

Government approves anti-counterfeiting in e-commerce plan

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Legal updates: case law analysis and intelligence

- The prime minister has issued a decision approving the “Plan on Anti-counterfeiting and Consumer Protection in e-Commerce by 2025”
- A key objective is the creation of a centralised anti-counterfeiting and consumer protection database
- Another objective is to ensure that all major e-commerce sites sign a commitment not to trade in counterfeit goods

Background

Trading in goods on e-commerce platforms and social networks, such as Shopee, Lazada, Facebook and Tiktok, is becoming increasingly popular in Vietnam, especially with the development of Industry 4.0. According to the Ministry of Industry and Trade, the revenue generated by e-commerce in Vietnam amounted to around \$13.7 billion in 2021 (source: see [here](#), 15 June 2022), and the scale of the e-commerce market was estimated to reach \$16.4 billion in 2022 (source: see [here](#), 13 February 2023).

However, some entities are taking advantage of this situation to trade in counterfeit goods and goods of unknown origin in the cyberspace, adversely affecting the business environment, consumers and IP rights holders.

To solve this issue, on 29 March 2023 the prime minister issued Decision No 319/QĐ-TTg, approving the “Plan on Anti-counterfeiting and Consumer Protection in e-Commerce by 2025”.

Key aims

The plan aims to:

1. improve the system of policies and laws regulating the inspection and handling of administrative violations, standards, product quality and product labels in e-commerce;
2. develop the infrastructure, improve and apply technology, and build an anti-counterfeiting and consumer protection database system for centralised, transparent and synchronised management to effectively support anti-counterfeiting activities and protect customers in e-commerce operations;
3. ensure that all officials in the enforcement force for anti-counterfeiting and consumer protection in e-commerce are trained and equipped with e-commerce knowledge to successfully handle the assigned tasks; and
4. ensure that all major e-commerce sites sign a commitment not to trade in counterfeit goods, that all organisations and individuals trading on major e-commerce sites are familiar with the legal requirements, and that all consumers are familiar with, and educated about, the laws protecting their rights.

Solutions

To achieve these aims, notable solutions listed in the decision include the following:

- improve the legal system for the management of e-commerce, anti-counterfeiting and consumer protection;
- build a centralised anti-counterfeiting and consumer protection database, connecting and sharing information with related databases of other authorities;
- build a system to inspect and collect data on e-commerce transactions to supplement the information in the centralised database;
- build a portal for e-commerce management to connect and share information between authorities concerning operations against counterfeit goods and goods infringing IP rights;
- organise training to improve the work of the authorities in operations against counterfeit goods and goods infringing IP rights; and
- increase the exchange and receipt of information to inspect and strictly handle infringements in e-commerce.

Comment

The plan is expected to help IP rights holders to overcome the challenges of dealing with counterfeiting and IP infringement in e-commerce. Currently, it is difficult for IP rights holders to identify counterfeiters/infringers, as well as the location of stores or warehouses, and to work with e-commerce platforms to handle counterfeiting/infringements.

As the explosion of counterfeiting online become a concern of the government, the Vietnamese authorities are working to implement the plan as soon as possible. It is hoped that the plan will provide the authorities with more powerful tools and strengthen sanctions. There may be more positive developments in the fight against counterfeiting in e-commerce in the near future.

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