



HIGHER CONSUMER PROTECTION STANDARDS IN DIGITAL AGE

On 1 July 2024, Decree No. 55/2024/ND-CP (“**Decree 55**”) took effect, aiming at providing detailed guidance for the implementation of the new Law on Protection of Consumers’ Rights.

Decree 55 not only enhances the traditional safeguards which protect consumers’ rights in the brick-and-mortar world, but also supplements measures suitably targeting the online business, expecting to support the development of the digital economy whilst protecting the legitimate rights and benefits of customers.

Several noteworthy regulations of Decree 55, especially those relating to e-commerce, are summarized below.

Regulating the big digital platforms in order to promote consumers’ confidence in e-business

“Big digital platform” is a general term referring to digital platforms serving e-transactions which either (i) have at least 3 million users a year in Vietnam or (ii) are large-scale or ultra-large-scale digital intermediary platforms as classified by the authorities.

Platforms, which qualify as big digital platforms above and have search engines, must publicize criteria for ranking and displaying results and ensure that consumers can be aware of any contents which are charged or sponsored.

Organizations, which operate big digital platforms, must maintain their online reporting accounts with the competent authorities for timely submission of data relevant to, for example, targeted advertising with algorithms, application of artificial intelligence, verification and provision of identity of traders, management of foreign traders, or settlement of complaints from consumers.



This material is only intended for general reading. Under no circumstances is it to be relied upon in substitution for specific advice on any issue(s) that may arise relating to its subject matter.



Guide rails for the influencer industry

The influencer industry has nowadays played a significant role in shaping consumer habits, and also rearranged the way which information and culture is conceived, marketed, and shared. There is no doubt that through showcasing new trends, recommending products, and sharing authentic experiences, influencers stimulate consumers' interest and purchasing behaviour, contributing to the increase in sales of products or services.

However, the industry itself has material issues that lead many governments to seek to control the negative impact of influencers on society, from, for example, disinformation, cyberbullying, misleading

advertising, or actions like triggering intense waves of hateful and toxic comments or flogging risky products and services such as cosmetic surgery.

Since 1 July 2024, the new Decree 55 officially regulates the activities of influencers in Vietnam. The text defines *influencers as experts, reliable persons, persons garnering social attention in specific fields, who are sponsored by traders in whatever way for the purpose of promoting goods and services via those influencers' images or brand recommendations and endorsements.*

Generally, since influencers can influence how consumers see and buy products, it is put on top the accuracy and sufficiency of information shared by influencers. Influencers are expected under laws to use their best effort to verify and ensure that information provided to them by traders is accurate and sufficient, and also, communicate to customers authentically. Otherwise, influencers may be held jointly and severally liable for any non-compliance. It must also be specified publicly in advance to consumers that such influencers' communication results from a partnership with a brand or a trader and that influencers are paid to promote the products and services they present.



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