decree before being sold or delivered to customers under contracts; to take responsibility for the quantity and quality of LPG sold or delivered to customers.

3. LPG-bottling station owners shall furnish sufficient personal protection devices and purchase insurance under law for employees of their bottling stations.

4. LPG-bottling station owners may not store LPG bottles of other traders without contracts on hired LPG bottling with their bottling stations.

### **Section 3**

#### **CONDITIONS ON LPG DISTRIBUTION**

#### **Article 20. Conditions of LPG bottles for market circulation**

1. Before being put into use, LPG bottles must be inspected in technical safety and have the use registration and trademark or brand registration made under law. Used LPG bottles must be re-inspected in technical safety under regulations.

2. The original design shape of inspected LPG bottles must be kept intact and these bottles are not due for re-inspection. The paint color of LPG bottles has been registered with a competent function agency. LPG bottles' adequate dossiers must be kept under regulations at trading establishments of owners of these LPG bottles.

3. Owners of LPG-trading establishments which are merged or dissolved or shift to business lines other than LPG trading or cease their long-term business operations shall recall all LPG bottles under their ownership for sale or assignment to other traders together with their adequate dossiers under regulations. Owners of these LPG bottles shall make trademark or brand re-registration with a competent functional agency, notify the market management agency of their distribution systems and customers for supervision, and observe this Decree's provisions on management of LPG bottles and take responsibility for these LPG bottles.

4. Owners of LPG bottles may permit the making of collaterals for LPG bottles under their ownership and may issue LPG bottle collateral slips to be uniformly applicable to their distribution systems and customers; may inspect LPG bottle collateral records at any establishments storing and using their LPG bottles.

#### **Article 21. Conditions of bottled LPG for market circulation**

1. For market circulation of bottled LPG, LPG bottles must satisfy the conditions specified in Clauses 1 and 2, Article 20 of this Decree, the LPG volume in a bottle must be compatible with the trademark, up to quality standards publicized by the trader and conform to current quality standards, and LPG bottles must be properly sealed up.

2. Bottled LPG to be circulated on the market must have an origin consistent with that stated in the LPG purchase and sale or trading agency contract.

#### **Article 22. LPG distribution**

1. Wholesale LPG traders shall distribute LPG and bottled LPG on the market through distribution systems under their management which consist of member enterprises, LPG-trading branches, LPG-bottling stations, LPG supply stations, automobile LPG-filling stations, LPG-selling stores, general agents and agents as defined in this Section.

2. Bottled LPG-selling stores, LPG supply stations, general agents and agents that distribute LPG and bottled LPG for wholesale LPG traders must satisfy the required conditions.

#### **Article 23. Conditions on an LPG-trading general agent**

1. Having a business registration certificate, covering the registration for LPG trading agency.

2. Having an LPG and bottled LPG storehouse built according to current national technical regulations and of a capacity of at least 2,000 (two thousand) LPG bottles or bottled LPG of all kinds (except mini bottles).

3. Having an LPG distribution system consisting of bottled LPG-selling stores or automobile LPG-filling stations, and at least 10 (ten) agents fully satisfying the conditions specified in Article 26 of this Decree.

4. Having entered into an agency contract of a term of at least 1 (one) year, which is still valid, with an eligible LPG wholesaler under this Decree.

#### **Article 24. Rights of LPG-trading general agents**

1. To select and enter into agency contracts with no more than 3 (three) eligible LPG wholesalers under this Decree.

2. To enter into contracts only with traders eligible for acting as agents under Article 26, and with bottled LPG-selling stores eligible under Article 29 of this Decree; to supply LPG up to quality standards and bottled LPG qualified for market circulation under Article 21 of this Decree only to their own distribution systems.

3. To sell LPG at automobile LPG-filling stations and bottled LPG qualified for market circulation under Article 21 of this Decree, LPG-fueled auxiliary equipment up to quality standards; and directly sell LPG under contracts to consumers.

4. Bottled LPG-selling stores and automobile LPG-filling stations within their distribution systems may only sell bottled LPG and LPG to wholesale LPG traders with whom they have entered into agency contracts.

5. To inspect and supervise LPG-trading establishments under their management their satisfaction of the conditions on LPG trading specified in this Decree.

#### **Article 25. Obligations of LPG-trading general agents**

1. To supply sufficient LPG and bottled LPG of quality up to set quality standards to meet demands of their distribution systems; to maintain the LPG circulation reserves specified in Clause 2, Article 52 of this Decree.

2. To take responsibility for the quantity, quality and selling prices of LPG and bottled LPG they sell; to submit to the inspection and supervision by wholesale LPG traders with whom they have entered into agency contracts and by competent functional agencies.

3. To sell LPG at prices set by wholesale LPG traders; to sell LPG in sufficient quantity and of proper quality under regulations; to refrain from joining cartels to increase LPG selling prices and from committing other fraudulent acts; to fully observe regulations on invoices and documents in all LPG trading stages under the Ministry of Finance's regulations.

4. To refrain from purchasing or selling LPG of unclear origin on the market not under agency contracts signed with LPG wholesalers.

5. To refrain from storing, circulating or consuming LPG and bottled LPG of other LPG traders not under agency contracts; to return to LPG wholesalers all LPG bottles for which collaterals have been made, also with their dossiers, upon liquidation of agency contracts.

6. To put up only signboards and logos of LPG wholesalers with whom they have entered into agency contracts. Those signboards and logos must have clear and sufficient details as specified by law.

7. To strictly comply with regulations on LPG-trading agency.

#### **Article 26. Conditions on an LPG-trading agent**

1. Having a business registration certificate, covering the registration for LPG trading agency.

2. Having a bottled LPG-selling store or an automobile LPG-filling station with a certificate of satisfaction of fire prevention and fighting conditions and a certificate of satisfaction of security and order conditions granted by competent police offices under law.

3. Having entered into an agency contract of a term of at least 1 (one) year, which is still valid, with an eligible LPG wholesaler or general agent under this Decree.

#### **Article 27. Rights of LPG-trading agents**

1. To select and enter into agency contracts with no more than 3 (three) eligible LPG wholesalers or general agents under this Decree.

2. To sell only LPG and bottled LPG supplied by LPG wholesalers or general agents (in case they act as agents for general agents), post up selling prices and sell LPG at posted prices set by LPG wholesalers.

3. LPG-selling stores and automobile LPG-filling stations within their distribution systems may only sell bottled LPG and LPG to eligible LPG traders with whom they have entered into agency contracts.

4. To inspect and supervise LPG-trading establishments under their management in their satisfaction of the conditions on LPG trading specified in this Decree.

#### **Article 28. Obligations of LPG-trading agents**

1. To ensure that bottled LPG sold to customers satisfies the conditions specified in Article 21 of this Decree; to install signboards of and provide customers with LPG use safety instructions; to take responsibility for the quantity, quality and selling prices of bottled LPG they sell; to keep records for monitoring LPG of various kinds sold to customers.

2. To sell LPG and deliver LPG bottles only under contracts as authorized by LPG wholesalers or general agents and to properly realize their commitments in contracts; to submit to the inspection and supervision by LPG wholesalers or general agents (in case they act as agents for general agents) and by competent functional agencies.

3. To refrain from purchasing or selling LPG and bottled LPG of unclear origin on the market not under contracts signed with LPG wholesalers or general agents; to refrain from purchasing or selling LPG bottles of all kinds currently circulated on the market and owned by other LPG traders.

4. To observe regulations on recording of invoices and documents in all business stages under the Ministry of Finance's regulations.

5. To strictly comply with regulations on LPG trading agency.

#### **Article 29. Conditions on bottled LPG-selling stores**

A bottled LPG-selling store that fully satisfies the following conditions will be granted a certificate of satisfaction of LPG trading conditions:

1. Having a business registration certificate, covering the registration for sale of bottled LPG

2. Having entered into a bottled LPG purchase contract of a term of at least 1 (one) year, which is still valid, with an eligible agent or general agent or LPG wholesaler under this Decree.

3. Having a certificate of satisfaction of fire prevention and fighting conditions; a certificate of satisfaction of security and order conditions granted by a competent police office under law.

#### **Article 30. Grant of certificates of satisfaction of trading conditions to bottled LPG-selling stores**

1. The provincial-level Industry and Trade Department shall grant a certificate of satisfaction of trading conditions to each bottled LPG-selling store that fully satisfies the conditions specified in this Article. A dossier of application for such a certificate comprises:

a) An application for a certificate, made by the bottled LPG-selling store owner according to a set form (not printed herein);

- b) A certified copy of the business registration certificate of the bottled LPG-selling store owner;
- c) Certified copies of the certificate of satisfaction of fire prevention and fighting conditions and the certificate of satisfaction of security and order conditions granted by competent police offices under Clause 3, Article 29 of this Decree;
- d) Certified copies of professional training certificates of employees of the bottled LPG-selling store as specified in Clause 3, Article 6 of this Decree.

2. Within 7 (seven) working days after receiving a valid dossier, the provincial-level Industry and Trade Department shall examine the dossier and grant a certificate of satisfaction of LPG trading conditions, made according to a set form (not printed herein) and valid for 5 (five) years from the date of grant, to each bottled LPG-selling store. Upon the expiration of the validity term of the certificate, the trader shall carry out the prescribed procedures for certification for the subsequent period. In case of refusal to grant a certificate, the provincial-level Industry and Trade Department shall reply in writing, clearly stating the reason, for the applicant to complete its dossier as required for obtaining a certificate.

3. Bottled LPG-selling stores shall pay charges and fees set by the Ministry of Finance for the grant of certificates of satisfaction of bottled LPG trading conditions.

### **Article 31. Rights of bottled LPG-selling stores**

- 1. To select and enter into contracts on bottled LPG sale for no more than 3 (three) eligible LPG traders under this Decree.
- 2. To refrain from purchasing and selling bottled LPG of unclear origin on the market not under contracts.
- 3. To refrain from appropriating or selling LPG bottles of agents or general agents or other LPG traders currently in circulation on the market.
- 4. To observe the Ministry of Finance's regulations on recording of invoices and documents in all business stages.

### **Article 32. Obligations of bottled LPG-selling stores**

- 1. To put up only signboards and logos of wholesale LPG traders with whom their owners have entered into agency contracts. Those signboards and logos must have clear and sufficient details under law, clearly stating the serial numbers of their owners' business registration certificates.
- 2. To post up selling prices of bottled LPG and sell bottled LPG at posted prices set by their agency principals (agents, general agents or LPG wholesalers); and to submit to the management, inspection and supervision by these traders and competent functional agencies.
- 3. To sell only bottled LPG qualified for market circulation under Article 21 of this Decree; to refrain from selling bottled LPG of other traders outside contracts and refilled LPG mini bottles (disposable mini bottles which are not allowed to be refilled).
- 4. To sell bottled LPG only to eligible LPG traders with whom they have entered into agency contracts.

### **Article 33. Conditions on automobile LPG-filling stations**

- 1. An automobile LPG-filling station must be built under planning and according to current technical regulations, and have a construction permit accompanied with a project or design approved by a competent authority for construction investment.
- 2. Its measuring devices have been inspected and corrected under regulations.
- 3. Its equipment subject to stringent requirements on automobile LPG filling safety has been inspected and registered under regulations.
- 4. It has a certificate of satisfaction of fire prevention and fighting conditions and a certificate of satisfaction of security and order conditions granted by competent police offices under law.

### **Article 34. Grant of certificates of satisfaction of automobile LPG filling conditions**

1. The provincial-level Industry and Trade Department shall grant a certificate of satisfaction of automobile LPG filling conditions to a station that fully satisfies the conditions specified in Article 33 of this Decree. A dossier of application for such a certificate comprises:

- a) An application for a certificate, made by the filling station owner according to a set form (not printed herein);
- b) A certified copy of the business registration certificate, covering the registration for LPG sale for automobiles;
- c) A certified copy of the certificate of satisfaction of petrol and oil trading conditions (for automobile LPG-filling stations at petrol and oil stores).
- d) Certified copies of:
  - A certificate of satisfaction of fire prevention and fighting conditions and a certificate of satisfaction of security and order conditions granted by competent police offices (for automobile LPG-filling stations built outside petrol and oil stores) specified in Clause 4, Article 33 of this Decree;
  - A slip of results of inspection of measuring devices specified in Clause 2, Article 33 of this Decree;
  - A slip of results of inspection of equipment subject to stringent requirements on automobile LPG filling safety granted by a competent agency as specified in Clause 3, Article 33 of this Decree;
  - Training certificates of employees of the automobile LPG-filling station who have been trained under Clause 3, Article 6 of this Decree.

2. Within 7 (seven) working days after receiving a valid dossier, the provincial-level Industry and Trade Department shall examine the dossier and grant a certificate of satisfaction of automobile LPG filling conditions, made according to a set form (not printed herein) and valid for 5 (five) years from the date of grant, to each filling station. Upon the expiration of the validity term of the certificate, the trader shall carry out specified procedures for certification for the subsequent period. In case of refusal to grant a certificate, the provincial-level Industry and Trade Department shall reply in writing, clearly stating the reason, for the applicant to complete its dossier as required for obtaining a certificate.

complete its dossier as required for obtaining a certificate.

3. Automobile LPG-filling stations shall pay charges and fees set by the Ministry of Finance for the grant of certificates of satisfaction of automobile LPG filling conditions.

#### **Article 35. Rights of automobile LPG-filling stations**

1. To put up signboards and logos of wholesale LPG traders or general agents. Those signboards and logos must have clear and sufficient details under law.

2. To submit to the inspection and supervision by LPG wholesalers, general agents and competent functional agencies.

3. To enter into joint ventures or contribute capital to building automobile LPG-filling stations with petrol and oil stores with certificates of satisfaction of petrol and oil trading conditions.

#### **Article 36. Obligations of automobile LPG-filling stations**

1. To sell only LPG up to set quality standards supplied by LPG wholesalers or general agents; to refrain from purchasing LPG of unclear origin on the market or smuggled LPG for sale to customers.

2. To fill LPG only in LPG-fueled automobiles, and refrain from filling LPG in LPG bottles of any customers, including agents, general agents and other LPG traders.

3. To post up LPG selling prices and sell LPG at posted prices set by LPG wholesalers; and to take responsibility for the quantity, quality and selling prices of LPG sold to customers.

4. To ensure their measuring devices are precise; to regularly inspect LPG filling equipment, ensuring its safety in the business operation.

#### **Article 37. Conditions on LPG supply stations**

1. An LPG supply station must be built under planning and according to current technical regulations, and have a construction permit accompanied with a project or design approved by a competent authority for construction investment.

2. Its measuring devices have been inspected and corrected under regulations.

3. It has a certificate of satisfaction of fire prevention and fighting conditions and a certificate of satisfaction of security and order conditions granted by competent police offices under law; and a slip of results of inspection of equipment of LPG supply stations subject to stringent safety requirements.

#### **Article 38. Grant of certificates of satisfaction of LPG supply station conditions**

1. The provincial-level Industry and Trade Department shall grant a certificate of satisfaction of LPG supply station conditions to a station that fully satisfies the conditions specified in Article 37 of this Decree. A dossier of application for such a certificate comprises:

a) An application for a certificate, made by the LPG supply station owner according to a set form (not printed herein);

b) A certified copy of the business registration certificate, covering the registration for sale of LPG through pipelines;

c) Documents showing the location of the LPG supply station under planning and evidencing the legality of construction investment and the project or design approved by a competent authority as specified in Clause 1, Article 37 of this Decree;

d) Certified copies of:

- A certificate of satisfaction of fire prevention and fighting conditions and a certificate of satisfaction of security and order conditions granted by competent police offices specified in Clause 3, Article 37 of this Decree;

- A slip of results of inspection of measuring devices specified in Clause 2. Article 37 of this Decree;

- A slip of results of inspection of equipment of an LPG supply station subject to stringent safety requirements specified in Clause 3. Article 37 of this Decree;

- Training certificates of employees of the LPG supply station who have been professionally trained under Clause 3, Article 6 of this Decree.

2. Within 7 (seven) working days after receiving a valid dossier, the provincial-level Industry and Trade Department shall examine the dossier and grant a certificate of satisfaction of LPG supply conditions, made according to a set form (not printed herein) and valid for 5 (five) years from the date of grant. Upon the expiration of the validity term of the certificate, the trader shall carry out prescribed procedures for certification for the subsequent period. In case of refusal to grant a certificate, the provincial-level Industry and Trade Department shall reply in writing, clearly stating the reason, for the applicant to complete its dossier as required for obtaining a certificate.

3. LPG supply stations shall pay charges and fees set by the Ministry of Finance for the grant of certificates of satisfaction of LPG supply conditions .

#### **Article 39. Rights of LPG supply stations**

1. To sell LPG only to customers with LPG purchase contracts; to sell LPG at set prices, of proper quality and in sufficient quantity under contracts signed with customers; to take responsibility for the quantity, quality and selling prices of LPG sold to customers.

2. To suspend the sale of LPG or prematurely liquidate LPG sale contracts with customers that fail to comply with regulations on LPG use safety, fire and explosion prevention and fighting or the replace LPG-fueled auxiliary equipment or install new equipment without permission.

3. In case customers need to replace LPG-fueled equipment, they shall notify their need to LPG supply stations so that the latter can send their technical workers to do the replacement.

#### **Article 40. Obligations of LPG supply stations**

1. To regularly inspect safety and measuring devices to detect the risk of fire or explosion, the security of locking and safety valves, LPG-fueled auxiliary equipment, connection joints and LPG pipelines running to each customer; to detect and promptly respond to the risks of fire or explosion due to unsafe use of LPG
2. Each LPG supply station shall install signboards of "No fire", "No smoking", "Fire prevention and fighting rules" and "Rules on entrance into the LPG supply station" at conspicuous places.
3. To provide customers with written instructions on safe LPG use, stating telephone numbers of the LPG supply station and its managers for contact when necessary.
4. To notify customers of any increase or decrease in LPG selling prices.
5. To sell LPG only to special-use transport vehicles qualified for LPG receipt, or sell LPG through pipelines under contracts; to refrain from filling LPG bottles of any customers, including general agents, agents or other LPG traders, outside contracts.

#### **Section 4**

#### **PROVISION OF LPG SERVICES**

##### **Article 41. Conditions on a provider of services of leasing storehouses and ports for LPG exportation or importation**

1. Having a business registration certificate, covering the registration for provision of services of leasing storehouses and ports for LPG exportation or importation.
2. Owning or co-owning a wharf in the Vietnamese seaport system under a joint venture or capital contribution contract and built under planning and according to current technical regulations; or having entered into a contract on renting a wharf for at least one year for receiving LPG ships or other transport vehicles.
3. Owning or co-owning LPG storehouses with a total capacity of tanks of 1,000 m<sup>3</sup> (one thousand cubic meters) or more under a joint venture or capital contribution contract approved by a competent authority and built under planning and according to current technical regulations.

##### **Article 42. Rights of providers of services of leasing storehouses and ports for LPG exportation or importation or forwarding LPG**

1. To enter into contracts on lease of storehouses and ports for LPG exportation or importation or LPG forwarding only with eligible LPG wholesalers or general agents and agents under this Decree.
2. To refrain from entering into contracts on lease of storehouses for smuggled LPG or LPG of unclear origin on the market.
3. To ensure that the lease of storehouses and ports for LPG exportation or importation or forwarding LPG satisfies the conditions specified in this Decree and complying with other current legal provisions.

##### **Article 43. Obligations of providers of services of leasing storehouses and ports for LPG exportation or importation or forwarding LPG**

1. To fulfill their contractual commitments with customers; to take responsibility for LPG quantity and quality and ensure safety for LPG preserved in their storehouses.
2. To satisfy the specified conditions on fire prevention and fighting, security and order, labor safety and environmental protection in the course of service provision.

##### **Article 44. Conditions on a provider of LPG transport services**

1. Having a business registration certificate, covering the registration for provision of LPG transport services.
2. Owning or co-owning LPG transport vehicles under a joint venture or capital contribution contract, which fully satisfy the specified conditions and are accompanied with necessary dossiers and papers as required by law, including permit for dangerous goods transportation, certificate of inspection of measuring, checking and safety devices, and certificate of registration of quality standards and environmental protection, which are still valid.

##### **Article 45. Rights of owners of LPG transport vehicles**

1. To transport LPG only under contracts for transport-hiring LPG traders that fully satisfy the conditions specified in this Decree and fulfill their contractual commitments.
2. To refrain from transporting, purchasing and selling smuggled LPG, LPG of unclear origin on the market, LPG of inferior quality or bottled LPG unqualified for market circulation; to refrain from purchasing and selling LPG bottles and bottled LPG of other LPG traders currently circulated on the market.
3. To hire LPG transport vehicles fully satisfying the conditions under current regulations and operate vehicles on the road under law.

##### **Article 46. Obligations of owners of LPG transport vehicles**

1. To satisfy the conditions specified in this Decree and other current legal provisions on safety of goods transport; to take responsibility for LPG quantity and quality in the course of forwarding and transport.
2. To purchase insurance for transport vehicles under regulations and insurance for goods after obtaining the consent of goods owners.
3. To submit to the inspection and supervision by transport-hiring traders and competent functional agencies.

#### **Chapter III**

#### **MANAGEMENT OF LPG TRADING**

##### **Article 47. Responsibilities of LPG traders**

Wholesale LPG traders have the following responsibilities:

1. To supply sufficient LPG of quality up to current standards to their distribution systems, thereby contributing to combating trade frauds and stabilizing domestic production and consumption.
2. To notify provincial-level Industry and Trade Departments in localities where their distribution systems operate of any increase or decrease in selling prices of LPG of all kinds.
3. To register trademarks and brands of their products with, and publicize the quality of their products under law to, competent functional agencies.
4. To set uniform rules on the presentation of their transaction names and logos within their distribution systems, ensuring that signboards contain all details prescribed by law.
5. To purchase product liability insurance for all kinds of LPG sold to customers.
6. To detect, recover or destroy under regulations LPG bottles unqualified for market circulation specified in Article 20 of this Decree, and notify competent functional agencies of these bottles for eliminating them from the list of LPG bottles permitted for market circulation; to install signboards of and provide customers with instructions on safe LPG use.
7. To be responsible for registration for circulation, technical safety inspection and re-inspection of LPG bottles under their ownership; to pay taxes and fees (if any) and manage LPG bottles under regulations.
8. To inspect and supervise LPG-trading establishments under their management to ensure their satisfaction of the conditions specified in this Decree and observance of other legal provisions on LPG trading; to submit to the inspection and supervision by competent functional agencies.
9. To ensure that auxiliary equipment used the LPG operation and use and sold at their stores, including LPG stoves, LPG pipelines and LPG bottle valves of all kinds, pipeline locking valves and other equipment, are up to quality standards and technical safety regulations and of lawful origin.
10. To develop physical foundations for their business operation and LPG distribution systems under regulations and suitable to their business scale.
11. To refund LPG bottle collateral money to customers when these customers no longer use LPG bottles.
12. Upon liquidation of contracts with general agents or LPG wholesalers, LPG-selling stores and trading agents shall return LPG bottles (also with their dossiers) to general agents or LPG wholesalers that have accepted LPG bottle collaterals.

#### **Article 48. Rights of LPG consumers**

1. To refrain from purchasing bottled LPG of unclear origin, unsealed or improperly sealed; LPG bottles for which trademarks and brands have not yet been registered; bottled LPG in insufficient quantity; LPG bottles which have not yet gone through (initial) technical safety inspection or for which the technical safety inspection time limit has expired. In these cases, consumers may request LPG agents or stores to exchange these products.
2. To use only LPG-fueled auxiliary equipment (safety valves and conduits) already registered and still in their use duration.
3. To request suppliers to provide guidance and necessary information on safe use of bottled LPG and LPG purchased through pipelines, and pay damages upon the occurrence of incidents.

#### **Article 49. Obligations of LPG consumers**

1. To abide by regulations on safe LPG use under the guidance of LPG sellers.
2. Upon detecting unsafe bottled LPG likely to cause fire or explosion (smelled LPG leaking due to insecure safety valves or loose conduits), to stop using LPG and promptly report the problem to LPG-selling stores for remedy; to refrain from repairing or replacing auxiliary equipment without permission.
3. Upon detecting that LPG-selling stores sell bottled LPG of inferior quality or in insufficient quantity, fail to comply with regulations on safety, sell LPG not at set prices, imitate trademarks, or fail to conduct sales promotion (if any), to notify these acts to LPG wholesalers or general agents, agents or competent functional agencies for prevention and prompt handling.
4. To notify LPG-selling stores for recalling LPG bottles previously sold to them in case they switch to use bottled LPG of other traders.
5. To return LPG bottles to their owners through the store system or agents or general agents in case they no longer need to use these bottles, provided these bottles are still in good conditions for use, and receive back collateral money as agreed upon. To refrain from selling LPG bottles before switching to use bottled LPG of other traders.

#### **Article 50. Prohibited acts in LPG trading activities**

1. Using mobile LPG-filling stations; filling LPG bottles or other devices or equipment with LPG from tank trucks; filling mini bottles which are not allowed to be refilled with LPG; bottling LPG in bottles not under bottlers' ownership (except hired bottling); bottling LPG in bottles unqualified for market circulation specified in Clauses 1 and 2, Article 20 of this Decree; bottling LPG in bottles at automobile LPG-filling stations; bottling LPG in bottles which are allowed to be refilled but have not yet been inspected or for which the technical safety inspection time limit has expired.
2. Selling LPG not at posted prices, not up to quality standards, or in insufficient quantity to customers; committing speculation for illicit profits or entering into cartels for increasing selling prices, thereby causing market instability, and other acts of trade fraud.
3. Illegally appropriating, purchasing, selling or exchanging LPG bottles not under one's ownership (except hired bottling or filling); imitating designs, trademarks and brands of LPG bottles and bottled LPG in market circulation which have been registered with competent functional agencies.
4. Importing used LPG bottles and LPG-fueled auxiliary equipment; producing and importing LPG bottles and LPG-fueled auxiliary equipment not up to prescribed quality standards and current technical regulations, or of unclear origin, which are likely to be unsafe for consumers.
5. Committing in any form acts of speculating LPG for illicit profits, selling LPG in insufficient quantity or of inferior quality,

appropriating LPG bottles of other LPG traders; filling or bottling LPG, repairing LPG bottles and LPG-fueled auxiliary equipment at LPG-selling stores and establishments without certificates of satisfaction of LPG filling or bottling conditions; converting LPG bottles by changing their original designs in order to increase their weight.

6. Conducting LPG production and LPG bottle repair without licenses granted by competent authorities and contracts on LPG production and LPG bottle repair with LPG owners; producing and repairing LPG bottles and LPG-fueled auxiliary equipment in violation of Vietnamese regulations and standards.

7. Using, transporting, storing and trading in bottled LPG of inferior quality and LPG bottles not permitted for circulation.

8. Using LPG mini bottles not allowed to be refilled in establishments providing food and drink-catering services, food stalls, beer pubs, restaurants and hotels.

9. Recording an incorrect weight of LPG bottles upon inspection for the deception purpose.

10. Producers or owners of LPG bottles using LPG bottles with identical serial numbers for market circulation.

#### **Article 51. LPG temporary import for re-export, LPG export**

1. Only LPG wholesalers fully satisfying the conditions specified in this Decree may conduct temporary import for re-export or export of LPG. The temporary import for re-export or export of LPG must comply with current laws.

2. LPG export and temporary import for re-export must be paid for in freely convertible foreign currencies via bank. When conducting export or temporary import for re-export of LPG, LPG wholesalers shall comply with the current Import Duty and Export Duty Law and other relevant laws.

#### **Article 52. LPG circulation reserves**

1. LPG wholesalers shall maintain the minimum LPG circulation reserve equal to 7 (seven) days' supply for their distribution systems and annually increase this reserve so that by 2015 this reserve will be equal to at least 15 (fifteen) days' supply.

2. Traders acting as general agents shall maintain the minimum LPG circulation reserve equal to 3 (three) days' supply.

#### **Article 53. LPG import duty**

Pursuant to the current Import Duty and Export Duty Law and LPG prices on the world market, the Ministry of Finance shall prescribe the LPG import duty rate suitable to each period and in accordance with international commitments, contributing to stabilizing domestic production and consumption.

#### **Article 54. LPG selling prices**

LPG selling prices are market prices controlled by the State and decided by LPG wholesalers after paying taxes, charges and fees (if any) as prescribed by current laws. Price valorization measures publicized by competent authorities shall be applied under current laws.

#### **Article 55. Management of LPG measurement and quality control**

1. LPG traders may only circulate and consume LPG of quality conformable with current regulations. Import, circulation and consumption of LPG of inferior quality which is likely to adversely affect the environment and human health are prohibited.

2. LPG traders shall comply with current regulations on management of LPG measurement and quality control in the course of importation, production, processing, storing, forwarding, transport and market circulation of LPG and take responsibility for the quantity and quality of LPG within their distribution systems.

3. The Ministry of Science and Technology shall direct the inspection of LPG measuring devices under the current law on measurement and adopt plans on furnishing sufficient equipment for LPG quality control, ensuring the accuracy, timeliness and convenience of quality control.

4. Provincial-level People's Committees shall direct and inspect the measurement and quality control of LPG circulated in their localities, and handle under law LPG traders that fail to comply with regulations on LPG measurement and quality control and other fraudulent acts which cause market instability.

#### **Article 56. Responsibilities of ministries, branches and provincial-level People's Committees**

Apart from the specific responsibilities defined above, ministries, branches and provincial-level People's Committees, within the ambit of their functions, tasks and powers, have the following responsibilities:

1. The Ministry of Industry and Trade:

a) To promulgate regulations on LPG trading agents; to verify, certify and notify customs offices of traders fully satisfying the LPG import and export conditions; to coordinate with provincial-level People's Committee in inspecting and supervising LPG importers, exporters, producers, processors, grade-I distributors, general agents and agents in their satisfaction of the conditions specified in this Decree;

b) To direct the market management forces in coordinating with functional agencies in inspecting and supervising LPG trading establishments nationwide in observing regulations on safety, distribution systems and labor sanitation; to inspect the grant of certificates of satisfaction of trading conditions to bottled LPG-selling stores, certificates of satisfaction of LPG bottling conditions, certificates of satisfaction of LPG supply conditions and certificates of satisfaction of automobile LPG filling conditions by provincial-level Industry and Trade Departments under this Decree and other relevant laws;

c) To assume the prime responsibility for, and coordinate with concerned agencies in, promulgating technical safety regulations applicable to LPG bottling stations and LPG supply stations; criteria for and conditions on LPG bottle inspection stations and granting certificates of satisfaction of specified conditions to LPG bottle inspection stations; to grant certificates of satisfaction of specified conditions to LPG bottle producing or repairing units.

d) To assume the prime responsibility for, and coordinate with concerned agencies and training institutions under current laws in, specifying training contents, compiling training materials and organizing professional training courses in LPG trading for employees of LPG trading establishments nationwide.

2. The Ministry of Science and Technology: a) To assume the prime responsibility for, and coordinate with concerned ministries and branches in, managing the quality of LPG produced, imported and circulated on the market, and granting certificates of satisfaction of technical conditions for LPG production or processing to LPG plants;

b) To assume the prime responsibility for, and coordinate with concerned ministries and branches in, elaborating, amending, supplementing and perfecting the system of LPG quality standards and technical regulations; to prescribe the maximum number of years in which LPG bottles of various kinds are allowed to be used, counting from the date of production according to LPG bottle records;

c) To organize professional training in LPG measurement and quality control for employees of LPG trading establishments nationwide.

3. The Ministry of Finance:

a) To assume the prime responsibility for, and coordinate with the Ministry of Industry and Trade in, inspecting and supervising wholesale LPG traders in selling prices of LPG of all kinds and applying LPG price valorization measures under current laws;

b) To uniformly prescribe the collateral money amount and depreciation duration applicable to each kind of LPG bottles.

4. The Ministry of Transport:

a) To assume the prime responsibility for, and coordinate with concerned ministries and branches in, supplementing and perfecting standards and technical regulations on ports of LPG importation or exportation and LPG transport vehicles;

b) To inspect and supervise LPG transport service providers in their satisfaction of the conditions specified in Clause 2, Article 44 and Clause 3, Article 45 of this Decree.

5. The Ministry of Construction:

To assume the prime responsibility for, and coordinate with concerned ministries and branches in, guiding and inspecting provinces and centrally run cities in building LPG trading facilities under the Construction Law and current guiding documents.

6. The Ministry of Public Security:

a) To perform the unified state management of security and order at LPG production and trading establishments nationwide. To direct and guide the public security force at all levels in examining and inspecting the observance of current regulations on security and order by LPG production and trading establishments;

b) To organize the training of employees of LPG production and trading establishments in fire prevention and fighting, security and order under law, and grant certificates of satisfaction of fire prevention and fighting conditions and certificates of satisfaction of security and order conditions.

7. The Ministry of Labor, War Invalids and Social Affairs:

a) To evaluate the process of LPG bottle inspection and criteria for and conditions on LPG bottle inspection stations for promulgation by the Ministry of Industry and Trade;

b) To direct and conduct the labor safety examination and inspection of LPG production and trading establishments under current laws.

8. The Ministry of Natural Resources and Environment:

a) To assume the prime responsibility for, and coordinate with concerned ministries and branches in, organizing the inspection and supervision of LPG production and trading establishments in the observance of the environmental law;

b) To organize the training of employees of LPG production and trading establishments in environmental safety assurance.

9. Provincial-level People's Committees:

a) To direct and conduct inspection of production and trading establishments of traders operating in their localities in the measurement and quality control of LPG in market circulation, fire prevention and fighting, security and order, environmental safety under law, combat of trade frauds and assurance of market stability;

b) To strictly handle breaches of the conditions specified in this Decree and violations of other relevant laws on LPG trading, especially the following acts:

- LPG bottling or filling stations fail to satisfy the conditions specified in Article 16 of this Decree; or appropriate LPG bottles not under their ownership (except hired bottling or filling under contracts);

- Circulating on the market LPG bottles and bottled LPG unqualified for market circulation under Articles 20 and 21 of this Decree; or LPG bottles which have neither been registered nor technically inspected under regulations;

- Converting LPG bottles to change their original shapes, structure and weight (replacing bottoms, cutting off straps, abrading logos, changing labels or serial numbers of LPG bottles, welding metal objects on LPG bottles, exchanging LPG bottle cap valves); failing to register their trademarks or brands under regulations with competent functional agencies defined in Clause 3, Article 47 of this Decree;

- Failing to post up selling prices, selling LPG not at posted prices, bottling LPG in mini bottles not allowed to be refilled; failing to comply with safety rules in the course of LPG trading and LPG service provision;

- Selling LPG of inferior quality or in insufficient quantity, imitating trademarks or brands, speculating LPG for illicit profits, entering into cartels for increasing LPG selling prices, thereby causing market instability.

## Chapter IV

### EXAMINATION, INSPECTION, AND HANDLING OF VIOLATIONS

#### Article 57. Examination and inspection of LPG trading operations

1. LPG traders shall submit to the examination and inspection by competent functional agencies under the law on LPG trading.

2. The examination and inspection of traders' LPG trading establishments shall be conducted within the ambit of the inspectorate's functions, tasks and powers and the law on examination and inspection.

3. Ministerial-level agencies and provincial-level People's Committees shall, within the ambit of their functions, tasks and powers, direct and organize the examination and inspection of LPG trading establishments in satisfying the conditions specified in this Decree and other relevant laws on LPG trading; prevent and promptly handle violations of regulations on assurance of safety and market and price stability.

#### **Article 58. Violations of LPG traders**

1. Violations of LPG wholesalers:

a) Exporting or importing LPG without fully satisfying the conditions specified in Article 7; producing or processing LPG without fully satisfying the conditions specified in Article 10; or acting as grade-I LPG distributors without fully satisfying the conditions specified in Article 13 of this Decree;

b) Importing LPG not up to quality standards under current regulations; importing used LPG bottles and LPG-fueled auxiliary equipment; importing brand-new LPG bottles and LPG fueled auxiliary equipment not up to prescribed quality standards or of unclear origins which are likely to be unsafe for consumers as specified in Clause 4, Article 50 of this Decree;

c) Trading in LPG without satisfying the conditions specified in this Decree;

d) Changing the LPG quantity and quality for self-seeking purposes; selling LPG not up to prescribed quality standards or in insufficient quantity to customers;

e) Purchasing or selling LPG with LPG traders having LPG bottling stations, LPG supply stations or automobile LPG filling stations not satisfying the conditions specified in this Decree; leasing storehouses or ports of importation or exportation or transport vehicles to LPG traders not fully satisfying the conditions specified in this Decree;

f) Violations specified in Article 50 of this Decree;

g) Selling to customers LPG bottles without proper seals or auxiliary labels as required for imported auxiliary equipment;

h) Having no certificate of satisfaction of LPG trading conditions for bottled LPG-selling stores, certificate of satisfaction of LPG bottling conditions, certificate of satisfaction of LPG supply conditions; or having such a certificate but it is no longer valid;

i) Failing to have their LPG bottles or equipment subject to stringent safety requirements technically inspected under regulations;

j) Bottling LPG in bottles unqualified for market circulation under Clauses 1 and 2. Article 20 of this Decree;

k) Failing to purchase insurance under law for employees of their LPG trading establishments;

l) Failing to purchase LPG product liability insurance for their customers;

m) Failing to refund collateral money to customers that no longer need to use LPG bottles.

2. Violations of traders acting as general agents or agents:

a) General agents fail to fully satisfy the conditions specified in Article 23 or violate the provisions of Articles 24 and 25 or Clause 2, Article 52 of this Decree;

b) Agents fail to satisfy the conditions specified in Article 26 or violate the provisions of Articles 27 and 28 of this Decree;

c) Committing violations specified in Clauses 2. 5 and 7, Article 50 of this Decree.

3. Violations of bottled LPG-selling stores:

a) Having no certificate of satisfaction of bottled LPG trading conditions or failing to comply with regulations on fire prevention and fighting;

b) Bottling or filling LPG or repairing LPG bottles outside prescribed places;

c) Committing violations specified in Clause 2, Article 50 of this Decree;

d) Selling bottled LPG in violation of contracts already entered into with general agents or agents or wholesale LPG traders;

e) Purchasing or selling LPG bottles of unclear origin on the market;

f) Appropriating, purchasing or selling illegally LPG bottles of other LPG traders which have been registered under regulations with competent functional agencies or are currently circulated on the market.

4. Violations of automobile LPG filling stations:

a) Bottling or filling other equipment or devices with LPG directly from their pumps; b) Failing to post up LPG selling prices or selling LPG at prices different from those set by LPG wholesalers;

c) Selling LPG to customers in volumes not corresponding to money amounts collected from them; or selling LPG not up to prescribed quality standards; purchasing LPG of unclear origin on the market; purchasing smuggled LPG for sale to customers;

d) Lacking fire prevention and fighting devices, equipment and means as required under regulations;

e) Failing to have their measuring devices inspected or corrected under regulations; affixing devices to affect the precision of measuring devices.

5. Violations of owners of LPG supply stations:

a) Failing to have their LPG supply equipment technically inspected;

b) Failing to post up LPG selling prices or selling LPG at prices different from posted ones;

c) Selling to customers LPG in insufficient quantity or of quality not up to prescribed quality standards;

- d) Lacking fire prevention and fighting devices, equipment and means as required under regulations;
- e) Failing to purchase product liability insurance for their customers.

#### 6. Violations of LPG service providers:

- a) Providing services of leasing storehouses and ports for LPG importation or exportation without fully satisfying the conditions specified in Articles 41, 41 and 43 of this Decree;
- b) Providing transport services without complying with regulations on transport of flammable goods or goods subject to conditional trading; failing to purchase insurance for their transport vehicles under law;
- c) Changing LPG quality or committing fraudulent acts related to LPG quantity or quality in the course of service provision;
- d) Transporting or trading in smuggled LPG, LPG of unclear origin on the market, LPG of inferior quality or bottled LPG unqualified for market circulation under Article 21 of this Decree; purchasing or selling LPG bottles currently circulated on the market; bottling LPG or filling other equipment with LPG directly from tank trucks.
- e) Failing to realize their contractual commitments.

#### **Article 59. Handling of violations**

1. LPG traders that violate the provisions of this Decree shall, depending on the severity of their violations, be administratively handled or examined for penal liability under law.
2. LPG traders that commit violations specified in Clauses 1, 3, 4, 7, 8 and 9, Article 50; Points b, e and f. Clause 3, Article 58 shall, apart from being handled under Clause 1 of this Article, have LPG bottles confiscated for return to owners. In case these bottles contain LPG, LPG bottle owners may purchase this volume of LPG and money amounts paid for this volume of LPG shall be remitted into the state budget.
3. In case of recidivism of violations specified in Article 58. violators will have their certificates of satisfaction of trading conditions, certificates of satisfaction of LPG bottling conditions, certificates of satisfaction of LPG supply conditions, certificates of satisfaction of automobile LPG filling conditions revoked for a definite or an indefinite time or have their operations terminated. Serious cases shall be examined for penal liability.
4. Employees of LPG trading establishments and state employees and civil servants on duty who violate the provisions of this Decree shall, depending on the severity of their violations, be disciplined, administratively handled or examined for penal liability under law.

### **Chapter V** **IMPLEMENTATION PROVISIONS**

#### **Article 60. Effect**

1. This Decree takes effect on January 15, 2010.
2. Regulations on LPG trading previously promulgated by ministries, branches and provincial-level People's Committees that are contrary to this Decree are all annulled.

#### **Article 61. Transitional provisions**

1. Operating LPG trading establishments of traders which fail to fully satisfy the conditions specified in this Decree may continue to operate through September 30, 2010. After that day, they must satisfy the conditions specified in this Decree.
2. Concerned ministries and branches and provincial-level People's Committees shall direct, supervise and urge traders having LPG trading establishments specified in Clause 1 of this Article to comply with this Decree.

#### **Article 62. Organization of implementation**

Ministers, heads of ministerial-level agencies and government-attached agencies, and chairpersons of provincial-level People's Committees shall implement this Decree.

**THE GOVERNMENT**  
**PRIME MINISTER**  
(Đã ký)

Nguyen Tan Dung