

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence- Freedom- Happiness

No.55/2007/ND-CP

Hanoi, April 6, 2007

DECREE OF THE GOVERNMENT

On petrol and oil trading

THE GOVERNMENT

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

Pursuant to the Commercial Law dated June 14, 2005;

At the proposal of the Minister of Trade,

DECREE:

CHAPTER I

GENERAL PROVISIONS

Article 1.

Governing scope

This Decree provides for petrol and oil trading and conditions for petrol and oil trading in the Vietnamese market.

Article 2.

Subjects of application

1. This Decree applies to Vietnamese traders under the Commercial Law who are engaged in petrol and oil trading in the domestic market.

2. Traders who import, produce or process special-use petrol and oil to meet their own needs rather than circulation in the market shall comply with a decision of the Minister of Trade.

Article 3.

Interpretation of terms

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

1. Petrol and oil means the general term used to refer to products of the petroleum-refining process which are used as fuel, including: engine gasoline, diesel oil, kerosene, fuel oil, jet fuel and other products used as engine fuel, excluding liquefied gases.
2. Petrol and oil trading covers business activities of importing, exporting and temporarily importing for re-export petrol and oil; importing raw materials for petrol and oil production and processing; producing and processing petrol and oil; distributing petrol and oil in the domestic market; providing such services as port and warehouse [leasing](#), receipt of imported petrol and oil, and petrol and oil transport.
3. Petrol and oil production and processing constitute the process of refining petroleum and converting crude oil and other raw materials into petrol and oil products.
4. Petrol and oil trading establishments means the places of producing, processing, delivering, receiving, storing and retailing petrol and oil, including: special-use ports for petrol and oil import and export; petrol and oil production and processing plants; petrol and oil depots; vehicles for petrol and oil transport; petrol and oil retail shops and stations.
5. Raw materials for petrol and oil production and processing include crude oil, condensates, high-octane petrol, reformat, naphtha and other preparations and additives.

Article 4.

Application of relevant treaties and laws

1. When conducting business activities, foreign traders engaged in petrol and oil trading in the Vietnamese market under treaties to which the Socialist Republic of Vietnam is a contracting party shall comply with the provisions of this Decree; where those treaties contain provisions different from those of this Decree, such treaties prevail.
2. Traders engaged in petrol and oil trading shall, apart from having to comply with the provisions of this Decree, comply with relevant provisions of law.

Article 5.

Development of petrol and oil trading establishments

1. Petrol and oil trading establishments shall be developed under plannings. The [Ministry of Trade](#) shall elaborate plannings on development of petrol and oil trading establishments; and coordinate with ministries, ministerial-level agencies and provincial/municipal People's Committees in elaborating plannings and inspecting and supervising the implementation of approved plannings.
2. The Ministry of Transport, when elaborating projects on building, renovation or upgrading of national highways, shall coordinate with the Ministry of Trade and the concerned provincial/municipal People's Committees in identifying locations of petrol and oil trading establishments along these roads according to prescribed criteria, and direct, inspect and supervise the implementation of these projects after they are approved.
3. Provincial/municipal People's Committees shall elaborate and incorporate plannings on development of petrol and oil trading establishments in the general plannings on socio-economic development of their respective localities and inspect and supervise the implementation of these plannings after they are approved.
4. Enterprises of all economic sectors, which are allowed to invest in the development of petrol and oil trading establishments, shall comply with the provisions of law on construction [investment](#) and carry out the construction in accordance with the plannings approved by competent authorities.

Article 6.

Fire prevention and fighting and environmental protection

1. In the course of petrol and oil trading, petrol and oil trading establishments shall comply with the provisions of law on fire prevention and fighting and environmental protection.
2. Traders engaged in petrol and oil trading shall organize periodical inspection of petrol and oil trading establishments so as to ensure the strict observation of the law on fire prevention and fighting and environmental protection.

Chapter II

PETROL AND OIL TRADING

Section 1

PETROL AND OIL IMPORT AND EXPORT

Article 7.

Conditions for petrol and oil import and export

A trader who fully meets the following conditions will be licensed for petrol and oil import and export:

1. Being a state enterprise set up under the provisions of law and having registered for petrol and oil trading in its business registration certificate.
2. Having a special-use wharf belonging to the system of Vietnam's international ports and capable of receiving imported petrol and oil tankers or other means of petrol and oil transport of a minimum tonnage of 7,000 (seven thousand) tons. This wharf belongs to the enterprise's ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract or be hired for long-term use (for five years or more).
3. Having a depot of a minimum capacity of 15,000 (fifteen thousand) cubic meters for receiving petrol and oil directly from oil tankers or other petrol-and oil-carrying means, which belongs to the enterprise's ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract or be hired for long-term use (for five years or more).
4. Having special-use means for petrol and oil transport in order to ensure the supply of petrol and oil within its distribution system. These means of transport belong to the enterprise's ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract or be hired for long-term use (for five years or more).
5. Having a petrol and oil distribution system of at least 10 (ten) retail shops and stations, which belong to its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract, and an agency system of at least 40 (forty) petrol and oil retail agents.

Article 8.

Grant of petrol and oil import and export licenses

1. The Ministry of Trade shall grant petrol and oil import and export licenses to traders who fully meet the conditions specified in Article 7 of this Decree.
2. A dossier of application for the grant of a petrol and oil import and export license comprises:
 - a) An application for the grant of a petrol and oil import and export license, made according to Form No. 1 issued together with this Decree (not printed herein);

- b) The enterprise's establishment decision;
 - c) A valid copy of the business registration certificate;
 - d) A list of techno-material foundations in service of petrol and oil import and export as prescribed in Clauses 2, 3 and 4, Article 7 of this Decree, enclosed with proving documents;
 - e) A list of petrol and oil retail shops and stations under the enterprise's ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract and a list of general agents and agents belonging to the enterprise's petrol and oil distribution system as prescribed in Clause 5, Article 7 of this Decree, enclosed with proving documents.
3. Within 15 (fifteen) working days after receiving the valid dossier, the Ministry of Trade shall consider, appraise and grant a petrol and oil import and export license, which is made according to Form No. 2 issued together with this Decree (not printed herein) and valid for five years, to the trader; in case of refusal to grant such a license, it shall make a written reply, clearly stating the reasons therefor.
4. Traders who are granted petrol and oil import and export licenses shall pay fees according to regulations of the [Ministry of Finance](#).

Article 9.

Rights and obligations of traders engaged in petrol and oil import and export

- 1. To import petrol and oil at the minimum level assigned annually under the provisions of Article 23 of this Decree; to maintain the minimum level of petrol and oil reserves specified in Article 22 of this Decree and ensure the quality of imported petrol and oil according to current regulations.
- 2. To export and temporarily import for re-export petrol and oil according to the provisions of Article 24 of this Decree.
- 3. To carry out petrol and oil sale and purchase with other traders who have petrol and oil import and export licenses or traders engaged in petrol and oil production and processing.
- 4. To comply with regulations and be answerable for the prices, quantity and quality of petrol and oil sold in the market.
- 5. To sign contracts only with enterprises which fully meet conditions to act as general agents or agents specified in Articles 13 and 14 and do not violate the provisions of Clause 1 or Clause 2, Article 17, of this Decree; to register their distribution systems under the Trade Ministry's regulations.

6. To adopt uniform regulations on the inscription of their names and logos at petrol and oil retail shops and stations belonging to their distribution systems; to inspect and monitor enterprises belonging to their distribution systems.
7. To transship petrol and oil only in river and sea water areas specified by the Ministry of Transport or transship petrol and oil from big tankers or other means of transport which cannot be directly received by Vietnamese ports as prescribed by port authorities.
8. To comply with the provisions of law on fire prevention and fighting and environmental protection in their business activities.

Section 2

PETROL AND OIL PRODUCTION AND PROCESSING

Article 10.

Conditions for petrol and oil production and processing

A trader who fully meets the following conditions may produce or process petrol and oil:

1. Being an enterprise set up under the provisions of law and having registered for petrol and oil production and processing in its business registration certificate.
2. Having petrol and oil production and processing establishments which are in line with approved plannings and permitted for construction investment by competent authorities.
3. Having testing and measurement laboratories up to national standards to check the quality of produced and processed petrol and oil according to current standards.

Article 11.

Rights and obligations of traders engaged in petrol and oil production and processing

1. To register their annual plans on production, raw material import and product sale (both export and domestic consumption) under the Trade Ministry's guidance for use as a basis for balancing the annual total supply and demand.
2. To directly import raw materials or entrust enterprises having petrol and oil import and export licenses to import raw materials under registered plans after

they are certified and notified by the Ministry of Trade to customs offices for the latter to carry out procedures and control the import of raw materials by enterprises.

3. To have petrol and oil products of their petrol and oil production and processing establishments tested and certified by the [Ministry of Science and Technology](#) in coordination with the concerned ministries and branches, as being up to current Vietnam standards before they are put into circulation for the first time and ensure the conformity with the prescribed standards during their operation.

4. To sell in the domestic market petrol and oil products which are produced and processed by themselves up to current standards through their distribution systems organized under the provisions of this Decree or sell these products to enterprises having petrol and oil import and export licenses for distribution.

5. When organizing a system for domestic distribution of petrol and oil, enterprises shall comply with regulations applicable to petrol and oil import and export enterprises in Clauses 4 and 5, Article 7; Clauses 3, 4, 5, 6, 7 and 8, Article 9 of this Decree.

Section 3

PETROL AND OIL DISTRIBUTION

Article 12.

Rights to distribute petrol and oil

Traders having petrol and oil import and export licenses and traders engaged in petrol and oil production and processing may distribute petrol and oil turned out by themselves in the domestic market through their dependent units, including member enterprises, branches, warehouses, retail shops and stations, or through systems of agents, including general agents and retail agents, according to the provisions of this Section.

Article 13.

Conditions for petrol and oil general agents

A trader that fully meets the following conditions may act as a petrol and oil general agents (hereinafter referred to as general agent for short):

1. Being an enterprise set up under the provisions of law and having registered for petrol and oil trading in its business registration certificate;

2. Having a depot or tank of a minimum capacity of 5,000 (five thousand) cubic meters, which belongs to its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract or is hired for long-term use (for five years or more) in order to ensure the stable supply of petrol and oil to its distribution system.

3. Having a petrol and oil distribution system, consisting of at least 5 (five) retail shops or stations under its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract and at least 20 (twenty) petrol and oil retail agents. This distribution system must be incorporated in the distribution system of a petrol and oil import and export enterprise or an enterprise engaged in petrol and oil production and processing and be subject to that enterprise's control.

4. Having special-use means of petrol and oil transport, which belong to its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contractor are hired for long-term use (for five years or more).

5. Cadres and employees directly engaged in business activities must be trained in petrol and oil preservation, measurement and quality, fire prevention and fighting techniques and environmental protection for at least 3 (three) months.

Article 14.

Conditions for petrol and oil retail agents

A trader that fully meets the following conditions may act as a petrol and oil retail agent (hereinafter referred to as agent for short):

1. Being an enterprise set up under the provisions of law and having registered for petrol and oil trading in its business registration certificate.

2. Having a petrol and oil retail shop or station, which belongs to its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract.

3. Cadres and employees directly engaged in business activities must be trained in petrol and oil preservation, measurement and quality, fire prevention and fighting techniques and environmental protection for at least 3 (three) months.

Article 15.

Conditions for the grant of certificate of qualification for petrol and oil trading to petrol and oil retail shops and stations

To be granted a certificate of qualification for petrol and oil trading, a petrol and oil retail shop or station must fully meet the following conditions:

1. Its location is indicated in the planning approved by a competent authority.
2. Being built and equipped with devices and facilities in strict accordance with current regulations on petrol and oil shop and station standards, promulgated by the Ministry of Science and Technology.
3. Cadres and employees directly engaged in business activities must be trained in petrol and oil preservation, measurement and quality, fire prevention and fighting techniques and environmental protection for at least 3 (three) months.

Article 16.

Grant of certificates of qualification for petrol and oil trading to petrol and oil retail shops and stations

1. Provincial/municipal Trade Services or Trade and Tourism Services shall grant certificates of qualification for petrol and oil trading to petrol and oil retail shops and stations which fully meet the conditions specified in Article 15 of this Decree.
2. A dossier of application for the certificate of qualification for petrol and oil trading comprises:
 - a) An application for the certificate of qualification for petrol and oil trading, made according to Form No. 3 issued together with this Decree (not printed herein);
 - b) A valid copy of the business registration certificate of the enterprise which is the owner of the petrol and oil retail shop or station;
 - c) The list of devices and facilities of the petrol and oil retail shop or station according to the provisions of Clause 2, Article 15, of this Decree and documents proving the lawfulness of investment in construction of petrol and oil retail shop or station;
 - d) Valid copies of petrol and oil business training certificates of cadres and employees of the petrol and oil retail shop or station according to the provisions of Clause 3, Article 15, of this Decree.

3. Within 7 (seven) working days after receiving the valid dossier, the concerned provincial/municipal Trade Service or Trade and Tourism Service shall consider, appraise and grant a certificate of qualification for petrol and oil trading, which is made according Form No. 04 issued together with this Decree (not printed herein) (valid for five years) to the concerned petrol and oil retail shop or station; in case of refusal to grant such a certificate, it shall issue a written reply, clearly stating the reasons therefor.

4. Petrol and oil shops and retail stations which are granted the certificate of qualification for petrol and oil trading shall pay fees in accordance with regulations of the Ministry of Finance.

Article 17.

Rights and obligations of petrol and oil general agents, agents, retail shops and stations

1. A general agent may only sign a general agency contract with 1 (one) trader engaged in petrol and oil import and export or 1 (one) trader engaged in petrol and oil production and processing.

2. An agent may only sign an agency contract with 1 (one) general agent, 1 (one) trader engaged in petrol and oil import and export or 1 (one) trader engaged in petrol and oil production and processing.

3. Petrol and oil retail shops and stations belonging to the distribution system of a petrol and oil import and export enterprise or a petrol and oil production and processing enterprise must be subject to that enterprise's control; publicize the selling prices of assorted petrol and oil according to the agency contract and sell petrol and oil at the publicized prices; inscribe on their signboards all contents required by law as well as the name and logo of the petrol and oil import and export enterprise or the petrol and oil production and processing enterprise under that enterprise's guidance.

4. To carry out petrol and oil sale and purchase only with traders within the system (except for the sale to consumers) and be answerable for the quantity, quality and prices of sold petrol and oil.

5. It is strictly prohibited to commit acts of goods speculation for self-seeking purposes, sell goods in deficient quantity or commit other fraudulent acts.

6. To comply with regulations on [accounting](#) records at all stages of petrol and oil trading according to the Finance Ministry's regulations.

7. To comply with the provisions of law on fire prevention and fighting and environmental protection in the course of business.

8. Member enterprises, branches, depots, retail shops and stations of petrol and oil import and export enterprises or petrol and oil production and processing enterprises shall comply with the provisions of Articles 15 and 16 and relevant provisions of this Article.

Section 4

PROVISION OF PETROL AND OIL SERVICES

Article 18.

Conditions for a provider of services of port and depot leasing and imported petrol and oil receipt

1. Being an enterprise set up under the provisions of law and having registered for the provision of petrol and oil services in its business registration certificate.
2. Having a special-use wharf which belongs to the system of Vietnam's international ports and are capable of receiving imported petrol and oil tankers or other petrol and oil-carrying means of a minimum tonnage of 7,000 (seven thousand) tons, which belong to its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract and is built in accordance with prescribed criteria under plannings already approved by competent authorities.
3. Having a depot of a minimum capacity of 15,000 (fifteen thousand) cubic meters, which belongs to its ownership or co-ownership under a joint-venture, business-cooperation or capital-contribution contract and is built in accordance with prescribed criteria under plannings approved by competent authorities.
4. Cadres and employees directly engaged in business activities must be trained in petrol and oil preservation, measurement and quality, fire prevention and fighting techniques and environmental protection for at least 3 (three) months.

Article 19.

Conditions for a provider of petrol and oil transport services

1. Being an enterprise set up under the provisions of law and having registered for the provision of petrol and oil transport services in its business registration certificate;
2. Having special-use means of petrol and oil transport which belong to its ownership or co-ownership under a joint-venture, business-cooperation or

capital-contribution contract; where special-use means of transport are hired, there must be a hire contract of a term of 1 (one) year or more. These means of transport must satisfy the criteria prescribed for petrol and oil transport and be tested and permitted for circulation by competent agencies according to the provisions of law.

3. Cadres and employees directly using means of transport must be trained in petrol and oil preservation, measurement and quality, fire prevention and fighting techniques and environmental protection for at least 3 (three) months.

Article 20.

Rights and obligations of traders engaged in the provision of petrol and oil services

1. To be answerable for the quantity and quality of petrol and oil during the process of receipt, preservation and transport under contracts signed with enterprises which assign them to receive, preserve or transport petrol and oil.

2. If engaged in other petrol and oil business activities (acting as general agents or agents), to comply with the provisions of this Decree regarding these activities.

3. To comply with the provisions of law on fire prevention and fighting and environmental protection in the course of business.

Section 5

PETROL AND OIL RESERVES

Article 21.

Subjects of petrol and oil reserves

1. Subjects of petrol and oil reserves are traders engaged in petrol and oil import and export and traders engaged in petrol and oil production and processing.

2. National reserves of petrol and oil shall comply with separate regulations of the Government.

Article 22.

Levels of petrol and oil reserves

1. Traders engaged in petrol and oil import and export must ensure the level of petrol and oil reserves being equal to at least 20 (twenty) days' supply in

terms of both quantity and category according to the minimum import level determined annually.

2. Petrol and oil production and processing enterprises that organize distribution systems in the domestic market must ensure the level of petrol and oil reserves being equal to at least 20 (twenty) days' supply in terms of both quantity and category according to the plans on domestic consumption of petrol and oil registered annually with the Ministry of Trade.

3. By 2010, traders defined in Clauses 1 and 2 of this Article shall raise the level of petrol and oil reserves to at least 30 (thirty) days' supply volume.

Chapter III

MANAGEMENT OF PETROL AND OIL TRADING

Article 23.

Management of petrol and oil import

1. Annually, the [Ministry of Planning and Investment](#) shall, basing itself on the supply-demand balance of the national economy, assume the prime responsibility for, and coordinate with the Ministry of Trade and the [Ministry of Industry](#) in, determining the total demand for imported petrol and oil in the subsequent year. The demand for petrol and oil for defense purposes shall be determined separately.

2. On the basis of the total demand for import petrol and oil, the Ministry of Trade shall assign the annual minimum import quotas according to each category to each trader that has petrol and oil import and export license for the latter to carry out import procedures. Only traders that have petrol and oil import and export licenses and are allocated the minimum import quotas by the Ministry of Trade may import petrol and oil.

3. Traders engaged in petrol and oil import and export shall, based on market demands, decide on the volume of assorted petrol and oil imported for domestic consumption, which, however, must not be lower than the assigned minimum level, ensuring sufficient supply for their distribution systems and the stability of the petrol and oil market.

4. The Ministry of Trade shall assume the prime responsibility for, and coordinate with the concerned ministries and branches in, inspecting and supervising the import of petrol and oil by traders so as to satisfy the demand of the economy and social consumption. In case of necessity, the Ministry of Trade shall adjust the minimum import levels already assigned to traders.

Article 24.

Management of petrol and oil export and temporary import for re-export

1. Only traders having petrol and oil import and export licenses may conduct petrol and oil export or temporary import for re-export. The temporary import for re-export of petrol and oil does not require the Trade Ministry's permits
2. Payment for petrol and oil which are exported or temporarily imported for re-export must be made in a freely convertible foreign currency via [banks](#). Traders engaged in petrol and oil export or temporary import for re-export shall fulfill the tax obligation according to the current Law on Import Tax and Export Tax.
3. To assign the Ministry of Trade to specify and guide the conditions for petrol and oil export and temporary import for re-export in accordance with the provisions of this Article and current regulations on import and export management, ensuring that these activities do not affect the supply and demand of the domestic market as well as the fight against trade frauds.

Article 25.

Petrol and oil import tax

The Ministry of Finance shall, based on the tax bracket issued by the [National Assembly](#) Standing Committee, macro-balance norms and world petrol and oil price forecasts, assume the prime responsibility for, and coordinate with the Ministry of Trade in, specifying the import tax rate applicable to each category of petrol and oil, ensuring the stability and conformity with socio-economic conditions in each period and international commitments.

Article 26.

Petrol and oil selling prices

1. Petrol and oil selling prices shall be decided by traders engaged in petrol and oil import or export or traders engaged in petrol and oil production and processing on the principles of market mechanism with the state management after assorted taxes and charges are fully paid according to current provisions of law.

The specific roadmap is as follows:

- a) To immediately allow enterprises to decide by themselves on selling prices of petrol on the basis of import prices, prescribed taxes and charges and reasonable profits for re-investment in the development of their production and business;

b) To reduce price subsidies for assorted oils (diesel oil, kerosene, fuel oil); to apply market selling prices to fuel oil in 2007 and diesel oil and kerosene from 2008.

The specific selling prices during the time when the market selling prices are not yet applied and the time for application of market selling prices shall be decided by the [Prime Minister](#).

2. To prohibit acts of speculation for self-seeking purposes, joining into syndicates to raise selling prices and other acts that destabilize in the fuel market.

Article 27.

Management of petrol and oil measurement and quality

1. Only petrol and oil products which have their quality conformable with Vietnamese standards and current regulations are permitted for circulation and consumption in the Vietnamese market. It is strictly prohibited to import, circulate or consume petrol and oil products which are not up to the prescribed quality standards.

2. Traders engaged in petrol and oil trading shall comply with current regulations on the management of petrol and oil quality in the course of importation, production, processing, storage, transportation or sale to consumers; be accountable for the quality of petrol and oil in the distribution system under their management. They must ensure the precision of devices used to gauge petrol and oil sold to users and sell petrol and oil in a sufficient quantity equivalent to the money amounts collected from buyers.

3. The Ministry of Science and Technology shall direct the regular inspection of the precision of gauging devices and as well as the petrol and oil quality under Vietnamese standards; coordinate with the concerned ministries and branches in reviewing Vietnam standards on petrol and oil for adjustment or addition of quality criteria in accordance with standards of countries in the region and the world so as to ensure environmental safety and consumers' interests and submit them to the Prime Minister for decision on application; consolidate and perfect the organization and personnel of a force in charge of inspecting petrol and oil measurement and quality control in regions and localities; work out plans on the supply of devices and facilities for measurement and quality inspection, thus ensuring that inspections are carried out in a quick, timely, accurate and convenient manner.

4. Provincial-level People's Committee shall, within the ambit of their functions and tasks, direct the inspection of the measurement and quality control of petrol and oil circulated and consumed in their localities.

Article 28.

Responsibilities of ministries

Apart from the specific responsibilities prescribed in the above clauses and articles, ministries, within the scope of their functions, tasks and powers, have the following responsibilities:

1. The Ministry of Trade:

a) To inspect and supervise the observance of the conditions and regulations specified in articles 7 and 9 of this Decree by traders engaged in petrol and oil import and export;

b) To promulgate the Regulation on petrol and oil agents; to inspect and supervise the observance of the conditions and provisions of Articles 13, 14, 15, 16 and 17 of this Decree by traders.

2. The Ministry of Finance:

To inspect and supervise the implementation of Article 26 of this Decree by traders engaged in petrol and oil import and export.

3. The Ministry of Science and Technology:

a) To inspect and supervise the observance of the conditions and regulations defined in articles 10 and 11 of this Decree by traders engaged in petrol and oil production and processing.

b) To amend, supplement and perfect criteria of petrol and oil retail shops and stations and provide for the uniform application of these criteria nationwide.

4. The Ministry of Transport shall inspect and supervise the observance of the conditions and regulations defined in Articles 18, 19 and 20 of this Decree by enterprises engaged in the provision of petrol and oil services.

Chapter IV

EXAMINATION, INSPECTION, AND HANDLING OF VIOLATIONS

Article 29.

Examination and inspection of petrol and oil trading activities

1. Traders engaged in petrol and oil trading shall be subject to the examination and inspection by competent agencies according to law on petrol and oil trading.
2. The examination and inspection of petrol and oil trading activities shall be carried out in strict accordance with functions and powers and provisions of law on examination and inspection.
3. Ministries, ministerial-level agencies and provincial-level People's Committees shall, within the ambit of their functions and powers, instruct and organize the examination and inspection of the observance of the provisions of this Decree and other relevant documents, prevent and promptly handle violations so as to ensure the stability of the petrol and oil market and meet socio-economic development requirements.

Article 30.

Violations committed by traders engaged in petrol and oil trading

1. Violations committed by traders engaged in petrol and oil import and export:
 - a) Importing or exporting petrol and oil without a petrol and oil import and export license;
 - b) Failing to satisfy the conditions specified in Article 7 of this Decree in the course of petrol and oil trading
 - c) Failing to ensure the quality of petrol and oil sold in the market in accordance with law;
 - d) Importing petrol and oil below the minimum level assigned annually as prescribed in Article 23 of this Decree or maintaining petrol and oil reserves below the minimum level as prescribed in Article 22 of this Decree;
 - e) Transshipping petrol and oil outside the water areas specified by the Ministry of Transport;
 - f) Signing agency contracts with enterprises which fail to fully meet the conditions for acting as general agents specified in Article 13 of this Decree or signing agency contracts with enterprises which fail to fully meet the conditions for acting as agents specified in Article 14 of this Decree;
 - g) Signing general agency or agency contracts in violation of the provisions of Clause 1 or Clause 2, Article 17, of this Decree;

h) Carrying out petrol and oil sale and purchase with subjects other than those defined in Clause 3, Article 9, or selling petrol and oil to subjects outside their distribution systems as prescribed in this Decree;

i) Failing to provide for the writing of their names and logos at petrol and oil retail shops and stations belonging to their distribution systems as prescribed in Clause 6, Article 9, of this Decree.

2. Violations committed by traders engaged in petrol and oil production and processing:

a) Producing or processing petrol and oil while failing to satisfy the conditions specified in Article 10 of this Decree;

b) Importing raw materials in contravention of the provisions of Clauses 1 and 2, Article 11, of this Decree;

c) Circulating petrol and oil products without certificates of conformity with quality standards or failing to ensure the quality of petrol and oil sold in the market as prescribed in Clause 3, Article 11 of this Decree;

d) Exporting or selling petrol and oil products produced or processed by enterprises in violation of regulations or to subjects other than those specified in Clauses 4 and 5, Article 11 of this Decree;

e) Transshipping petrol and oil outside water areas specified by the Ministry of Transport;

f) Signing agency contracts with enterprises, which fail to fully meet the conditions for acting as general agents specified in Article 13 of this Decree or signing agency contracts with enterprises, which fail to fully meet conditions for acting as agents prescribed in Article 14 of this Decree.

g) Signing general agency or agency contracts in violation of the provisions of Clause 1 or Clause 2, Article 17 of this Decree;

h) Failing to provide for the writing of their names and logos at petrol and oil retail shops and stations belonging to their distribution systems under the provisions of Clause 6, Article 9, of this Decree.

3. Violations committed by traders acting as petrol and oil general agents or retail agents

a) Trading in petrol and oil while failing to satisfy the conditions specified in Article 13 or 14 of this Decree;

- b) Signing general agency or agency contracts in contravention of the provisions of Clause 1 or 2, Article 17 of this Decree;
- c) Selling and purchasing petrol and oil in contravention of the provisions of Clause 4, Article 17, of this Decree;
- d) Failing to ensure the quality of petrol and oil sold in the market according to the provisions of law;
- e) Committing acts of goods speculation, selling goods at prices other than the publicized ones, selling goods in deficient quantity or committing other fraudulent acts according to the provisions of Clause 5, Article 17, of this Decree;
- f) Transshipping petrol and oil outside water areas specified by the Ministry of Transport.

4. Violations committed by petrol and oil retail shops and stations:

- a) Trading in petrol and oil without certificates of qualification for petrol and oil trading;
- b) Failing to satisfy the conditions specified in Article 15 of this Decree in the course of petrol and oil trading;
- c) Having no signboard or writing signboards not according to the provisions of Clause 3, Article 17, of this Decree;
- d) Failing to publicize prices, publicizing prices in contravention of agency contracts or selling petrol and oil at prices other than publicized prices as prescribed in Clause 3, Article 17 of this Decree;
- e) Selling and purchasing petrol and oil in contravention of the provisions of Clause 4, Article 17 of this Decree;
- f) Failing to ensure the quantity and quality of petrol and oil sold in the market in accordance with law;
- g) Committing acts of goods speculation, selling goods in deficient quantity or committing other fraudulent acts as prescribed in Clause 5, Article 17, of this Decree.

5. Violations committed by traders engaged in the provision of petrol and oil services:

- a) Providing petrol and oil services while failing to satisfy the conditions specified in Article 18 or Article 19 of this Decree;

b) Changing the quality of petrol and oil or committing fraudulent acts regarding the quantity and quality of petrol and oil in the course of service provision;

c) Providing other petrol and oil services in contravention of the provisions of Clause 2, Article 20, of this Decree.

Article 31.

Handling of violations

1. Traders engaged in petrol and oil trading that violate the provisions of this Decree shall, depending on the seriousness of their violations, be administratively handled or examined for penal liability in accordance with law.

2. Cadres and employees of enterprises engaged in petrol and oil trading; cadres and civil servants who violate the provisions of this Decree while performing their official duties shall, depending on the nature and seriousness of their violations, be disciplined, administratively handled or examined for penal liability in accordance with law.

Chapter V

IMPLEMENTATION PROVISIONS

Article 32.

Implementation effect

1. This Decree takes effect 15 days after its publication in CONG BAO.

2. The Prime Minister's Decision No. 187/2003/QĐ-TTg dated September 15, 2003, promulgating the Regulation on petrol and oil trading, is annulled.

3. Previous regulations on management of petrol and oil trading which are contrary to the provisions of this Decree are annulled.

Article 33.

Transitional regulations

1. Petrol and oil trading enterprises and establishments, which are operating under the Prime Minister's Decision No. 187/2003/QĐ-TTg dated September 15, 2003, but fail to satisfy the conditions specified in Articles 7, 10, 13, 14, 18 and 19 of this Decree may continue their operation through the end of 2007. Past this deadline, they must comply with the conditions specified in this Decree.

2. Ministers, agencies, provincial/municipal People's Committees shall direct, inspect, monitor and urge the above-said petrol and oil trading enterprises and establishments to comply with the above regulations.

Article 34.

Organization of implementation

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

ON BEHALF OF THE GOVERNMENT

Prime Minister

(Signed and sealed)

Nguyen Tan Dung