

DECREE

**detailing the implementation of some articles of
the Law on Forestry**

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GOVERNMENT

REPUBLIC OF VIETNAM SOCIALIST
Independence - Freedom - Happiness

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DECREE

detailing the implementation of some articles of the Law on Forestry

Pursuant to the Law on Government Organization dated June 19th, 2015;

Pursuant to the Law on Forestry dated November 15th, 2017;

At the proposal of the Minister of Agriculture and Rural Development;

The Government issues the Decree detailing the implementation of some articles of the Law on Forestry.

CHAPTER I. GENERAL PROVISIONS

Article 1. Scope of governing

This Decree details the implementation of some articles of the Law on Forestry, including:

1. Criteria for forest identification, categorization, and the Regulation on forest management.
2. Contractual forest allocation, leasing of production forest, forest recategorization, conversion of forests to other uses, forest revocation
3. Forest fire prevention and combating

4. Payment for forest environmental (PFES) recipients and payers, form and rate of payment for forest environmental services, adjustment, exemption, reduction of PFES rate; management and use of fund from PFES.

5. The policy of investment in forest protection and development.

6. Tasks, organizational structure, mechanism for financial use and management of the Fund for Forest Protection and Development.

Article 2. Applicable entities

This Decree is applied to state administration agencies, organizations, individuals, domestic residential communities, overseas organizations, individuals relating to forestry activities in Viet Nam.

Article 3. Interpretation of terms

1. Forest development means the activity of newly afforestation, re-afforestation after harvesting, in case of forest loss and damages due to natural disasters or other causes; zone-off assisted forest regeneration, enrichment of natural depleted forest and application of other silviculture methods in order to expand forest area, increase forest reserve and quality.

2. Undivided area means a land area hosting congregate, continuous area of natural, planted forests on which the distance between forest bands does not exceed 30 meters and the unforested area in total does not exceed 30% of the forest area.

3. Primary forest means the natural forest that has yet or little to be impacted by human; with the forest structure stay unchanged.

4. Secondary forest means the natural forest that has been impacted by human to some extent in which the forest structure is altered, including: naturally regenerated secondary forest after farming activities, forest fire, or other deforestation activities; the secondary forest that is generated after selective harvesting of timber and other forest products.

5. Harvesting means logging forest trees for timber mainly for commercial purpose, with forest development, sustainable use of forest determined in the sustainable forest management plan in accordance with legislation are ensured.

6. Salvaging harvesting means salvaging timber during the implementation of silviculture measures, for the purpose of scientific studies and from site clearance of projects involving conversion of forest to other uses.

7. Gleaning harvesting is the collecting of fallen or broken trees, dead trees as a result of natural disasters, burnt trees, dry rotten trees, tree branches and tops left over in the forest.

8. Forest environment is a part of the forest ecosystem, including: soil, water, air, light and other physical factors that constitutes the forest landscape.

CHAPTER II. REGULATION ON FOREST MANAGEMENT

PART 1. CRITERIA FOR IDENTIFICATION OF FOREST

Article 4. Criteria for natural forest

Natural forests include primary and secondary forests that satisfy the following criteria:

1. The crown canopy of timber tree species, bamboo, and palm tree (hereafter referred to as forest tree) that constitutes the main composition of natural forest reaches at least 0.1.

2. The undivided area of the forest is at least 0.3 ha.

3. The average height of forest trees that constitutes the main composition of natural forest is determined based on various site conditions as follows:

- a) Natural forest on hill, earthen mountain and plain land: the average height of forest trees is at least 5.0 m.
- b) Natural forest on freshwater wetland: the average height of forest trees is at least 2.0 m.
- c) The natural forest on alluvial water wetland: the average height of forest trees is at least 1.5 m.
- d) Natural forests on rocky mountain, sandy land, saline water wetland and forest types in other special ecosystems: the average height of forest trees is at least 1.0 m;

Article 5. Criteria for planted forest

Planted forests include new planted forests on unforest land, replanted forests on unforested land after newly harvesting or for other reasons, planted forest as a result of additional planting for enriching natural depleted forest and planted forest as a result of newly planting for forest regeneration after harvesting that satisfy the following criteria:

1. The crown canopy of the forest tree is at least 0.1.
2. Covering an undivided area of at least 0.3 ha.
3. The average height of forest trees is determined based on site conditions as follows:
 - a) Planted forest on hill, earthen mountain and delta, alluvial water wetland: the average height of forest tree is at least 5,0 m;
 - b) Planted forest on rocky mountain intermingled with soil, on fresh water wetland: the average height of forest tree is at least 2,0 m;
 - c) Planted forest on sandy soil, saline water wetland: the average height is at least 0.1 m.

Article 6. Criteria for special-use forest

1. National parks are forests that meet the following criteria:

- a) Having at least 01 natural ecological system of a region or country or international or having at least 01 indigenous species of Viet Nam or having more than 05 species named in the list of forest endangered and rare and precious animals and wildlife species;
- b) Having special value in terms of science, education; having environment landscape, natural unique aesthetics, ecotourism, leisure;
- c) Having an undivided area of at least 7,000 ha, of which at least 70% of the total area is covered by forest ecosystems.

2. The nature reserves are forests that meet the following criteria:

- a) Having natural ecosystems of national, international importance or representing a natural ecological region;
- b) Being natural habitat of at least 05 species named in the list of endangered, rare and precious forest animals and plants;
- c) Having special value in terms of science, education or ecotourism, leisure;
- d) Having an undivided area of at least 5,000 ha, of which at least 90% is covered by forest ecosystems.

3. Habitat/species management areas are forests that meet the following criteria:

- a) Being the regular or seasonal natural habitat of at least 01 indigenous species or species named in the list of endangered, rare, precious plants and animals species;
- b) Being the site in which conditions for survival, food, breeding for the sustainable conservation of endemic species or species on the list of endangered, precious and rare forest plants and animals are ensured;
- c) Having special value in terms of science, education;
- d) Covering an undivided area that meets the requirement of sustainable conservation for species named in the list of forest endangered, rare and precious plant and animal species.

4. Protected landscape includes:

- a) Forests for preservation of historical-cultural relics, scenic places that meet the following criteria: having environmental landscape, unique beauty of nature; Having historical and cultural relics, scenic places ranked by State competent agencies or objects of relics inventory according to legislation on culture; having values in terms of science, education, ecotourism, recreation, leisure.
- b) Sacred forests are forests that meet the following criteria: having environment landscape, unique beauty of nature, forests associated with belief, customs, habits of forest dependent communities;
- c) Forests protecting urban environment, industrial zones, processing zones, economic zones, high-tech zones are forests that meet the following criteria: having the protection function for landscape, environment protection and is planned in association with urban zones, industrial zones, processing zones, economic zones, high-tech zones.

5. Forest for scientific research, experimentation are forests that meet the following criteria:

- a) Having ecosystems that meet the requirements of scientific research, experimentation of scientific and technological, education, vocational training organizations who have the function and tasks of forestry related research and experimentation;
- b) Having an area that are appropriate to objective, requirement of scientific research, experimentation, technological development, forestry related training in the long term.

6. National botanical garden

Are forests for preserving, collecting faunal species in Viet Nam and in the world in service for research, study tour, education that have at least 500 timber species on an area of at least 50 ha

7. National seed forests are forests that meet the following criteria:

- a) Are natural transformed seed forest, planted seed forest having trees species named in the list of main forestry trees varieties;

- b) Meet the requirements set in the national standards for national seed forests, covering an area of at least 30 ha.

Article 7. Criteria for protection forest

1. The watershed protection forests are forests belong to any river or lake basins that meet the following criteria:

- a) Terrain: featuring a hilly, mountainous terrain and the slope is at least 15 degrees;
- b) Precipitation: featuring an annual average rainfall of at least 2,000 mm or at least 1,000 mm but raining concentrates in 2-3 months;
- c) About the composition of the soil mixture and thickness of soil layers: sandy soil or medium or little sandy soil having a soil layer thickness of under 70 cm; in case of light or medium clay soil, the soil layer thickness is under 30 cm.

2. Forest protecting water sources of local community

Are forests that directly provide water sources that serve daily life use, production by local residential community; are associated with customs, habits and traditions of the community, protected and used by the community.

3. Border protection forest

Protection forests located in the area hosting borderlines, associated with sites critically important to national defense, security and are established at the request of border management competent agencies.

4. Wind shielding protection forests, sand shielding protection forests are forest that meet the following criteria:

- a) Belts of the wind shielding protection forests, sand shielding protection forests located contiguous to the coast: as for the eroded coastal line, the forest belt should be minimally 300m from the water line intruding to the mainland at the annual highest tide; as for the uneroded coastal line, the minimum width of the forest belt is 200m from water line intruding to the mainland at the annual highest tide;

- b) The belt of wind shielding protection forest, sand shielding protection forest located therebehind stipulated at Point a of this clause: the forest belt minimum width is at least 40m in the case the sand area covers an area of at least 100 ha or the mobile sand area or sand area features a slope of at least 25 degrees. The forest belt minimum width is 30m in case the sand area covers an area of under 100 ha or stable sand area or the sand area has a slope of under 25 degrees.

5. The wave breaking protection forests, sea encroachment preventing protection forests are forests that meet the following criteria:

- a) As for the deposited or stable coastal area, the minimum width of the belt of the wave breaking protection forests, sea encroachment preventing protection forest ranges from 300m to 1,000m depending on each ecological region;
- b) As for the eroded coastal region, the minimum width of the belt of wave breaking protection forests, sea encroachment preventing protection forest is 150 m;
- c) As for the river estuarine area, the width of the belt of the wave breaking protection forest and sea encroachment preventing protection forest is 20m from the dyke foot and having at least 3 rows of tree;
- d) As for the coastal lagoon area, the minimum width of the forest belt of the wave breaking protection forests, sea encroachment preventing protection forest is 100 m in areas with dykes, 250m in areas without dykes.

Article 8. Criteria for production forest

The forests that meet the criteria for natural forest, planted forests according to provisions at Article 4, Article 5 of this Decree, but not fall in criteria for special-use forests, protection forests stipulated at Article 6, Article 7 of this Decree.

PART 2 MANAGEMENT OF SPECIAL-USE FOREST

Article 9. Establishment of special-use forest

1. Principle in establishment of special-use forest

- a) Having a special-use forest establishment project in accordance with the national forestry plan, not being the object stipulated in point c, clause 1 Article 8 Decree 65/2010/NĐ-CP dated June 11th, 2010 of the Government detailing and guiding the implementation of a number of articles of the Law on Biodiversity
- b) Meeting the criteria for each category of special use forest as stipulated in Article 6 of this Decree.

2. Contents of the special-use forest establishment project

- a) Assessment of natural conditions, forest status, natural ecosystems; values of biodiversity, biological sources, history, culture, landscapes, ecotourism, recreation, leisure, science, experimentation, environmental education, forest environment services.
- b) Assessment on the status of management and use of forests, land and water surface of the project area.
- c) Assessment on the current status of people's life, economy and society.
- d) Identify the objectives of establishment of special-use forests that meet the criteria for special-use forests.
- e) Determining the boundaries, area of special-use forests and buffer zones on map.
- f) The program of activities, the plan to stabilize people life in the buffer zone, solutions for implementation, organization management.
- g) Determining the investment capital and the investment phases during the establishment of the special-use forests; determining the regular fund for forest protection, conservation and improvement of people's life; investment effects.
- h) Organization for implementing the project.

3. The dossier of the special-use forest establishment project should include:

- a) The (original) application of the special-use forest establishment project;
- b) The proposal (original) of the special-use forest establishment;
- c) The map of the current status of the special-use forest (original) at the scale of 1/5,000 or 1/10,000th or 1/25,000 according to the VN2000 reference system, depending on the size of the special-use forest;
- d) Summary of the comments of concerned agencies, organizations
- e) Result of the appraisal process

4. The order and procedures for establishment and approval of special-use forests located in at least 02 provinces, centrally-administered cities

The Ministry of Agriculture and Rural Development shall take lead, organize the development of the project, propose to the Prime Minister for approval of the special-use forest following this order:

- a) Organize the development of the special-use forest establishment according to clause 2 of this Article;
- b) Consult with the other ministries, ministerial-level agencies, provincial-level People's Committees, concerned organizations and individuals on the project; within 20 working days from the day receiving the request for commenting, the agencies, organizations, individuals assume the responsibility for reply in writing to the Ministry of Agriculture and Rural Development;
- c) Within 30 working days, the Ministry of Agriculture and Rural Development shall complete the appraisal of the special-use forest establishment project;
- d) Within 30 working days since the date receiving the valid dossier stipulated in clause 3 this Article in full, the Prime Minister shall make decision on the special-use forest establishment;

5. The order in special-use forest establishment that does not stipulated in clause 4 of this Article

The Department of Agriculture and Rural Development shall take lead, organize the development of the project, propose the Provincial People's Committee for its approval on the special-use forest establishment following this order:

- a) organize the development of the special-use forest establishment project in accordance to clause 2 of this Article;
- b) consult with the Ministry of Agriculture and Rural Development and concerned agencies, organizations, individuals. Within 20 working days since the date receiving the request for commenting, the requested agencies, organizations individuals assume the responsibility for answering in writing to the provincial people's committee;
- c) Within 30 working days, the Department of Agriculture and Rural Development shall complete the appraisal of the special-use forest establishment dossier;

- d) Within 30 working days since the date receiving the dossier as prescribed in clause 3 this Article, the Chairman of the provincial People Committee shall make decision on the special-use forest establishment

Article 10. Responsibility on special-use forest management

- a) The Ministry of Agriculture and Rural Development shall take responsibility to the Government for State management over the system of special-use forests in the whole country; directly organize the management of special-use forests of national importance or are located in many provinces and centrally-administered cities.
- b) Provincial-level People's Committees shall take responsibility for the State management over the special-use forest systems in their respective localities.

Article 11. Protection of special-use forest

1. Protection of the forest ecosystem

- a) The protection of forest ecosystems shall comply with the provisions of Article 37 of the Law on Forestry;
- b) Not to conduct the following activities in special-use forests: activities that alter the natural landscape of the forest; illegal harvest biological resources and other natural resources; not to pollute the environment; illegally bring toxic chemicals, inflammable materials into forests; not to graze, breed livestock, poultry in the strictly prohibited zone of special-use forests.

2. Protection of forest plants and animals

- a) The protection of forest plants and animals shall comply with the provisions of Article 38 of the Law on Forestry; Government provisions on management of endangered, precious and rare forest plants and animals; and implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

- b) All forest animals in special-use forests must be protected; not to conduct activities that negatively affect the natural habitat and food sources of forest animals.
- c) It is allowed to release healthy indigenous animals, disease-free in special-use forests when distribution of those animal in such forests are seen; the number of animals of each species to be released into the forest must be suitable for their habitat, food sources and the ecological balance of the forest must be ensured.
- d) Not to graze and raise and animals and plants of which natural distribution is not seen in special-use forests.

3. To conform to the provisions on forest fire prevention and fighting prescribed in Chapter IV of this Decree.

4. To conform to the provisions on prevention and elimination of organisms harmful to forests according to the provisions of Article 40 of the Law on Forestry.

Article 12. Harvesting forest products in special-use forest

1. As for national parks, nature reserves, habitat/species management area

- a) The object of harvesting and collecting specimens: according to provisions in point b, c and d clause 1 Article 52 of the Law on Forestry;
- b) Conditions: having a plan of salvaging harvesting in accordance to provisions of the Ministry of Agriculture and Rural Development as for objects stipulated at point b, clause 1 Article 52 of the Law on Forestry; the decision of conversion of that forest to other uses as for object stipulated at point c clause 1 Article 52 of the Law on Forestry; approved scientific programmes, topics as for objects stipulated at point d clause 1 Article 52 of the Law on Forestry.

2. As for the protected landscape forest

- a) The object of harvesting, collecting specimens: according to provisions at clause 2 Article 52 of the Law on Forestry;
- b) Conditions: having a silviculture project in the case of gleaning harvesting during the process of implementation of silviculture measures as for objects stipulated at point a clause 2 Article 52 of the Law on Forestry; decision on conversion of forests to other uses as for

the object of gleaning harvesting located within the boundary of a site clearance stipulated at point a clause 2 Article 52 of the Law on Forestry; the approved programmes, topics as for objects stipulated at point b clause 2 Article 52 of the Law on Forestry; the plan of timber gleaning harvesting according to provisions of the Ministry of Agriculture and Rural Development as for objects stipulated at point c clause 2 Article 52 of the Law on Forestry.

3. As for forests for scientific research and experimentation

- a) The object of harvesting, collecting of specimens: according to provisions at clause 3 Article 52 of the Law on Forestry;
- b) Conditions: having approved scientific programmes, topics as for objects stipulated at point a clause 3 Article 52 of the Law on Forestry; having silviculture project in the case of gleaning harvesting during the implementation of silviculture measures as for objects stipulated at point b clause 3 Article 52 of the Law on Forestry; decision on conversion of the of forests to other uses as for objects of gleaning harvesting located within the boundary of site clearance stipulated at point b clause 3 Article 52 of the Law on Forestry.

4. As for the national botanical gardens, national seed forests

- a) Objects of harvesting: shall conform to the provisions at clause 4 Article 52 of the Law on Forestry;
- b) Conditions: having silviculture project in the case of gleaning harvesting during the implementation of silviculture measures as for objects stipulated at point b clause 4 Article 52 of the Law on Forestry; having plan of gleaning harvesting according to provisions of the Ministry of Agriculture and Rural Development as for objects stipulated at point b clause 4 Article 52 of the Law on Forestry; having decision approving conversion of forests to other uses as for the objects of gleaning harvesting located within the boundary of site clearance stipulated at point b clause 4 Article 52 of the Law on Forestry.

Article 13. Scientific research, education, practice in special-use forests

1. In case the scientific research, education, practice activities in special-use forests are organized by the forest owner it/her/himself, such activities must be inline with the approved projects, plans.

2. Scientific research organizations, training institutions, students, who involve in scientific research, education, practice in special-use forest except for those stipulated in provisions at clause 1 this Article, must satisfy the following conditions:

- a) Having a plan of scientific research, education, practice in special-use forests (original);
- b) Involving in scientific research, education, practice, specimens collecting activities, genetic resources, transportation, storage, announcement of specimens and genetic resources in accordance with legal provisions, the Regulation on forest management and the guidance, monitoring of forest owners;
- c) Notify the forest owner on the result of the scientific research, education, practice, documents published in the country or international (if any).

Article 14. The order and procedures in formulation, appraisal, approval and organization of the implementation of projects on ecological tourism, recreation, leisure in special-use forests

1. Forest owners shall formulate the project on ecotourism, recreation, leisure that should be in line with the approved sustainable forest management plan. The key contents of the project include:

- a) The status quo of natural resources; tourism resources and ecotourism products, recreation and leisure products;
- b) A detailed description of the plan for the development of ecotourism, recreation and recreation routes and places, including: location, area, current status, purpose, time and approach of implementation;
- c) Location and construction scale of construction of architectural works servicing ecotourism; recreation; leisure;
- d) Solutions for forest protection, development, nature and biodiversity conservation and environment protection;
- e) Organizing the monitoring of ecotourism, recreation and leisure activities;

- f) 1 / 5,000 scale or 1 / 10,000 scale maps or 1 / 25,000 VN2000 maps, including map of current status of natural resources, tourism of special-use forests; map of planned routes, points of tourisms, recreation, leisure, spatial architectural organization and infrastructure for tourism of such special-use forests.

2. The dossier of ecotourism, recreation, leisure project should include:

- a) The application of the forest owner (original);
- b) The project on ecotourism, recreation, leisure stipulated at point 1 this Article (original).

3. The order in appraisal, approval of the project on ecotourism, recreation, leisure

- a) Forest owner shall send directly or via post 02 copies of the dossier stipulated at clause 2 this Article to the Department of Agriculture and Rural Development as for the special-use forest under the administration of the provincial authority, or to the Viet Nam Administration of Forestry as for special-use forest under the administration of the Ministry of Agriculture and Rural Development.

In case the dossier is found invalid, within 03 working days since the day the dossier is received, the dossier receiving agency must inform the forest owner in writing for completing thereof;

- b) Within 15 working days, the dossier receiving agency stipulated at point a this clause shall organize consultation with concerned agencies, organizations, individuals for comments on the project;
- c) Within 20 working days, the dossier receiving agencies stipulated at point a this clause shall complete the appraisal of the project on ecotourism, recreation, leisure;
- d) Within 15 working days since the day the dossier is received by the agency stipulated at point a this clause, the provincial people's committee or the Ministry of Agriculture and Rural Development shall make decision on approval of the project on ecotourism, recreation, leisure.

4. The content of appraisal of the project on ecotourism, recreation, leisure includes:

- a) the status quo of natural resources, tourism resources and other tourism products;

- b) Location, scale of architectural construction works for ecotourism, recreation, leisure;
- c) Time, approach in organization for implementation;
- d) Solution for forest protection, development, nature and biodiversity conservation and environment protection;
- e) Organization of the monitoring of ecotourism, recreation, leisure activities.

5. Organization of the implementation of the plan on ecotourism, recreation, leisure

- a) After the proposal on ecotourism, recreation, leisure is approved, the forest owner shall take lead, collaborate with organizations, individuals to formulate a project on ecotourism, recreation, leisure in a self-organizing, co-business, or forest environment leasing approaches that are in line with the approved proposal on ecotourism, recreation, leisure. The formulation of the project on ecotourism, recreation, leisure must conform to the provisions of the Law on Forestry and other relevant legal provisions;
- b) Forest owner assumes the responsibility for guiding, checking, monitoring organizations, individuals who lease forest environment in project implementation in compliance with legal provisions;
- c) the budget for formulation of the project on ecotourism, recreation and leisure is balanced in the annual financial plan in accordance with the current legal provisions of the State. In case of co-business with other organizations, individuals, the budget for formulation of project on ecotourism, shall be negotiated by both parties. The budget for formulation of the project on ecotourism, recreation, leisure shall be born by the organizations, individuals who lease the forest environment.

6. Lease forest for ecotourism, recreation, leisure business

- a) The forest owner is allowed to lease the special-use forest environment to organizations, individuals for business of ecotourism, recreation, leisure. The leasing of special-use forest environment for business of ecotourism, recreation, leisure must be made public widely. The price of forest environment lease is decided based on negotiation by both parties but must not lower than 1% of the total revenue of the year of the forest environment lessee within the area of the forest environment on the lease; In case there are more than

one organization, individual who at the same time apply for forest environment lease, an audition shall be organized in which the starting price must not lower than 1% of the total revenue of the year of the forest environment lessee within the forest environment area on the lease. The leasing term shall not exceed 30 years, review of the contract shall be made once every 5 years, when the leasing term ends, if the lessee fulfils the contract terms and conditions and still apply for extension of the leasing term, the forest owner shall consider such extension;

- b) Before signing the contract on the lease of a certain forest environment area, the forest owner must inventory the forest resources thereon as a basis for the lease and conduct monitoring and evaluation of the contract implementation.

Article 15. Management of the construction of architectural work that serve ecotourism, recreation, leisure in special-use forests

1. Construction works in service of eco-tourism, recreation and leisure must not affect the biodiversity and natural landscape of the forest; must be in line with the project on ecotourism, recreation, leisure approved by state competent agencies stipulated at point d clause 3 Article 14 of this Decree.

2. In the strictly prohibited zone, it is allowed only to set up trail routes, cable cars routes, underground cable routes, observation station, shelters, guiding signing boards for the purpose of both forest protection and ecotourism.

3. In the ecological restoration zone, it is allowed to set up routes of walking trail upon needs but maximally not exceed the scale of the 4th level roads in the mountainous areas, landscape observation stations, shelters, guiding signing boards, cable cars routes, underground routes, bridges for walkers in submerged forest.

4. In the administrative zone of national parks, nature reserve, habitat/species management areas, protected landscape; forest for scientific research and experimentation, it is allowed to construct architectural works that serve ecotourism, recreation, leisure, and promotion of historical – cultural values, scenic places if the following conditions are satisfied:

- a) Not to influence the conservation objectives, not to disrupt the environment landscape, not to deforest; construction work must be

based on the nature, harmonize with the environment landscape, the maximal height of the leisure work shall not exceed 12 m;

- b) Not to lose the State's ownership of forests, natural forests on land and underground;
- c) It is only allowed to build construction works in pieces of fallow, grass land, land covered by bushes that is unable to regenerate forest;
- d) To take responsibility for protection, conservation, development of forest resources on the area hosting ecotourism, recreation leisure activities; to follow the guidance, check, monitoring by forest owners;
- e) Not to make any influences to the national defense, security, scenic places and historical-cultural relics.

Article 16. Stabilization of people's living in special-use forests and buffer zone of special use forest

1. Identification of buffer zone

- a) Inner buffer of special-use forests: the area that hosts residential communities, residential area that has existed stably before the establishment of the special-use forest, not have conditions for resettlement to out of the special forest; is planned as a residential area for long term stabilization in line with plan of such special-use forest; the area of the inner buffer zone is identified based on the status quo of land, water surface actually used by the residential communities under stable farming before the establishment of the special-use forest;
- b) the outer buffer zone of the special-use forest: the area hosting residential community and production and business activities, living traditionally; the area of hamlets adjacent to the outer boundary of special-use forest;
- c) For special-use forest of which the boundary adjacent to the nation borderline, protection forests, other protected areas or a national defense area, it is not obligatory to identify the outer buffer zone with that adjacent area.

2. The content of programmes, projects on investment in development of buffer zone

- a) Assessment of natural conditions, people welfare, socio-economic situation, current status of forest resources, use of land, water surface;
- b) Organization of measures for forest protection, conservation of the natural ecosystems and biodiversity;
- c) Support the buffer zone residential community in agro-forestry fishery production of economic, society, environment effectiveness and in line with the local practice;
- d) Communication and education, raising awareness on forest protection related legislation, conservation of the ecosystems and biodiversity;
- e) Support the investment in infrastructure for socio-economic development in order to lessen the pressure on the conservation in special-use forests according to policies on investment and financial mechanisms for special-use forests;
- f) Identification of investment capital, investment phases;
- g) Organization for management of buffer zone, in which obligation, responsibility, power of the people committee at commune, hamlet levels, residential community in the buffer zone and special-use forest management boards in implementation of the investment project in buffer zone.

3. The management boards of special-use forest shall take lead, coordinate with the authority and residential communities in development of programmes, projects in investment in buffer zone development, the dossiers submitted for appraisal, approval of the programmes, projects on investment on the buffer zone shall comply with provisions of the Law on Public Investment.

PART 3. MANAGEMENT OF PROTECTION FOREST

Article 17. Establishment of protection forest

1. Principle in establishment of protection forest

- a) Having a protection forest establishment project in line with the national forestry plan.

- b) Meeting the criteria for each category protection forest as stipulated in Article 7 of this Decree.

2. Contents of the protection forest establishment project

- a) Assessment of natural conditions, forest status, natural ecosystems; values of protection, ecotourism, recreation, leisure, provision of timber and non-timber forest products, provisions of forest environmental services and biodiversity.
- b) Assessment on the status of management and use of forests, land and water surface of the project area.
- c) Assessment on the current status of people's welfare, economy and society.
- d) Identify the objectives of establishment of the protection forest collating with criteria for the protection forest that must be met.
- e) Determining the boundaries, area of protection forests on the map.
- f) Determination of action plans, solutions in implementation, organization of management;
- g) Determining the investment fund and the investment phases during the establishment of the protection forests; estimating the regular operational budget needed for forest protection, conservation and improvement of people's life; investment effectiveness;
- h) Organization for implementing the project.

3. The dossier of the protection forest establishment project should include:

- a) The (original) application of the protection forest establishment project;
- b) The proposal (original) for the protection forest establishment;
- c) The map of the current status of the protection forest (original) at the scale of 1/5,000 or 1/10,000th or 1/25,000 according to the VN2000 reference system, depending on the size of the protection forest;
- d) summary of the comments of concerned agencies, organizations
- e) the result of the appraisal process

4. The order and procedures for establishment and approval of protection forests located in at least 02 provinces, centrally-administered cities

The Ministry of Agriculture and Rural Development shall take lead, organize the

development of the project, propose to the Prime Minister for approval of the protection forest following this order:

- a) Organize the development of the protection forest establishment according to clause 2 of this Article;
- b) Consult with the other ministries, ministerial-level agencies, provincial-level People's Committees, concerned organizations and individuals on the project; within 20 working days from the day receiving the request for commenting, the agencies, organizations, individuals assume the responsibility for reply in writing to the Ministry of Agriculture and Rural Development;
- c) Within 30 working days, the Ministry of Agriculture and Rural Development shall complete the appraisal of the protection forest establishment project;
- d) Within 30 working days since the date receiving the valid dossier stipulated in clause 3 this Article in full, the Prime Minister shall make decision on the protection forest establishment;

5. The order and procedures in protection forest establishment that does not stipulated in clause 4 of this Article

The Department of Agriculture and Rural Development shall take lead, organize the development of the project, propose the Provincial People's Committee for its approval on the protection forest establishment following this order:

- a) Organize the development of the protection forest establishment project in accordance to clause 2 of this Article;
- b) consult with the concerned agencies, organizations, individuals. Within 20 working days since the date receiving the request for commenting, the requested agencies, organizations individuals assume the responsibility for answering in writing to the provincial people's committee;
- c) Within 30 working days, the Department of Agriculture and Rural Development shall complete the appraisal of the protection forest establishment dossier;
- d) Within 30 working days since the date receiving the dossier as prescribed in clause 3 this Article, the Chairman of the provincial People Committee shall make decision on the protection forest establishment

Article 18. Responsibility on protection forest management

1. The Ministry of Agriculture and Rural Development shall take responsibility to the Government for State management over the system of protection forests in the whole country; directly organize the management of protection forests of national importance or are located in at least provinces and centrally-run cities.
2. Provincial-level People's Committees shall take responsibility for the State management over the protection forest systems in their respective localities.

Article 19. Protection of protection forest

1. Protection of the forest ecosystem

- a) The protection of forest ecosystems shall comply with the provisions of Article 37 of the Law on Forestry;
- b) Not to conduct the following activities in protection forests: activities that alter the natural landscape of the forest; illegal harvest biological resources and other natural resources; not to pollute the environment; illegally bring toxic chemicals, inflammable materials into forests; not to graze, raise livestock, poultry in the newly afforestation area or forest area under tending period.

2. Protection of forest plants and animals

- a) The protection of forest plants and animals shall comply with the provisions of Article 38 of the Law on Forestry; Government provisions on management of endangered, precious and rare forest plants and animals; and implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- b) All forest animals in protection forests must be protected; not to conduct activities that negatively affect the natural habitat and food sources of forest animals.

3. To conform to the provisions on forest fire prevention and fighting prescribed in Chapter IV of this Decree.

4. To conform to the provisions on prevention and elimination of organisms harmful to forests according to the provisions of Article 40 of the Law on Forestry.

Article 20. Harvesting forest products in protection forest

1. Harvesting timber from natural protection forest

- a) the object of harvesting: complies with provisions at clause 1 Article 55 of the Law on Forestry;
- b) Conditions: having a plan of salvaging harvesting in accordance to provisions of the Ministry of Agriculture and Rural Development as for harvesting standing trees in places the tree density is higher than the stipulated density and only during the forest opening hour.
- c) Harvesting method: as for harvesting standing trees, the method applied must be selective method with the intensity not exceed 20% of the forest reserve; the forest must still have the crown canopy higher than 0.6.

2. Harvesting non-timber forest products from natural protection forest

- a) the object of harvesting: complies with clause 2 Article 55 of the Law on Forestry
- b) Conditions: must ensure the perpetuation of the sustainable development of such forest, the output of the harvested species must not influence the protection function of the forest;
- c) Harvesting method: at the discretion of the forest owner

3. Harvesting timber from planted forest

- a) Object of harvesting: complies to provisions at clause 3 Article 55 of the Law on Forestry;
- b) Conditions: the forest owners must formulate a harvesting plan in compliance to relevant provisions of the Ministry of Agriculture and Rural Development.
- c) Harvesting method: thinning of the major trees must ensure still a density of at least 600 trees/ha and trees distribute evenly in forest plots. Selective harvesting of major trees must be done with the intensity not to exceed 20% of the reserve. In case of clear logging in bands, the band width must

not exceed 20% of the total forest area having reached the protection standard.

4. Salvaging harvesting timber from natural forest, planted forest

- a) Object: timber trees on the forest of which the purpose of use has been converted to others, trees and parts of trees during the implementing silviculture measures, harvesting that serves training activities and scientific research tasks;
- b) Conditions: the availability of decision of approval of State competent agency on conversion of forest to other uses; silviculture project, programme, scientific research topics

Article 21. Provisions on benefit enjoyment of forest products harvested from protection forests

1. Benefit enjoyment of forest products harvested from protection forest is stipulated at Article 55 of the Law on Forestry.

- a) Owners of protection forests are entitled to enjoy the whole forest products harvested from the natural protection forest after fulfilling financial obligation according to the State's legal provisions;
- b) Owners of protection forests are entitled to enjoy the whole forest products harvested in the protection forest that is funded from the State budget, from programmes, projects funded by State budget after fulfilling financial obligation according to relevant State provisions;
- c) People who are allocated forests or contracted for forest protection are entitled to enjoy forest products resulted from their own investment in such forests, after fulfilling the financial obligation according to relevant State provisions.

2. Management board of protection forest is entitled to enjoy the value obtained from non-timber forest services; is responsible for distributing PFES fund to those who are contracted for forest protection; share benefit with households, individuals, residential communities who participate in forest protection according to relevant State's provisions.

3. Management board of protection forest; people who are allocated with forest or contracted for forest protection in long term are entitled to enjoy the whole

agricultural, fishery products and non-timber forest products after having fulfilled the financial obligation according to State relevant provisions.

Article 22. Scientific research, education, practice in protection forests

1. In case the scientific research, education, practice activities in protection forests are organized by the forest owner it/her/himself, such activities must be under approved projects, plans.

2. Scientific research organizations, training institutions, students, who involve in scientific research, education, practice in protection forest except for those stipulated in provisions at clause 1 this Article, must satisfy the following conditions:

- a) Having a plan of scientific research, education, practice in protection forests (original);
- b) Conducting scientific research, education, practice, specimens collecting activities, genetic resources, transportation, storage, announcement of specimens and genetic resources in accordance with legal provisions, the Regulation on forest management and the guidance, monitoring of forest owners;
- c) Notifying the forest owner on the result of the scientific research, education, practice, documents published in the country or international (if any).

Article 23. The order and procedures in formulation, appraisal, approval and organization of the implementation of projects on ecological tourism, recreation, leisure in protection forests

Forest owners shall formulate the project on ecotourism, recreation, leisure that should be in line with the approved sustainable forest management plan. The key contents of the project include:

- a) The status quo of natural resources; tourism resources and ecotourism products, recreation and leisure products;
- b) A detailed description of the plan for the development of ecotourism, recreation and recreation routes and places, including: location, area, current status, purpose, time and approach of implementation;

- c) Location and construction scale of construction of architectural works servicing ecotourism; recreation; leisure;
- d) Solutions for forest protection, development, nature and biodiversity conservation and environment protection;
- e) Organizing the monitoring of ecotourism, recreation and leisure activities;
- f) 1 / 5,000 scale or 1 / 10,000 scale maps or 1 / 25,000 VN2000 maps, including map of current status of natural resources, tourism of protection forests; map of planned routes, points of tourism, recreation, leisure, spatial architectural organization and infrastructure for tourism of protection forests.

2. The dossier of ecotourism, recreation, leisure project should include:

- a) The application of the forest owner (original);
- b) The project on ecotourism, recreation, leisure stipulated at point 1 this Article (original).

3. The order in appraisal, approval of the project on ecotourism, recreation, leisure

- a) The forest owner shall send directly or via post 02 copies of the dossiers stipulated at clause 2 this Article to the Department of Agriculture and Rural Development as for protection forest under the administration of provincial authority, or to the Viet Nam Administration of Forestry as for protection forest under the administration of the Ministry of Agriculture and Rural Development.
- b) In case the dossier is found invalid, during 03 working days since the day the dossier is received, the dossier receiving agency must inform the forest owner in writing for completing thereof;
- c) Within 15 working days, the dossier receiving agency stipulated at point a this clause shall organize consultation with concerned agencies, organizations, individuals for comments on the project;
- d) Within 20 working days, the dossier receiving agencies stipulated at point a this clause shall complete the appraisal of the project on ecotourism, recreation, leisure;
- e) Within 15 working days since the day the dossier is received by the agency stipulated at point a this clause, the provincial people's committee or the Ministry of Agriculture and Rural Development shall make decision on approval of the project on ecotourism, recreation, leisure.

4. The content of appraisal of the project on ecotourism, recreation, leisure includes:

- a) the status quo of natural resources, tourism resources and other tourism products;
- b) Location, scale of architectural construction works for ecotourism, recreation, leisure;
- c) Time, approach in organization for implementation;
- d) Solution for forest protection, development, nature and biodiversity conservation and environment protection;
- e) Organization of the monitoring of ecotourism, recreation, leisure activities.

5. Organization of the implementation of the plan on ecotourism, recreation, leisure

- a) After the proposal on ecotourism, recreation, leisure is approved, the forest owner shall take lead, collaborate with organizations, individuals to formulate a project on ecotourism, recreation, leisure in a self-organizing, co-business, or forest environment leasing approaches that are in line with the approved proposal on ecotourism, recreation, leisure. The formulation of the project on ecotourism, recreation, leisure must conform to the provisions of the Law on Forestry and other relevant legal provisions;
- b) Forest owner assumes the responsibility for guiding, checking, monitoring organizations, individuals who lease forest environment in project implementation in compliance with legal provisions;
- c) the budget for formulation of the project on ecotourism, recreation and leisure is balanced in the annual financial plan in accordance with the current legal provisions of the State. In case of co-business with other organizations, individuals, the budget for formulation of project on ecotourism, shall be negotiated by both parties. The budget for formulation of the project on ecotourism, recreation, leisure shall be borne by the organizations, individuals who lease the forest environment

6. Lease forest for ecotourism, recreation, leisure business

- a) The forest owner is allowed to lease the protection forest environment to organizations, individuals for business of ecotourism, recreation, leisure. The leasing of protection forest environment for business of ecotourism, recreation, leisure must be made public widely. The price of forest environment lease is decided based on negotiation by both parties but

must not lower than 1% of the total revenue of the year of the forest environment lessee within the area of forest environment on the lease; In case there are more than one organization, individual who at the same time apply for forest environment lease, an audition shall be organized with the starting price must not lower than 1% of the total revenue of the year of the forest environment lessee within the forest environment area under the lease. The leasing term shall not exceed 30 years, the contract review shall be made every 5 years, when the leasing term ends, if the lessee fulfils the contract terms and conditions and still apply for extension of the leasing term the forest owner shall consider about such extension;

- b) Before signing the contract on the lease of a certain forest environment area, the forest owner must inventory the forest resources thereon as a basis for the lease and conduct the monitoring and evaluation of the contract implementation

Article 24. Management of the construction of architectural work that serve ecotourism, recreation, leisure in protection forests

1. Construction works in service of eco-tourism, recreation and leisure must not affect the biodiversity and natural landscape of the forest; must be in line with the project on ecotourism, recreation, leisure approved by state competent agencies stipulated at point d clause 3 Article 23 of this Decree.

Construction of works servicing ecotourism, recreation, leisure activities must ensure the following principles:

- a) Not to disrupt the environment landscape, not to deforest; constructed works must base on the nature , harmony with environment landscape; with conformity to relevant legal provisions is ensured;
- b) Not to lose the State's ownership of forests, natural forests on land and underground;
- c) It is only allowed to build construction works in pieces of fallow, glass land, land covered by bushes that is unable to regenerate forest;
- d) To take responsibility for protection, conservation, development of forest resources on areas hosting ecotourism, recreation leisure activities; to follow the guidance, check, monitoring by forest owners;
- e) Not to make any influences to national defense, security, scenic places and historical-cultural relics.

Article 25. Combined forestry, agro-fishery production in protection forest

1. Principles

- a) Not to conduct combined forests, agro-fishery production in watershed protection forests located on an area having the slope higher than 30 degrees; or the coastal area under erosion, belonging to the wind shielding protection forest, sand shielding protection forest, wave breaking protection forest, sea encroachment preventing protection forest;
- b) To effectively use space and forest environment to implement combined agriculture and fishery.
- c) To harmonize the interests of the state with the interests of forest owners, organizations, individuals, households and communities involved in forestry activities.

2. As for protection forests having already established

The forest owner, the contracted party being household, individual, a community of individuals are allowed to conduct alley cropping agricultural plants, non-timber forest products plants, raise animal and aquaculture intercrop agricultural and non-timber forest products, raise livestock and aquaculture under the protection forest canopy provided that such practice does not reduce the forest area, quality, influence the ability of forest regeneration and the forest protection function.

3. As for unforested land

- a) Forest owners, the party contracted in the long term for forest protection being households, individuals and residential communities are allowed to use unforested land for combined agro-fishery production but are obliged to afforest on the allocated, contract land area so that the proportion of forested land area of the forest plot is at least 80% as for the watershed protection forest, wind shielding protection forest, sand shielding protection forest; at least 60% as for mangrove hosting combined aquaculture. Silviculture methods used to develop protection forest must conform to relevant provisions of the Ministry of Agriculture and Rural Development

- b) It is allowed to conduct alley cropping with agricultural, industrial, fruit trees in the forest land contracted, allocated. Not to graze livestock, poultry, domestic animals on a newly afforested area, or an area under the tending period.
- c) It is allowed to use the land area intermingled between bands of forest trees for combined agricultural and fishery production provided that such area does not exceed 20% of the land area of the forest plot allocated, contracted belonging to the watershed protection forest, wind shielding, sand shielding protection forest area; 40% of the water surface area as for the mangroves hosting aquaculture.

4. The forest owner and the long term contracted party shall be entitled to all products obtained from the combined agricultural, fishery activities stipulated at clause 2, clause 3 of this Article.

5. State management agencies in charge of forestry at all levels shall have to guide the stable forest owners and contractors to conduct combined forestry, agricultural and fishery production activities according to the provisions of law.

PART 4. MANAGEMENT OF PRODUCTION FOREST

Article 26. Production forest protection

1. Protection of the forest ecosystem

- a) The protection of forest ecosystems shall comply with the provisions of Article 37 of the Law.
- b) Conducting activities directly affecting forest ecosystems must comply with the provisions of the environmental protection law and only having an approval from the competent State agencies.

2. Protection of forest plants and animals

- a) The protection of forest plants and animals shall comply with the provisions of Article 38 of the Law and the Decree on management of endangered, precious and rare forest plants and animals; raising wild animals and implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

- b) All forest animals in the production forest must be protected, ensuring natural habitat and food sources of forest animals.
3. To conform to relevant provisions on forest fire prevention and fighting according to the provisions of Chapter IV of this Decree.
 4. To conform to relevant provisions on prevention and elimination of organisms harmful to production forests according to the provisions of Article 40 of the legislation on Plant Protection and Animal Quarantine.

Article 27. Production forest development

1. The content of production forests development shall comply with the provisions in Article 48 of the Law on Forestry.
2. Organization of production forest development
 - a) Forest owners shall develop production forests according to sustainable forest management plans or production and business plans.
 - b) Forest owners shall themselves invest in or participate in co-business, cooperation for the implementation of forest development projects and organize production on the protection forest areas or land reserved for production forest planting allocated or leased by the State according to law provisions.
3. The silvicultural measures applied for forest development shall comply with the relevant provisions of the Ministry of Agriculture and Rural Development.

Article 28. Harvesting forest products in natural production forest

1. Harvesting timber from natural production forest for commercial purpose
 - a) Object of harvesting: timber standing on rich and medium rich forest areas.
 - b) Condition: harvesting must comply with Clause 1, Article 58 of the Law on Forestry and is not conducted during forest closure period.
 - c) Method: selective logging with a maximum harvesting intensity of 35% of timber reserve of the forest plot.

2. Timber salvaging harvesting from natural production forest

- a) Object of salvaging harvesting: timber trees in the forest area of which the purpose of use has been changed to others; During the course of silvicultural measures, in service of training and scientific research tasks.
- b) Conditions: having the competent authority's decision on approval the change of forest use purpose; silvicultural plans and training plans, scientific research topics.

3. Gleaning harvesting timber from natural production forests

- a) Object of gleaning harvesting: trees, branches, dry rotten, fallen, broken, burnt branches, dead trees lying in the forest due to nature disasters.
- b) Condition: forest owner must formulate a salvaging harvesting plan according to provisions of the Ministry of Agriculture and Rural Development.

4. Harvesting common forest plant species other than timber, derivatives from common forest plants

- a) Object of harvesting: non-timber forest plant species, derivatives of common forest plants.
- b) Condition: sustainable development of the forest must be ensured, output of the harvested species must not exceed the species growth rate.
- c) Method of harvesting: at the discretion of forest owners.

5. Harvesting common forest animals

- a) Object of harvesting: common forest animals.
- b) Conditions: The forest owner must have a plan for harvesting ordinary forest animals.

6. Harvesting endangered precious and rare species must comply with the Government's Regulations on management of endangered, precious and rare forest plants and animals; raising wild animals and implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

7. Enjoyment of benefit from forest products harvested

Forest owners are entitled to enjoy the entire value of forest products harvested after fulfilling the financial obligations prescribed by the State.

Article 29. Harvesting forest products in planted production forest

1. Harvesting timber from planted production forest

- a) Conditions: after clear cutting, the forest must be re-planted in the next planting rotation or the forest is let regenerate by itself. As for planted forest funded from the State budget source, a timber harvesting plan conforming to relevant provisions of the Ministry of Agriculture and Rural Development is required;
- b) Harvesting method: clear cutting harvesting in band, patch or entire forest area is at the discretion of the forest owner.

2. Salvaging harvesting timber from planted forest

- a) Objects of harvesting: trees in the forest area of which purpose of use has been changed to production purpose, when applying silvicultural measures, for the purpose of training and scientific research.
- b) Condition: planted forest funded by State budget source must be approved by the competent authority on the conversion of the use to other purposes; silvicultural projects; training plans, scientific research topics.

3. Salvaging harvesting timber from planted forest

- a) Object of harvesting: dry rotten, broken, burnt, dead wood lying in the forest.
- b) Condition: planted forest funded by the State budget source must have report on the harvesting volume, location in accordance with relevant provisions of the Ministry of Agriculture and Rural Development

4. Harvesting endangered precious and rare species must comply with the Government's regulations on management of endangered, precious and rare forest plants and animals; raising wild animals and implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

5. Enjoyment of benefit from forest products harvested

- a) Forest owners who plant forest by their own are entitled to the entire value of forest products thereon.
- b) As for planted forests funded by the State budget or investment supports, forest owners are entitled to enjoy all the value of forest products after fulfilling their financial obligations as prescribed in the State provisions

Article 30. Combined forestry, agro-fishery production in production forests

1. Principle

- a) Effectively use space and forest environment to implement combined agriculture and fishery.
- b) To harmonize the interests of the State with the interests of forest owners in forestry, agriculture and fishery production.

2. As for forested area

Forest owners are allowed to conduct alley cropping with agricultural and non-timber forest products species, raise livestock and aquaculture under the forest canopy, provided that the practice will not reduce the forest area and quality and affect the regeneration ability of the forest.

3. As for unforested land

- a) Forest owners are allowed to use unforested land for combined agricultural and fishery production but must plant forests on the allocated or leased land areas, and ensure that the forested area of that forest plot is at least 60% as for mangrove hosting aquaculture; at least 70% with other forest categories.

- b) It is allowed to conduct alley cropping with agricultural, industrial, fruit trees species in mixing with forest trees in the allocated, leased forest area. It is not allowed to graze and raise livestock, poultry, domestic animals in the newly afforested areas, or areas under the planted forest tending period.
- c) It is allowed to use land areas intermingled in the forest trees bands for combined agro-fishery production, those areas in total must not exceed 40% of the land area of the forest plot allocated and leased as for the mangroves hosting aquaculture and 30% of the land area of the forest plot allocated, leased as for other forest categories.

4. Forest owners are entitled to enjoy all products harvested from combined agricultural and fishery production activities specified in Clauses 2 and 3 of this Article.

Article 31. Scientific research, education and practicing in production forests

1. Forest owners shall organize scientific research and scientific research services by themselves.
2. Scientific research organizations, training and education institutions, scientists, pupils and students engaged in scientific research, teaching and practicing in forests must ensure the following regulations:
 - a) To comply with the Law on Forestry, the law on scientific research, education and training and relevant provisions;
 - b) To have a plan for scientific research, education and training in forests which are approved by forest owners;
 - c) It is allowed only to collect specimens and genetic resources in quantities already determined in the approved research and education and training plans which are accepted by forest owners.

Article 32. Ecotourism, recreation, leisure activities in production forests

1. Forest owners may themselves organize or cooperate with other organizations and individuals to provide ecotourism services, recreation, leisure or lease the forest environment to organizations, individuals for business of ecotourism recreation, leisure.

2. Activities of ecotourism, recreation, leisure must follow a sustainable forest management plan approved by State competent agencies.

3. The rate applied in leasing forest environment for business of tourism, recreation and leisure including travel service activities, tourist transportation, tourist accommodation, food and drink catering, shopping, leisure, health care, sightseeing, advertising and other related services for tourists within the owner's forest shall be negotiated between parties but must not less than 1% of total revenue yearly performance of the forest lessee.

PART 5. CLOSING, RE-OPENING NATURAL FOREST; CERTIFICATE OF SUSTAINABLE FOREST MANAGEMENT

Article 33. The order and procedures applied in closing and opening natural forests

1. Key contents of the scheme on opening or opening natural forests include:

- a) Determining the necessity of closing or re-opening natural forests;
- b) Evaluating the current status of economic, social, defense and security conditions in the locality;
- c) Assessment of the current status of forest resources in terms of reserves and quality; assessment of the forest ecosystem, biodiversity of the forest;
- d) Determination of management solutions to be implemented during natural forest closure or opening; determining the legitimate rights and interests of the involved parties when the natural forest is closed or re-opened;
- e) Determination and allocation of funding sources for forest closure and re-opening.

2. The order and procedures applied in closing or re-opening natural forests shall fall under the Prime Minister's competence

- a) A dossier applying for the closing or re-opening natural forests comprises of: a written application of the Ministry of Agriculture and Rural Development; closing or re-opening natural forest plan;
- b) The Ministry of Agriculture and Rural Development shall submit to the Prime Minister dossiers on the closure or re-opening of natural forests specified at Point a of this Clause.

- c) Within 30 days after receiving the valid dossiers, the Prime Minister shall consider and make decision on the closing or re-opening natural forests.

3. The order and procedures for closing or opening natural forests shall fall under the competence of chairpersons of provincial-level People's Committees

- a) A dossier applying for closing or re-opening natural forests comprises: a written application of the Department of Agriculture and Rural Development; the closing or re-opening natural forests plan.
- b) Provincial Department of Agriculture and Rural Development shall submit to chairpersons of provincial People's Committee dossiers on the closure or re-opening natural forests specified at Point a of this Clause. Chairpersons of provincial-level People's Committees shall submit to the People's Councils of the same level for approval the closing or re-opening natural forests plans
- c) Within 10 days after the People's Council of the same level approves the forest re-closure or opening plan, the chairpersons of the provincial-level People's Committees shall consider and decide the closing or re-opening natural forests in the locality.

4. Announcement of the decision on closing and re-opening natural forest

The decision on closing, re-opening natural forests shall be announced in public through communication means in the whole country, the electronic portals of the Ministry of Agriculture and Rural Development, Provincial People's Committees.

Article 34. Certification activities for sustainable forest management

1. Activities of granting certificates of sustainable forest management are considered activities of auditing on conformity which fall in the category of conditional investment, business according to provisions of legislation on investment.

2. The recognition and operation registration of SFM auditing and certification bodies shall comply to the Government's provisions on conditions for service providing business on auditing the conformity.

3. The forest certification shall base on the international recognized SFM standard or the SFM criteria promulgated by the Ministry of Agriculture and Rural Development at clause 4 Article 28 of the Law on Forestry

Chapter III. FOREST ALLOCATION, LEASE, RECATEGORIZATION, CHANGE OF FOREST TO OTHER USES, REVOCATION OF FOREST BY THE STATE

PART 1. FOREST ALLOCATION, LEASE

Article 35. Plan of forest allocation, lease

1. Formulation of a plan on forest allocation, lease

- a) Annually, the district people's committees take the responsibility to formulate a plan of forest allocation, lease; notify in writing on the registration of application to the commune people committee for forest allocation lease. Notification on formulation, appraisal, approval of the forest allocation, The plan on the lease of forest is made at the same time with the time of formulation, appraisal, approval of the annual land use plan at district level;
- b) Within 20 working days since the day the written application for registration of forest allocation or forest lease is received by the competent commune people's committee, this body shall synthesize the whole applications for forest allocation, lease in the locality and report thereabout to the district people's committee; the applications of forest allocation for forest lease at the commune level shall be synthesized using form 01 in Annex II to this Decree;
- c) The district people's committee shall base on the forest allocation, lease application report by the commune level, synthesize the unallocated, unleased forest area, determine the targets for forest allocation, lease to every commune level administrative units; synthesize the applications and determine the target for forest allocation, lease of the district level to every commune level administrative unit.

2. Content of the forest allocation, lease plan

- a) The areas of different forest categories within the district boundary, with the information in detail to every commune including: total forest area; forest area allocated, leased, forest area unallocated, leased;
- b) The total areas applied for forest allocation, lease within the boundary of every commune; the location of forest allocation, lease requested;
- c) The limit of forest allocation, lease to households, individuals, and residential communities in consistent with the limit of land allocation;
- d) Assessment of the effectiveness of forest allocation, lease plan in socio-economic, environmental, national defense, national security aspect; income from forest allocation, lease; creation of job, attraction of labourers, poverty elimination and hunger eradication; the ability of sustainable harvesting of forest resources; requirements in conservation, development of forest area and the coverage rate in association with conservation of scenic places, cultures of ethnic groups, factors influencing to national defense, national security;
- e) Identification resources (finance, labourer and technique), solution and progress forest allocation, lease.

3. Approval of forest allocation, lease

- a) Quarter III annually, district people's committee shall submit to the provincial department of agriculture and rural development a dossier of a plan on forest allocation, lease, the dossier includes: application form, forest allocation, plan of lease, justification report, map illustrating the forest allocation, lease plan;
- b) Within 15 working days since the day the provincial department of agriculture and rural development receives a valid dossier, this body assumes the responsibility for organizing an appraisal on the dossier of forest allocation, lease of the district level and submit the appraised dossier to the provincial People's committee for approval. In case the dossier of forest allocation, lease is still invalid, the provincial department of agriculture and rural development assumes the responsibility to request the district people's committee to complete;
- c) Provincial people's committee are responsible to approve the forest allocation, lease plan of the district level no later than December 31st.

4. The district people's committee assumes the responsibility for making public the forest allocation, lease plan approved at the headquarters of the district and

commune people's committees who manage the allocated, lease forests within 30 days since the day the plan is approved.

Article 36. Order, procedures in forest allocation, lease in consistency, synchronicity with land allocation, lease

1. The order, procedures in forest allocation, lease must be consistent, synchronous with those of land allocation, lease implemented according to legislation on land and the following provisions:

2. Application for land, forest allocation, land, forest lease must use Form 02 as for organization, Form 03 as for households, individuals, residential communities, Annex II attached to this Decree.

3. Within 02 working days since the day the competent receiving and delivering agency receives the valid dossier, this body is responsibility forward the dossier to a sectoral specialized forestry administration agency who for its opinion on the application for forest allocation, lease. Within 05 working days since the day the sectoral specialized forestry administration agency receives the dossier, this body shall give its opinion in writing to the natural resource and environment agency of the same level.
 - a) Decision on land, forest allocation, lease shall be issued in the form prescribed in this Decree:
 - b) Decision on land, forest allocation to organization shall use Form 04 in Annex II to this Decree;
 - c) Decision on land, forest allocation as to organization shall use Form 05 Annex II to this Decree;
 - d) Decision on land, forest allocation to households, individuals, residential communities shall use Form 06 Annex II to this Decree;
 - e) Decision on land, forest allocation to households, individuals shall use 07 Annex II to this Decree.

4. Within 03 working days since the day the decision on land, forest allocation is issued, the Director of the provincial Department of Agriculture and Rural Development shall sign the contract for forest lease if the lessee is an organization, the chairperson of district people's committee shall sign the contract with a lessee being household, individual using Form 05 Annex II to this Decree.

Article 37. Completion of forest allocation, lease dossier as for cases who have been allocated with forested land, forest or whose the forested land use right has been recognized but forest allocation, the dossier of lease have yet to be made

1. Organizations, households, individuals, residential communities who have been allocated land, leased forested land or whose forested land use right has been recognized are responsible for coordinating with sectoral specialized forestry administration agencies at all levels to complete the forest allocation, lease dossier.
2. The natural resource and environment agency is responsible for providing information in the cadastral dossier as for the land areas allocated, leases that have been recognized for the land use right so that the sectoral specialized administration agencies at all levels can complete the dossier of forest allocation, lease.
3. The sectoral specialized administration agencies at all levels shall take responsibility for checking, reviewing information relating to forest from the cadastral records and from the field including aspects such as forest, origin, location, boundary, current status, reserve, completing the dossier of forest allocation, lease.

Article 38. Completion of the dossier of land allocation, lease as for cases who are allocated, lease forest

1. Organizations, households, individuals and residential communities who are allocated, leased forest but who have yet to be allocated, leased land or whose the land use right is not recognized shall provide information to natural resource and environment agencies at all levels so that the dossier of land allocation, lease is completed.
2. The sectoral forestry specialized administration agencies at all levels are responsible for providing information regarding the dossier of forest allocation, lease to the natural resource and environment agencies at the same level so that the land allocation, lease dossier is completed and the land use right certificate can be granted.

3. The natural resource and environment agency is responsible for taking lead, coordinate with the sectoral forestry specialized administration agencies at all levels in appraisal the dossier of land allocation, lease, check the field, submit the people committee of the same level to make decision on land allocation and granting the land use certificate in compliance with legislation on land.

PART 2. RECATEGORIZATION, CHANGE OF FOREST TO OTHER USES

Article 39. The forest recategorization plan

1. Forest owner is responsible for formulation of the forest recategorization.

The key content of the forest recategorization plan include:

- a) Legal basis, scientific basis and actual conditions;
- b) The characteristics of the forest on: natural conditions; socio-economic conditions, forest resource status, biodiversity, assessment of forest management, protection and use;
- c) Identification of area, scope and boundary of forest categories on map;
- d) Identification of forest recategorization, detail of management, solution and organization of forest management;
- e) Determination of budget estimation; organization for implantation of the plan.

Article 40. Order, procedure on forest recategorization

1. As for forest that the Prime Minister make decision on the establishment

- a) Forest owner shall submit directly or via post 02 originals of the dossier to the Ministry of Agriculture and Rural Development as for the forest under the administration of the Ministry of Agriculture and Rural Development. The dossier includes: written application of forest owner; forest recategorization plan;
- b) The forest owner shall submit directly or via post 02 originals of dossier to the provincial Department of the Agriculture and Rural Development as for the forest under the management of the Provincial People's Committee.

- The dossier includes: application of the forest owner; forest categorization plan;
- c) Within 15 working days since the day the provincial department of agriculture and rural development receive the valid dossier in full, the provincial department of agriculture and rural development is responsible for taking lead the appraisal; report to the provincial people committee so that this body shall request the Ministry of Agriculture and Rural development to propose the approval of the Prime Minister on the forest recategorization;
 - d) Within 30 working days since the Ministry of Agriculture and Rural Development receives the valid dossier, this body shall make review before proposing to the Prime Minister for his/her decision on the forest recategorization;
 - e) Within 30 working days since the Ministry of Agriculture and Rural Development receive the valid dossier in full, the Prime Minister shall consider and make decision on the forest recategorization.

2. As for forests of which the establishment is decided by the provincial people committee

- a) Forest owner shall submit directly or send via post 2 originals of the dossier to the Provincial Department of Agriculture and Rural Development; the dossier include: forest owner's application, forest recategorization plan;
- b) Within 15 working days since the day the Provincial Department receives the dossier in full, this body shall propose the Provincial People's committee for its consideration;
- c) Before 15 days when the most upcoming meeting of the provincial people's council, the provincial people committee shall propose the provincial people's council of the same level to consider, make decision on the forest recategorization. After 15 days of the meeting, the provincial people council shall promulgate a Regulation on the approval in principle of this regard;
- d) Within 15 working days after the promulgation of the decision of approval, the provincial people's committee shall make a decision on forest recategorization.

Article 41. Order, procedure in making the approval in principle on conversion of forest to other uses

1. Cases fall under the competence of the National Assembly: as for projects involving forest use conversion which the investment plan has been approved in principle by the National Assembly shall not have to follow the order, procedures in making decision on conversion of forest to other uses.

2. Cases fall under the competence of the Prime Minister

- a) Forest owner shall submit 02 origins of the dossier directly or via post to the Ministry of Agriculture and Rural Development as for the forests under the administration of the Ministry of Agriculture and Rural Development. The dossier shall include: application of the investor; the investment project proposal; written statement on the appraisal result of the investment proposal of the stakeholders;
- b) Within 30 working days since the day the Ministry of Agriculture and Rural Development receives the valid dossier in full, the Ministry of Agriculture and Rural Development shall appraise the dossier before proposing the Prime Minister to give his/her approval in principle on the forest recategorization;
- c) The investor shall submit 02 originals of the dossier to the provincial Department of Agriculture and Rural Development directly or via post as for forests under the administration of provincial authority. The dossier includes: the investor's application; proposal for the investment project; written statement on the appraisal result of the investment project of stakeholders;
- d) Within 15 working days since the day the provincial Department of Agriculture and Rural Development receives the valid dossier, this body assumes the responsibility for appraisal the dossier and report thereabout to the provincial people's committee for this body to propose the Prime Minister to approve in principle the conversion of the forest to other uses;
- e) Within 30 working days since the day the Prime Minister receives the dossier in full, he/she shall consider to approve in principle the conversion of forest to other uses;
- f) Projects of which the investment plans are approved in principle by the Prime Minister shall not have to conform to provisions in this clause.

3. Cases fall under the competence of the provincial people's council

- a) Investor shall submit 02 origins of the dossier to the provincial Department of Agriculture and Rural development directly or via post as for forest

- areas applied to the conversion of which forest owner is organization. The dossier includes the investor's application, proposal of the investment project, the written statement of the investment project by stakeholders;
- b) Within 15 working days since the day the provincial department of agriculture and rural development receives the valid dossier, this body shall submit the dossier and appraisal result to the provincial people's committee for consideration;
 - c) The investor shall submit 02 originals of the dossier to the district people's committee directly or via post as for the forest areas applied for conversion of which forest owner is households, individuals, residential communities. The dossier includes: investor's application; proposal for the investment project written statement on the appraisal result of the proposal for the investment project of stakeholders;
 - d) Within 15 working days since the day the district people's committee receives the valid dossier, this body shall propose to the provincial people's committee for its approval;
 - e) Before 15 days when the most upcoming meeting of the provincial people's council, the provincial people committee shall propose the provincial people's council of the same level to consider, make decision on the conversion of forest to other uses. After 15 days of the meeting, the provincial people council shall promulgate a Regulation on the approval in principle of this regard;
 - f) Cases given an approval in principle by the provincial people's council on the investment plan shall not have to conform to provisions of this clause

Article 42. Order, procedures in conversion of forest to other uses

1. Order, procedure of forest conversion to other uses must be consistent with the order, procedures off the land conversion to other uses.
2. The natural resource and environment agency takes responsibility for coordinating with the sectoral specialized forestry agency to check the dossier of forest conversion to other uses regarding conditions according to provisions at Article 19 of the Law on Forestry, meanwhile review, identification of location, area, status before making decision on the forest conversion to other uses.
3. Decision on conversion of forest to other uses of the competent level must state clearly the location, area approved for conversion to other uses.

4. Application form for conversion of forest to other uses in the dossier of conversion of forest to other uses must use Form 09 as for organizations, Form 10 as for households, individuals, residential communities in Annex II attached to this Decree.

PART 3. FOREST REVOCATION

Article 43. Order, procedures in forest revocation, conversion

1. Order, procedures applied in forest revocation, conversion of forest to other uses must be consistent, synchronous with the order, procedures applied in land revocation, conversion and comply to legislation on land.

2. In case of forest revocation is requested according to point a, b, and dd Article 22 of the Law on Forestry, in addition to provisions in clause 1 this Article, decision must base on the result of check, inspection, violation handling of State competent agencies.

3. District people committee takes the responsibility for guiding commune people committee in management of the revoked forest so that those forests can be leased or allocated.

Article 44. Compensation of damages to forest in cases of revocation of forests that are allocated, leased by a wrongful competence or to wrong object.

1. The people committee having the competence of forest revocation assumes the responsibility for establishment of a pricing council:

- a) Identification of the remaining forest leasing amount of forest owner in the total forest leasing amount the forest owner has paid to the State but the paid amount does not come from the State budget;
- b) Identification of the additional value of forest products in the forest, value of production forest being planted forest, other properties invested legally on the allocated, leased area but the invested money does not come from the State budget.

2. The forest leasing money remained and the value of additional forest products, the value of planted production forests, other properties legally invested by forest owners as prescribed in clause 1 this Article belong to forest owners' possession shall be compensated by the State according to legal provisions on obligation of compensation by the State.

3. In cases of forest revocation but the forest which is a planted production one of which the ownership right has been transferred, forest owner is entitled to a compensation according to provisions in clause 2 this Article.

4. In case of forest revocation, but the forest owner whose forest is revoked has made mortgage, bail or contribute as a capital equal to the value of the his/her planted forest the interest of organization, household, individual who received the mortgage, bail, capital contribution equal to the value of the planted production forest must be handled in accordance to legal provisions on civil.

Chapter IV. FOREST FIRE PREVENTION AND COMBATING

PART 1. FOREST FIRE PREVENTION

Article 45. The forest fire prevention and combating plan

1. Responsibility for formulation of forest fire prevention and combating plan

- a) Forest owner being household, individual, residential community shall formulate the forest fire prevention and combating plan using Form 01 Annex III to this Decree;
- b) Forest owner being organization shall formulate the forest fire prevention and combating using form 02 Annex III to this Decree;
- c) Commune level people committee is tasked with management of forest area which are not allocated, leased to any party shall formulate the forest fire prevention and combating using Form 03 Annex III to this Decree.

2. The forest fire prevention and combating plan formulated by organization, commune level people committee according to provisions at point b, point c, clause 1 this Article must be sent to Forest Protection Department, public security

unit in charge of forest fire prevention and combating and rescue at district level for consultation.

3. The plan of forest fire prevention and combating must be amended timely when there are changes in nature, characteristics of fire inflammability and other relevant conditions relating to forest fire prevention and combating.

4. Forest owner takes responsibility for organization of forest fire prevention and combating rehearsal in accordance with legal provisions on fire prevention and combating.

5. Forest protection agencies, public security force in charge of fire prevention and combating and rescue takes the responsibility for guiding, checking the development and implementation of the forest fire pre-convention and combating plan.

Article 46. Levels of forest fire alarming

1. There are 5 levels in forest fire alarming, from level I to level V; the symbol of forest fire alarming sign board is a half of a circle with the diameter of the outer circle is 2,5 m; the diameter of the inner circle is 1,8 on a white background, with red line around and having a (rotatable) arrow indicating the levels of alarming from I to V. The detail provisions on the level of forest fire alarming is prescribed in Form 04 Annex III to this Decree.

2. Provincial people committee in provinces hosting forest shall announce the level of forest alarming and the document for checking up forest fire alarming levels.

3. Forest protection departments at all levels shall base on the situation regarding weather, hydrometeorology to forecast and communicate the levels of forest fire alarming through mass media when the levels come to IV and V.

Article 47. Conditions of forest fire safety to the forest

1. Conditions of forest fire safety to the forest

- a) Having regulation, rule on forest fire prevention and combating; having sign boards, forest prohibited access sign boards positioned in right places, suitable to the nature and characteristics of each forest category;
- b) Having a plan of forest fire prevention and combating stipulated at Article 45 of this Decree;
- c) Having construction works for forest fire prevention and combating that are appropriate to the inflammability nature and characteristics of each forest category;
- d) Equipping means, devices for forest fire prevention suitable to the burning characteristics and nature of each forest category based on the forest fire prevention and combating plan;
- e) Having a forest fire prevention and combating force which is trained on the forest fire prevention and fighting skills and organize the standing force ready for forest combating at site demand;
- f) Maintaining record for management, monitoring forest fire prevention and combating according to legal provisions on forest fire prevention and combating.

2. As for forest hosting railway, high voltage electricity line, fuel gas oil, oil products pipelines and construction works under risk of forest fire must have the fire breaking belt, safety corridor suitable to each work in accordance with legal provisions and must be checked on a regular basis, inflammable materials on the fire breaking belt must be cleared up.

3. When setting fire to the fields, grading fields, to the vegetation in order to prepare forest planting sites and reduce the volume of inflammable materials in the forest, fire users must follow this practice:

- a) Safety measure for forest fire prevention and combating;

- b) Not to set fire to the site in the days the forest fire alarming level comes to IV, V. During the day time, the setting fire to the site must be conducted when the wind remain light, before 9 am and after 16 pm;
- c) The setting fire must be informed beforehand to the head of hamlets, villages, local forest fire prevention team. During the course of setting fire, safe guardian must be arranged who are equipped with sufficient tools to distinguish the fire when it spread farther to the forest; after the fire setting course, all the fire flakes must be distinguished too.

4. Use of fire in establishments, construction works, and residential houses must ensure not to let it spread to forest; after the use of fire, all fire flakes must be distinguished.

Article 48. Requirements on forest fire prevention in forest development project

When formulating the forest protection, it is obliged to include therein solutions for forest fire prevention and combating, which ensure the following contents:

1. Solutions for prevention and combating fire spreading between forest plot, sub-compartment, compartment; and therefrom to railway, systems of high voltage power lines, of fuel gas, mine oil, and oil derivatives, residential houses and construction works.

2. Construction works for forest fire prevention and combating must be appropriate to each forest category.

3. The estimated budget for work to be constructed must be sufficient for realization of all the items of the fire prevention and combating works.

Article 49. Organization, management of the forest fire prevention and combating force

1. Forest owner being organization takes responsibility for establishment, management of activities of the forest fire combating team; ensuring fund, means and conditions for maintaining the activities of the forest fire prevention and combating team.

2. Forest protection departments take responsibility for establishment, management of forest fire prevention and combating units under their respective management; guiding, monitoring and organizing specialized training, capacity strengthening on forest fire prevention and combating; the forest fire prevention and combating force of grass-root levels.

3. The forest fire prevention and combating police agency assumes the responsibility for guiding and coordinating with forest protection agency to implement provisions stipulated at clause 2 this Article.

4. The specialized training, capacity strengthening on forest fire prevention and combating for the forest fire prevention and combating force shall conform to legal provisions on forest fire prevention and combating.

Article 50. Checking conditions for forest fire prevention and combating safety

1. Checking conditions for forest fire prevention and combating safety shall be conducted based on the following contents:

- a) Conformity to safety conditions on forest fire prevention and combating stipulated at Article 47 of this Decree and other legal provisions on forest fire prevention and combating;
- b) Implementation of forest fire prevention and combating responsibility appropriately with every object stipulate at Article 53 and relating articles of this Decree and legal provisions on forest fire prevention and combating;
- c) Conformity to standards, norms on forest fire prevention and combating and requirements on forest fire prevention and combating to competent people or agencies.

2. Check the safety conditions on forest fire prevention and combating shall be conducted on a regular or ad-hoc basis.

3. Responsibility in checking safety conditions in forest fire prevention and combating before and during the dry season is stipulated as follows:

- a) The chairperson of the commune level people's committee, forest owner, within their power has the responsibility for organizing safety conditions on forest fire prevention and combating in accordance with provisions at clause 2 this Article;
- b) Heads of organizations, agencies, chairpersons of the district or higher levels people committees within the power have the responsibility for organizing the check for safety conditions on forest fire prevention and combating on a regular and ad-hoc basis;
- c) Forest protection agency has the responsibility for safety checking on forest fire prevention and combating on a regular basis as for forests of high inflammatory risk; ad-hoc check shall be conducted when there are violations against forest fire prevention and combating and when there are request on special protection service;
- d) The fire prevention and combating and rescue takes the responsibility for checking safety conditions on forest fire prevention and fighting once per 06 months or per 1 year as for forest under risk of inflammation and ad-hoc check when there are signs of inflammation or violation against forest fire prevention and combating safety conditions provisions and when there are requests for special protection service.

PART 2. FOREST FIRE PREVENTION

Article 51. Responsibility for forest fire alarming, combating and participating in forest fire combating, commanding

1. Those who detect a forest fire must inform people around or one of all agencies as follows by all ways:

- a) Forest owner;
- b) The forest fire prevention and combating team at the nearest place;
- c) The Forest Protection Department or the public security unit in charge of forest fire protection and rescue at the nearest place;
- d) The local authority or the military, public security agency at the nearest place.

2. Agencies, units stipulated at clause 1 this Article upon receipt of the forest fire alarm in the areas under their management shall swiftly mobilize forces, means to the site for fire combating, meanwhile, inform other agencies, units thereabout so that they can support the fire combating; in case the forest fire happen outside

the site under their management, these agencies, units are supposed to inform the agencies, units who manage those areas in a swift manner upon receipt of the fire alarm.

3. Those who are present at the site of forest fire must seek for any measures to prevent fire spread and distinguish the fire; those who participate in fire combating must follow the command of the fire combating commander.

4. The public security force in charge of forest fire prevention and combating, self-help military force, other concerned agencies have the responsibility for forest fire combating and participating in forest fire combating according to legal provisions.

5. In case of mobilizing force means and property for forest fire combating, commanding the forest fire combating, urgent situation, it is legal to make decision on demolishing, dismantling houses, constructed works, barricades and moving properties that are necessary for the forest fire combating according to legal provisions on forest fire prevention and combating.

Article 52. Settlement of consequences after forest fire

1. Forest owner shall identify the level of loss after the fire, make the calculation and report thereabout to the Forest Protection Agency, fire prevention and combating and rescue force, local authority.

2. Based on the level of loss, the forest owner shall identify and implement solutions for forest restoration after the fire including: zone-off forest regeneration with additional or newly afforestation.

3. Local Forest Protection Agency shall coordinate with commune people committee to synthesize, report competent agencies on levels of loss, solutions for settling consequences, support for loss occurred.

4. Local Forest Protection Agency, Forest Fire Prevention and Combating and Rescue Police Agency, Investigation agency shall identify causes, culprit of the forest fire, level of loss and handle according to legal provisions.

PART 3. RESPONSIBILITY IN THE FOREST FIRE PREVENTION AND COMBATING

Article 53. Responsibility for forest fire prevention and combating of forest owners

1. Responsibility of forest owner being organization

- a) To conform to provisions, rules, satisfy safety conditions, methods of forest fire prevention and combating according to legal provisions;
- b) To develop, promulgate provisions, rules and measures on forest fire prevention and combating within the boundary of the forest under their management;
- c) To develop and organize the implementation of forest fire prevention and fighting plan for the forest area under their management;
- d) To communicate, disseminate laws and knowledge on forest fire prevention and combating, training on forest fire prevention and combating expertise; to establish, manage and maintain the forest fire prevention and combating teams;
- e) To check the safety conditions on forest fire prevention and combating; to propose handling measures for violations against provisions, rules on forest fire prevention and combating and organize the timely settlement of errors, violation against provisions on forest fire prevention and combating safety conditions within the limit of their power;
- f) To invest in construction of works, forest fire prevention and combating equipment and tools;
- g) To ensure the budget for investment on forest fire prevention and combating activities according to legal provisions of the State;
- h) To report on forest fire prevention and combating on a regularly or ad-hoc basis, timely notify the local Forest Protection Agency, the fire prevention and combating and rescue agency and the agency who manage directly changes relating to insurance of forest fire prevention and combating safety within its power;
- i) To coordinate with other forest owners, local authority, agencies, organizations in the nearby in ensuring safety of forest fire prevention and combating; not to create any fire hazards in forests, and nearby premises of agencies, organizations and households;
- j) To implement forest fire prevention and combating upon request of State competent agencies;

- k) To coordinate and create conditions for functional agencies in investigation, tracking down the culprits of forest fire.

2. Responsibility of forest owner being households, individuals, residential communities

- a) To organize the implementation of regulations, rules, safety conditions, measures for forest fire prevention and combating according to legal provisions;
- b) To check the safety conditions regarding forest fire prevention and combating; to propose handling of violations against forest fire prevention and combating regulations and to organize the correction of shortcomings, violations thereof;
- c) To invest in equipment, tools for forest fire prevention and combating according to provisions;
- d) To ensure the fund for investment in forest fire prevention and combating activities according to existing provisions of the State;
- e) To coordinate with other forest owners, local authority, agencies, organizations in the nearby to ensure the safety regarding forest fire prevention and combating; not to create any inflammation hazards in forests, and nearby premises of agencies, organizations and households;
- f) To implement forest fire prevention and combating upon request of State competent agencies;
- g) To coordinate and facilitate functional agencies in investigation, tracking forest fire culprits down.

Article 54. Responsibility of heads of agencies, organizations involving in activities conducted in and/or by the forest

1. To implement regulations, rules, safety conditions, measures on forest fire prevention and combating according to legal provisions.
2. To supervise staff under their management in conformity to the regulations, rules, safety conditions on forest fire prevention and combating.
3. To detect fire, alarm fire and participate in forest fire combating.

4. To coordinate with forest owners, agencies, organizations in ensuring the safety regarding forest fire prevention and combating; not to create fire hazards to forests.

5. To participate in forest fire prevention and combating activities upon request of State competent agencies, to actively participate in forest fire combating when it occur.

Article 55. Responsibility of households, individuals, residential communities living, working in and/or by forests

1. To implement regulations, rules, safety conditions, measures regarding forest fire prevention and combating according to legal provisions.

2. To supervise members in the family in conformity to the regulations, rules, safety conditions on forest fire prevention and combating.

3. To coordinate with forest owners, households, agencies, organizations in the area in ensuring safety regarding forest fire prevention and combating; not to create fire hazards in forests.

4. To participate in forest fire prevention and combating upon request of State competent agencies.

5. To ensure the safety conditions regarding forest fire prevention and combating when it is allowed to use fire, heat, equipment, fire, heat generating tools and preservation, use of inflammable materials in and by forests.

6. To prevent and alarm fire upon detection of risks that can directly cause forest fire and acts violating regulations on forest fire prevention and combating in a timely manner; to alarm forest fire and conduct forest fire combating in a timely manner upon detection thereof and conform strictly to the command of mobilization resources for forest fire combating.

Article 56. Responsibility of agencies, organizations regarding forest fire prevention and combating in forest development projects

1. The agency who formulate the forest development project assumes the following responsibility:

- a) To ensure that all the requirements regarding forest fire prevention and combating are satisfied during the formulation of forest development project;
- b) To oversight the implementation of the forest development project and construction of forest fire prevention combating works;
- c) To participate in the evaluation for acceptance of forest development projects and forest fire prevention and combating construction work.

2. The investor has the following responsibility:

- a) To organize the forest development project implementation, to implement the construction of forest fire prevention and combating works as charted in the approved project, design;
- b) To organize the check, supervision of construction and evaluation for acceptance the forest development project and forest fire prevention and combating works.

2. Agencies implementing forest development projects and construction of forest fire prevention and combating projects shall have the following responsibilities:

- a) To implement the forest development project, construct the works for forest fire prevention and combating according to the approved design;
- b) To ensure the fire prevention and combating safety during the implementation of the forest development project and construction of the works for forest fire prevention and combating.

3. The Forest Protection agency and the Public Security Agency in charge of Fire Prevention and Combating, Rescuing, within their power have the following responsibility:

- a) Review and answer on fire prevention and combating solutions for forest development projects, newly construction or renovation projects for works serving forest fire prevention and combating projects;
- b) To check the implementation of the requirements, regulations on forest fire prevention and combating, handling of violations against regulations on forest fire prevention and combating;
- c) The Forest Protection Agency shall participate in evaluation for acceptance on forest fire prevention and combating as for forest development projects and works serving forest fire prevention and combating.

Chapter V. FOREST ENVIRONMENT SERVICES, FUND FOR FOREST PROTECTION AND DEVELOPMENT

PART 1. OBJECT, FORM, RATE OF PAYMENT FOR FOREST ENVIRONMENTAL SERVICES

Article 57. PFES recipients

1. Hydro-power establishments stipulated at point a, Article 63 of the Law on Forestry.
2. The treated water production and supply establishments stipulated at point b clause 2 Article 63 of the Law on Forestry.
3. The industrial production establishment stipulated at point c, clause 2 Article 63 of the Law on Forestry that use water from the water source in their industrial production, including industrial production establishments belong to sectors according to the current provisions.
4. Organizations, individuals involving in ecotourism business, recreation, leisure stipulated at point d, clause 2 Article 63 of the Law on Forestry shall exercise direct payment according to clause 1 Article 58 of this Decree, including: tourism service, transportation of tourists service, lodging service, catering services, shopping, sport, recreation, leisure, health care, tour, advertisement and other

relating services serving tourists within the boundary of the forests providing forest environmental services of forest owners.

5. As for organizations, individuals active in production, business that emit green house gas at a large volume as stipulated at point dd clause 2 Article 63 of the Law on Forestry, the Ministry of Agriculture and Rural Development shall organize pilot until the end of 2020, then review the pilot and submit to the Government detail provisions on objects, forms of payment, rate of payment, use of the fund from the service of carbon absorption of forest.

6. The aquaculture establishments stipulated at point e clause 2 Article 63 of the Law on Forestry being the aquaculture company or involving in cooperation between aquaculture companies and aquaculture households, individuals shall exercise direct payment as stipulated in clause 1 Article 58 this Decree.

Article 58. The form of PFES

1. Forest environment service users shall pay money directly to the forest environment services providers according to provisions at point a, point c, Article 63 of the Law on Forestry which is exercise based on voluntary negotiation by both parties.

2. The forest environmental service users shall pay the forest environmental services providers though a trusted party who is the Fund for Forest Protection and Development according to provisions at point b clause 3 Article 63 of the Law on Forestry applied in the case the forest environmental services providers and users cannot come to an agreement on the contract of payment for forest environmental service in the direct payment form.

Article 59. Rate of payment for forest environmental services and identification of the PFES amount

1. The rate of PFES applied to hydro-power establishments is 36 VND/commercial kwh of electricity. The electricity output used for calculation of the PFES amount is the output of hydro-power sold to the electricity buyers based on the electricity purchasing contract.

2. The PFES amount to be paid in the payment term is identified by the output of commercial electricity in the payment term (kwh) multiply with the PFES rate per 1 kwh (36 VND /kwh).

3. The PFES rate applied to the treated water production and supply establishments is 52 VND /m³ of commercial water. The water output used in calculation of PFES amount is that of the production and supply establishments sold to consumers.

The PFES amount to be paid during the payment term is identified by the output of commercial water in the payment term (m³) multiply with the PFES rate per 1 m³ of water (52 VND/m³).

5. The PFES rate applied to industrial production establishments who use water from water sources is 50 VND/m³. The volume of water used to calculate the PFES amount is the water volume used by the industrial production establishments measured by the water meter or by the volume licensed by State competent agencies or based on the purchasing documents between the industrial production establishments with the water business establishments.

The PFES amount to be paid during the payment term is identified by multiplying the water volume (m³) with the PFES rate applied to 1 m³ of water (50 VND/m³).

6. The rate of PFES applied to organizations, individuals involving in ecotourism business, recreation, leisure stipulated at point d clause 2 Article 63 of the Law on Forestry is minimally equal to 1 % of the total revenue gained in the term; the specific payment rate shall be based on the basis, actual conditions negotiated by the forest environmental services providers and users.

7. The PFES rate applied to aquaculture companies cooperating with aquaculture households, individuals stipulated at point e clause 2 Article 63 of the Law on Forestry is minimally equal to 1% of the total revenue gained in the term; the specific rate shall base on actual data, conditions negotiated between the forest environmental services providers and users.

8. When the retail selling price of electricity, water stipulated at point 1 clause 2 and 3 this Article fluctuates towards either an increase or a decrease of 20%, the Ministry of Agriculture and Rural Development shall propose the Government to make decision on adjustment of the PFES rate in corresponding.

PART 2. IDENTIFICATION OF FOREST AREA SUPPLYING FOREST ENVIRONMENTAL SERVICES OF WHICH PFES RECEIPT IS ENTRUSTED TO THE FUND FOR FOREST PROTECTION AND DEVELOPMENT

Article 60. Basis for calculation of forest area

1. Result of forest inventory, update of forest statistics on a regular basis.
2. Result of forest resource change monitoring.
3. The map of river basin where provides forest environmental services.
4. Result of the PFES of the previous year.

Article 61. Developing the map of PFES

1. Annually, the Provincial Fund for Forest Protection and Development shall take lead, coordinate with the Forest Protection Station, commune people committee to draw the PFES map at commune level for forest owners being households, individuals, residential communities, commune people's committee and other organizations are tasked by the State to manage forests based on stacking the maps resulted from forest inventory, monitoring forest resource change with the river basin map at commune level where provides forest environmental services. The content of river basin map where provides forest environmental services is stipulated in Annex VI attached to this Decree.

2. Annually, the Fund for Forest Protection and Development at provincial level shall take lead, coordinate with the provincial Forest Protection Department, forest owner being organizations to draw the PFES map through stacking maps resulted from forest inventory, forest resources change monitoring of forest owner being organization with the map of river basin where provides forest environmental services.

3. The fund for drawing a PFES map and for drawing the river basin map of places providing forest environmental services shall come from the budget for

management of the Provincial Fund for Forest Protection and Development, of forest owners being organizations or other legal budget.

Article 62. Identification of forest areas eligible for PFES of forest owner being households, individuals, residential communities; Commune people committee and other organizations tasked by the State with forest management

1. Before February 15th every year, the Provincial Fund for Forest Protection and Management shall take lead, coordinate with the Forest Protection Department in identification of the forest areas eligible to PFES of the previous year for forest owner being households individuals, residential communities, commune people committee and other organizations tasked by the State with forest management using the PFES map updated based on the result of forest resources change monitoring from the previous year.

Before March 1st every year Fund for Forest Protection and Development shall coordinate with the Forest Protection Department to check, verify the forest areas eligible to PFES of the previous year as for the case with petition.

2. Before March 15th every year, the Provincial Fund for Forest Protection and Development, in coordination with the Forest Protection Department shall synthesize the forest area in total that is eligible to PFES of the previous year using Form 01 attached to this Decree as the basic for distribution of fund from PFES.

3. Cost for identification of the forest areas eligible to PFES shall be covered by the budget for management of the provincial Fund for Forest Protection and Development or other legal budget.

Article 63. Identification of forest areas eligible to PFES of forest owners being organizations

1. Before February 15th every year, the Provincial Fund for Forest Protection and Management shall take lead, coordinate with the Forest Protection Department and forest owners being organizations to identify the forest area in total eligible to PFES through the PFES map updated based on the results of forest resource change monitoring of the previous year.

2. Before February 28th every year, the Provincial Fund for Forest Protection and Development shall coordinate with the Forest Protection Department and forest owners being organizations to check, verify the forest areas in total that is eligible to PFES as for cases with petition.

3. Before March 15th every year, the Provincial Fund for Forest Protection and Development shall synthesize forest areas in total that is eligible to PFES of forest owners being organizations using Form 02 in Annex V attached to this Decree as the basis for distribution of the fund from PFES.

4. Cost for identification of forest areas that are eligible to PFES shall be covered by the budget for management of the Provincial Fund for Forest Protection and Development, and that of forest owners being organizations or other legal funding sources.

PART 3. MANAGEMENT AND USE OF THE FUND FROM PFES IN THE DIRECT FORM

Article 64. Sign and implementation of the PFES contract

1. The forest environmental service providers shall sign the contract with the forest environmental service users, in which type of service, rate of payment, time of payment, mode of payment are defined. The rate of payment shall not be lower than the rate defined in Article 59 of this Decree; the PFES contract is made into 4 originals, the forest environmental service provider keeps one, the forest environmental service user keeps one original, the provincial Fund for Forest Protection and Development keeps one, the Provincial Department of Agriculture and Rural Development keeps one original.

2. The forest environmental service user shall pay money to the forest environmental service provider from the date the use of the forest environmental service starts according to the PFES contract.

Article 65. Use of the fund from PFES

1. The forest environmental service provider has the right to use the fund from PFES after fulfilling its financial obligation with the State according to legal provisions.

2. In the case the forest environmental service providers are organization, money paid for forest environmental service, after debiting fair expenditures relating organization of the implementation of the PFES policy, including the amount to be paid to the party contracted for forest protection service, the remaining amount shall be credited as the income of the unit and can be used according to legal provisions on finance applied to that organization.

PART 4. MANAGEMENT AND USE OF THE FUND FROM PFES ENTRUSTED TO THE FUND FOR FOREST PROTECTION AND DEVELOPMENT

Article 66. Signing the PFES contract

1. The forest environmental service user shall sign a trusted contract with the Fund for Forest Protection and Development as for the forest area providing for forest environmental services belonging to the river basin located within the administrative boundary of at least 2 provinces.
2. The forest environmental service user shall sign a trusted contract with the Provincial Fund for Forest Protection and Development as for the forest area providing forest environmental services belonging to the river basin located within the administrative boundary of one province.
3. The trusted PFES contract uses Form 01 in Annex VI attached to this Decree.

Article 67. Implementation of the PFEST contract

1. The forest environmental service user shall pay PFES since the day the use of forest environmental service starts.
2. Before October 15th every year, the forest environmental service user shall send a PFES plan to the Fund for Forest Protection and Development using Form 02 in Annex VI attached to this Decree.
3. At the latest 15 days since the final day of the current quarter, the forest environmental user shall prepare a PFES spreadsheet using Form 03 in Annex

VI attached to this Decree and send it to the Fund for Forest Protection and Development.

4. The forest environmental service user shall pay its obliged PFES amount on a quarterly basis; the latest time of payment is within 20 days before the final day of the quarter as for quarter I, II, III; 45 days since the final day of the quarter as for quarter IV.

At the latest 50 days since the final day of the year, the forest environmental service user shall report about the payment of its obliged PFES amount to the Fund for Forest Protection and Development using Form 04 in the Annex attached to this Decree.

Article 68. Planning for income and expenditure and estimating the budget for management

1. The Viet Nam Fund for Forest Protection and Development

- a) To review, identify the forest area providing forest environmental service in the river basin located within the administrative boundary of at least two provinces and submit the result to the Ministry of Agriculture and Rural Development;
- b) To synthesize the PFES plan of forest environmental service users located within the administrative boundary of at least 2 provinces and report thereabout to the provincial Forest Protection and Development the amount to be under coordination using Form 05 in Annex VI attached to this Decree no later than October 31st every year;
- c) To plan the income, expenditure using Form 06 in Annex VI to this Decree; estimating the budget for management shall use Form 07 in Annex VI attached to this Decree in quarter IV annually, the budget shall be submitted to the Management Council of the Viet Nam Fund for Forest Protection and Development to make decision.

2. Provincial Fund for Forest Protection and Development

- a) To review, identify the forest area providing forest environmental services, make the list of the forest environmental service providers.
- b) To synthesize the PFES plans of the forest environmental service users;

- c) To plan the income, expenditure using Form 08 in the Annex VI attached to this Decree; estimating budget for management shall use Form 09 in Annex VI attached to this Decree in quarter IV annually; to report to the Management Council for its adoption, and to submit to the provincial people's committee for making decision;
- d) To communicate the plan of income and expenditure to forest owners being organizations, commune people committees, other organizations that are tasked with forest management by the State according to legal provisions; to send decisions of the provincial people's committees that give approval on the income and expenditure plans to the Viet Nam Fund for Forest Protection and Development.

Article 69. Identification of the PFES amount

1. Viet Nam Fund for Forest Protection and Development

Before December 31st every year, based on the actual paid FPES amount in the year and the forest area in the river basin announced by the Ministry of Agriculture and Rural Development, the Director of the Viet Nam Fund for Forest Protection and Development shall determine the amount under the coordination of the provincial Fund for Forest projection and Development.

2. The Provincial Fund for Forest Protection and Development

- a) Before March 31st every year, based on the actual paid PFES amount of the previous year and the result from the identification of forest area eligible to PFES, the Director of the provincial fund for forest protection and development shall identify the PFES amount to be paid to the forest environmental service providers of the previous year in order to pay to the forest environmental service providers;
- b) Before April 15th every year, the provincial Fund for forest protection and development shall inform the forest environmental service providers the PFES amount they are eligible to using Form 10, Form 11 Annex VI attached to this Decree.

3. Forest owner being organization applying contracting for forest protection service

Before June the 1st annually, based on the money received actually from the Provincial Fund for Forest Protection and Development, forest owner being

organization applying contracting for forest protection service shall identify the amount of money to be paid to the party contracted for forest protection.

4. Detail of how to identify the PFES amount is stipulated in provisions in Annex VII attached to this Decree.

Article 70. Use of fund from PFES

1. Viet Nam Fund for Forest Protection and Development

- a) The budget for management can be extracted maximally 0.5% from the total amount of the actual received PFES amount in the year in order to cover the expenditure for the Fund's activities. The specific rate of extract shall be defined in the plan of income and expenditure of the Fund, which will be submitted to the Ministry of Agriculture and Rural Development for decision. The detail of expenditure for the Fund's operation include:
- b) Regular expenditure: staff salary, allowance and contributions for the members of the Fund Steering Committee, allowance for management responsibility for members of the Fund Steering Committee, the Fund Controlling Committee; allowance; payment for public service; office consumables; communication, telecommunication, meeting, workshops, travel allowance, renting fees, reparation and maintenance of assets in service of technical works and infrastructure construction; expenditure for appraisal of programmes, projects, bidding activities; money receiving and paying activities; check and monitoring service (if any);
- c) Irregular expenditure: supporting to the formulation of the sustainable forest management plan and forest certification; activities of reviewing to identify forest area that provides forest environmental services; expenditure for workshops, capacity strengthening, training, procurement of specialized equipment that serve distribution of PFES fund; expenditure for communication; auditing service, receipt of delegations and others (if any).
- d) The detail of expenditure, cost norm for expenditure for the operation of the Fund shall conform to the current provisions. In case legislation does not stipulate the detail of expenditure, cost norm, based on the financial capacity, the Viet Nam Fund for Forest Protection and Development shall develop detail of expenditure, cost norm in the internal regulation for expenditure;
- e) The budget for management stipulated at point a clause 1 this Article is the income of the Viet Nam Fund for Forest Protection and Development, who is applied with the self-financing mechanism as for public service delivery agency;

- f) After deducting the management fee, the Viet Nam Fund for Forest Protection and Development shall distribute the remaining fund left to provincial fund for forest protection and development according to provisions in clause 1 Article 69 this Decree;
- g) As for the amount of money received from the forest environmental service users but it is unable or not yet it has not been able to identify PFES receivers, the Viet Nam Fund for Forest Protection and Development shall send such amount to provinces having the average rate of payment to PFES receivers per 01 hectare from the lowest upwards.

2. Provincial Fund for Forest Protection and Development

- a) The management budget is extracted maximally 10% from the total amount of PFES actually received during the year in order to cover the operation of the Fund. The specific extract rate is defined in the income and expenditure plan of the Fund, which is submitted to the Provincial People's committee for making decision. The detail of the expenditure for the Fund operation includes:

Regular expenditure: to be expended on staff salary, allowance and contributions for the members of the Fund Steering Committee, allowance for management responsibility for members of the Fund Steering Committee, the Fund Controlling Committee; allowance; payment for service cost; public services office consumables; communication, telecommunication, meeting, workshops, travel allowance, renting fees, reparation and maintenance of property in service of technical works and infrastructure construction; expenditure for appraisal of programmes, projects, bidding activities; money receiving and paying activities; check and monitoring service (if any);

Irregular expenditure: to be expended on supporting the formulation of the sustainable forest management plan and forest certification; activities of reviewing to identify forest area that provides forest environmental services; technical activities in monitoring and evaluating forest quality; activities supporting the distribution of PFES fund at district, commune levels; organization of meetings, workshops, big reparation for the operation of the Fund, procurement of specialized equipment for the fund distribution, communication, auditing service, receipt of delegations and others (if any)

- b) The detail of expenditure, cost norm for expenditure for the operation of the Fund shall conform to the current provisions. In case legislation does not stipulate the detail of expenditure, cost norm, based on the financial capacity, the Viet Nam Fund for Forest Protection and Development shall

develop detail of expenditure, cost norm in the internal regulation for expenditure;

- c) The budget for management stipulated at point a clause 1 this Article is the income of the Provincial Fund for Forest Protection and Development, who is applied with the self-financing mechanism as for public service delivery agency;
- d) The contingent fund shall be extracted from the total fund from FPES amount collected in the year at a proportion of 5% in order to support households, individuals who are allocated forest, contracted for forest protection service in case of natural disasters, drought or the PFES rate on the same unit of area of the province is lower than that of the preceding year, The director of the provincial Fund for Forest Protection and Development shall work out a plan to support households, individuals, residential communities and people who are allocated forest and contracted for long-term, stable forest protection service and submit it to the provincial People's Committee for decision. The approved contingency fund in the year that has not yet been disbursed or spent must be reimbursed to the forest environment service provider;
- e) The money amount remained after deducting the management budget, the amount in the contingency fund that was used in compliance with provisions at Points a and d, Clause 2 of this Article, shall be distributed to forest environmental service providers by provincial Fund for Forest Protection and Development according to the provisions of Clause 2, Article 69 of this Decree;
- f) As for the amount received from the forest environmental service users of which the PFES receivers are unidentified or have not yet been identified, the Fund for Forest Protection and Development shall propose the approval of the provincial People Committee for allocation of such amount to the forest environmental service providers whose the average PFES rate per 01 hectare received is at the lowest level upwards; to use such amount for supporting forest protection, development, plantation of scattering trees, creation of forest landscape in the areas providing forest environmental services; to communicate, disseminate PFES policy to the policy implementers and strengthen their capacity on PFES policy implementation.

3. Forest owners

- a) Forest owners being households, individuals, residential communities are entitled to use the whole PFES amount received for management the forest protection and development activities and improving their living conditions;

- b) Forest owners being companies: the whole PFES amount received is considered the eligible income of the company, which they are entitled to manage, use at their discretion according to legal provisions on finance as for companies;
- c) Forest owners being organizations but are not those stipulated in Point b, Clause 3 of this Article who are not conduct contracting for protection of the whole or a part of the forest area, the whole PFES amount they received in corresponding to the forest area they protect by their own can be used for their forest management protection activities including: development and implementation of sustainable forest management plan and forest certification; silviculture work items, technical facilities for forest protection and development; activities of patrolling and pursuing criminals in hot spots of violations, handling violations against legislation on forest protection and development; asset procurement, tools, equipment, maintenance and repair of equipment and assets for forest protection; preparation of dossier, development of the PFES map, inspection, monitoring, evaluation, acceptance, communication, advocacy, training, education, conferences and other activities for PFES implementation; for paying salaries and wage-related amounts for non-wage receiving subjects from the State budget and other activities in service of forest management, protection and development.
- d) The PFES amount received for the forest area that the forest owners protect by their own is considered the eligible income of the forest owners, which will be managed by the forest owners according to legal provisions on finance in line with the organizational form of the forest owners;
- e) Forest owners being organizations stipulated at point c clause 3 this Article who conduct contracting with organizations, individuals, households, residential communities for forest protection and development are entitled to extract 10% from the total PFES amount paid to the contracted forest areas mentioned above in order to fund for management of forest providing forest environmental services, including: silviculture work items, technical facilities for forest protection and development; activities of patrolling and pursuing criminals in hot spots, handling violations against legislation on forest protection and development; asset procurement, tools, equipment, maintenance and repair of equipment and assets for forest protection; preparation of dossier, development of the PFES map, inspection, monitoring, evaluation, acceptance, communication, advocacy, training, education, conferences and other activities for PFES implementation; for paying salaries and wage-related amounts for non-wage receiving subjects from the State budget and other activities in service of forest management, protection and development.
- f) The amount extracted to fund the forest owners' management is considered the eligible forest owners' income and is managed in accordance to legal provisions on finance in line with the organizational type of the forest owners.

- g) The remaining amount after the deduction of the management fund shall be disbursed by the forest owners to the contracted party in accordance with clause 3 Article 69 of this Decree.

4. Commune People Committee, other organizations who are tasked by the State with the responsibility for management of forest shall develop the plan for PFES fund use in the forest management and protection and submit it to the district people's committee for approval before sending it to the Provincial Fund for Forest Protection and Development. The detail of expenditure items includes:

- a) Payment to forest protectors;
- b) Petrol, oil for forest patrolling, checking means;
- c) Support people mobilized in prevention, combating against illegal logging and forest fire who have accidents, are injured;
- d) Payment for night shift working, overtime working, pluralism working;
- e) Dissemination, communication on legislation and organization of training, capacity strengthening measures on the forest management and protection knowledge;
- f) Organization of conference, workshop, preliminary review workshop and emulation;
- g) Other expenditure items.

Article 71. Advance, payment, financial settlement of the PFES money

1. Advance of the PFES money

Based on the approved plan on income and expenditure, the provincial Fund for Forest Protection and Development shall advance the PFES money to the forest environmental service providers and pay units, organizations who are tasked with supporting the provincial Fund for Forest Protection and Development in distribution of PFES fund. Provincial People Committee shall stipulate the number of advance, proportion of advance of the PFES fund.

2. Distribution of the PFES fund

- a) Based on the amount of PFES actually received during the year, the result of identification of forest area eligible to PFES, the provincial Fund for Forest Protection and Development or the units, organizations who are tasked with distribution of PFES fund shall make payment to the forest environmental service providers before June 1st every year;
- b) After completion of the payment, the units, organizations who are tasked with supporting the distribution of PFES fund shall prepare the comprehensive report using Form 12, Form 13 Annex VI to this Decree, to send to the provincial Fund for Forest Protection and Development with financial proofs before June 15th of the next year;
- c) Based on the management fund used, the expenditure items, the expenditure rate approved by the provincial people committee and legal financial proofs, the provincial Fund for Forest Protection and Development shall pay units, organizations who are tasked with supporting PFES fund distribution.

3. Form of advance, distribution of PFES fund

- a) As for the forest environmental service providers being organizations, the advance, payment must be conducted through bank accounts;
- b) As for the households, individuals, residential communities, the advance, distribution shall be conducted via bank account or in cash. The State encourage advance, distribution of PFES fund in places meet the conditions for implementation.

4. Financial settlement of PFES amount:

- a) The provincial Fund Forest Protection and Development shall close the accounting book on December 31st every year, prepare the financial statement report using Form 14 in Annex VI to this Decree, the deadline for preparation and amendment the financial settlement report to June 30th of the next year, which will be submitted to the direct management agency before July 15th of the next year;
- b) Forest owners being organizations who conduct contracting for forest protection service shall prepare the financial settlement report of PFES money using Form 15 Annex VI to this Decree, submit it to the direct management agency and the provincial Fund for Forest Protection and Development before June 30th of the next year;
- c) Commune people committee and other organizations tasked by the State with the forest management responsibility shall close the accounting book,

- prepare and submit the report in accordance with provisions on financial provisions applied to each organizational type;
- d) The Ministry of Agriculture and Rural Development shall review the PFES financial settlement report of the Viet Nam Fund for Forest Protection and Development;
 - e) The Provincial Department of Agriculture and Rural Development (in case the provincial Fund for Forest Protection and Development is under DARD) or the Provincial Department of Finance (in case the provincial Fund for Forest Protection and Development is under the Provincial People Committee) shall review the financial settlement report of the provincial fund for forest protection and development;
 - f) The direct management agency shall review the PFES financial settlement report of the forest owners under its management;
 - g) The district financial management agency shall review the report the PFES financial settlement of the commune people committee and other organizations tasked by the State for forest management;
 - h) The time for reviewing the PFES financial settlement shall be in accordance with the current provisions on financial management applied to each organizational type.

Article 72. Checking, supervision, financial publicity

1. Checking, supervision of the management, use of PFES fund

- a) The Ministry of Agriculture and Rural Development shall assume the prime responsibility and coordinate with the Ministry of Finance in organizing inspections at the local and at the Vietnam Forest Protection and Development Fund;
- b) The Provincial Department of Agriculture and Rural Development (in case the provincial Fund for Forest Protection and Development is under DARD) or the Provincial Department of Finance (in case the Provincial Fund for Forest Protection and Development is under the provincial People's Committee) shall take lead the inspection of the Provincial Fund for Forest Protection and Development;
- c) The Viet Nam Fund for Forest Protection and Development shall check the management, use of PFES money by the provincial Fund for Forest Protection and Development; check the payment made by the forest environmental services users;
- d) The Provincial Fund for Forest Protection and Development shall check the use of PFES fund by stakes holders within the boundary of the

- province; check the payment made by the forest environmental service users;
- e) Forest owners being organizations shall check the contracted party;
 - f) Agencies, organizations, and the whole people shall participate in supervision with State agencies, organizations, individuals, residential communities relating to management, use of PFES.

2. Financial publicity

- a) The Fund for Forest Protection and Development, forest owner being organization, communication people's committee, other organization who are tasked with forest management shall public financial information in accordance with legal provisions on finance;
- b) To public the list of PFES receivers, quarterly, annually payment plan according to the Regulation on democracy at grass-roots levels in different forms such as: places of residential community meeting, hamlet or the most convenient public places for people to follow; written announcement of the commune, hamlet communication system, or announcement during communal meetings of communes, hamlets.

PART 5. EXEMPTION, REDUCTION OF PFES

Article 73. Case entitled for exemption, reduction

1. Organizations, individuals involving in production and business activities that is influenced by natural disasters, fire, earth quake, storms, floods, whirlwind, tsunami, landslide, which cause damages directly to their capital, assets entailing to loss of function or cease of their production and business activities and who are not obliged to buy insurance for assets according to legal provisions.
2. Individuals involving in production and business who lose civil behaviors, died or declared being died, missing, without left assets to pay or whose the heirs or custodian are unable to pay the debt on behalf of them.
3. Organizations involving in production, business who receive a decision requesting dissolution or going bankrupt of the State competent agencies according to legal provisions, who do not have capital, assets to pay the debt for the forest environmental service providers.

Article 74. Rate of PFES exemption, reduction

1. Exemption of PFES: organization, individuals are exempted 100% of the obligatory PFES amount in case the risk of damages in terms of capital and assets of the PFES payer fall in within the range from 70% to 100% in comparison with the total assets or the production and business plan or in cases stipulated in clauses 2, 3 Article 37 of this Decree.

2. Reduction of PFES amount: organization, individuals are entitled to a maximally 50% of the PFES amount in case the risk of damage to capital and assets of the PFES payer fall in the range from 40% to below 70% in comparison to the total assets or production, business plan.

Article 75. Dossier and the order of exemption and reduction

1. The dossier applying for PFES exemption or reduction

In case of force majeure risks as stipulated at Article 73 this Decree, the forest environmental service user shall prepare 01 dossier applying for PFES exemption, reduction and send it to the Department of Agriculture and Rural Development (as for the forest environmental service providers located within the administrative boundary of a province) or the Viet Nam Administration of Forestry (as for the forest environmental service users located within the boundary of at least 2 provinces). The dossier applying for PFES exemption, reduction include:

- a) The written application for PFES exemption, reduction of the forest environmental service users or custodian, heirs of the forest environmental services users, in which causes, detail of force majeure risks, level of damages in capital and assets; content of the application for PFES exemption, reduction, time when the exemption, reduction take effect requested;
- b) the list of damages, losses in capital and assets; the copies of the decision on dissolution or bankruptcy (if any) of the competent agency in accordance with legal provisions as for the forest environmental service users being organizations;
- c) In the case of PFES exemption as for the forest environmental services users being individuals, in addition to the application stipulated at point a clause 1 this Article, in case a given user loses civil behavior capacity, its/her/his custodian must send a copy of the court's decision; in cases the

user is dead or missing, its/her/his heirs must send copies of death, missing certificates.

2. The order in approval of the PFES exemption, reduction

- a) As for the direct submitted dossier, during ½ working day after the dossier is received, the dossier recipient must notify the dossier sender in writing on the validity of the dossier;
- b) As for the dossier received via post or internet, during 02 working days after the dossier is received, the dossier recipient must notify in writing the dossier sender on the validity of the dossier;
- c) Within 05 working days after the valid dossier applying for PFES exemption, reduction is received, the dossier recipient shall establish a verification delegation;
- d) Within 05 working days since the issuance of establishment, the verification delegation shall conduct the check, verification;
- e) After 05 working days, after conclusion of the verification, the verification delegation shall report thereabout, propose the provincial people's committee to approve the PFES exemption, reduction application of the forest environmental services users being organizations, individuals within the administrative boundary of one province or propose the Ministry of Agriculture and Rural Development to approve the PFES exemption, reduction application as for forest environmental services users being organizations located within the administrative boundary of at least two provinces;
- f) Decision of PFES exemption, reduction is sent to the Fund for Forest Protection and Development, organizations, individuals using the forest environmental services for implementation.

PART 6. TASK AND ORGANIZATIONAL STRUCTURE OF THE FUND FOR FOREST PROTECTION AND DEVELOPMENT

Article 76. Tasks of the Fund for Forest Protection and Development

1. Tasks of the Viet Nam Fund for Forest Protection and Development

- a) Reviewing, signing contracts, receiving and managing the trusted PFES fund for distribution;
- b) Advocating, receiving and managing trusted fund, donation, voluntary, trusted contribution of the domestics, international organizations, individuals; other non-State legal financial resources;
- c) Receiving, managing the fund for offset plantation;
- d) Organizing appraisal and propose competent agencies to approve programmes, projects and non-project activities supported by the Fund;
- e) Acting as a focal point who assists the Viet Nam Administration of Forestry in organization of check, supervision of PFES collection and distribution by provincial Fund for Forest Protection and Development;
- f) Steering, guiding, checking, supervising object who are eligible for financial support from the Fund;
- g) Implementing legal provisions on finance, statistics, accounting and auditing; reporting on the situation of management use of the Fund to the competent levels;
- h) Giving recommendations to State competent agencies on promulgation, amendments of provisions on objects, activities eligible for support from the Fund;
- i) Summarizing, reporting to the Ministry of Agriculture and Rural Development on the annual situation of income, expenditure, of PFES fund of the whole country;
- j) Implementing the communication, dissemination of the PFES policy at central and local levels;
- k) Implementing other tasks assigned or stipulated by State competent agencies.

2. Tasks of the Provincial Fund for Forest Protection and Development

- a) Reviewing, signing contracts, receiving and managing the trusted PFES fund;
- b) Advocating, receiving and managing the other trusted fund sources; donation, aid, voluntary contribution from domestics, international organizations and individuals; other non-State legal financial sources;
- c) Receiving, managing the fund for offset afforestation;
- d) Act as the representative of the forest environmental service providers to sign the contract with the forest environmental forest users who have to pay trusted money to the provincial Fund for Forest Protection and Development;
- e) To act as a focal point who assists the State competent agencies in organization of check, supervision the use, management of the fund for management, the distribution of PFES fund to households contracted for forest protection service of forest owners who have contracts for forest protection;
- f) Organization of appraisal and propose competent agencies to approve the programme, projects and non-project activities supported by the Fund;
- g) Steering, guiding, checking, supervising objects eligible for financial sources supported by the Fund;
- h) Implementing legal provisions on finance, statistics, accounting and auditing; report on the situation of management, use of the Fund to competent agencies;
- i) Recommending to competent State administration agencies to promulgate, amend, provisions on objects activities eligible for support from the Fund;
- j) Reporting to the provincial People's Committee and Viet Nam Fund for Forest Protection and Development on the annual situation of income and expenditure of PFES fund in the locality using Form 16 Annex VI to this Decree;
- k) Implementation of communication, dissemination of relating legal policies;
- l) As for centrally-administered cities and provinces that have not yet met the conditions for establishment of the provincial fund for forest protection and development, the agency, organization who take over the task of the provincial Fund for Forest Protection and Development shall be responsible for implementation of tasks stipulated at this clause.

Article 77. Organizational structure

1. Organizational structure of the Fund at central level

- a) The Viet Nam Fund for Forest Protection and Development (herein after called as the Central Fund) is established and managed at the decision of the Ministry of Agriculture and Rural Development and under the management of this body. The Fund has a legal person status, its own stamp, is eligible to open a bank account at the bank and State Treasure according to legal provisions, organization, operation shall conform to the form of public service delivery agency;
- b) The organizational structure of the Fund includes: The Fund Management Council, the Fund Control Board, the Fund Steering Board and functional departments;
- c) Fund Management Council, the Fund Control Board and the Steering Board are stipulated in the regulation on the Fund organization and operation, which is promulgated by the Minister of Agriculture and Rural Development.

2. Organization of the Fund at the provincial level

- a) The provincial Fund for Forest Protection and Development (herein after called the provincial Fund) is established at the decision of the provincial People's Committee based on the need and ability of mobilization of financial sources for the forest protection and development activities. The Fund belongs to either the Provincial People's Committee or the Provincial Department of Agriculture and Rural Development. The Fund has its own legal person status, stamp, is eligible to open its own bank account at banks and State Treasure in accordance to legal provisions; its organization, operation shall apply the model for the public service delivery agency;
- b) The steering and management structure of the Fund includes: the Fund Management Council, the Fund Control Board, the Fund Steering Board and the Functional Departments;
- c) The Fund Management Council, The Fund Control Board and the Fund Steering Board are stipulated in the regulation on organization and operation of the Fund, which is promulgated by the provincial People's Committee.

Article 78. The relationship between the Central Fund and provincial Funds

1. Responsibility of the Central Fund

- a) Coordinating the PFES fund and other financial sources trusted to the Provincial Fund;
- b) Financial support, technical support to the provincial fund;
- c) Organization of training, education, technical coaching for provincial Fund;
- d) Organization of exchange, sharing experience on management skills among provincial Fund;
- e) Organization of check, supervision the management and use of the provincial Fund for Forest Protection and Development.

2. Responsibility of the provincial Fund

- a) Receiving, managing, using financial sources, technical support from the Central Fund;
- b) Conforming to the check, supervision of the Central Fund on the fund management, use by the Fund;
- c) Reporting on the fund management and use to the Central Fund in order to summarize the report to the Ministry of Agriculture and Rural Development.

PART 7. FINANCIAL SOURCES AND FUND MANAGEMENT AND USE BY THE FUND FOR FOREST PROTECTION AND DEVELOPMENT

Article 79. Financial sources

1. The financial sources of the Central Fund

- a) The PFES fund, the trusted fund from domestics and international organizations, individuals under trusted contract relating to forest protection and development;
- b) The fund for offset plantation due to conversion of forest to other uses;
- c) Donated fund, aided fund, voluntary contribution from domestic and international organizations and individuals;
- d) Deposit interest from credit organizations;
- e) Other non-State legal financial sources.

2. The financial source of the Provincial Fund

- a) The PFES fund; trusted fund from domestic and international organizations and individuals under trusted contract relating to forest protection and development;
- b) The fund for offset afforestation due to conversion of forest to other uses;
- c) The donated, aided fund, voluntary contribution from domestic and international organizations, individuals;
- d) The support source from the Central Fund;
- e) Deposit interest from credit organizations;
- f) Other non-State legal financial sources

Article 80. The expenditure item of the Fund for Forest Protection and Development

1. The Central Fund

- a) Coordinatedly distributes PFES fund provincial Funds; expend fund on trusted tasks under trusted contracts from the financial sources stipulated at point a clause 1 Article 79 this Decree;
- b) Expend the fund from the financial sources stipulated at point b clause 1 Article 79 this Decree;
- c) Expend the fund from the financial sources stipulated at points c, d, dd clause 1 Article 79 this Decree in supporting programmes, projects, non-project activities, including: fund for combating against illegal logging, production, business, transportation, communication, dissemination and implementation of legal policies on forest protection and development; testing and upscaling models of forest protection and development, sustainable forest management, experiments, application of new forestry varieties, support for plantation of scattering trees; development of non-timber forest products on forestry land; training, education for human resources serving forest protection and development at provincial level and support other activities relating to forest protection and development;
- d) Expend the fund for supporting provincial Funds from the budget stipulated at point c, d, and dd clause 1 Article 79 this Decree;
- e) Expend the fund for the operational cost of the management structure of the Fund from the budget for management of forest environmental service stipulated at point a clause 1 Article 70 of this Decree; from the management fund under the trusted contract, deposit interest, other legal financial sources in accordance with legal provisions. The detail of expenditure, cost norm for the Fund organizational structure shall conform to the current provisions. In case the law does not stipulate in detail the cost items, cost norm, based on the financial capacity, the Fund shall develop its own cost items, cost norm in the internal regulation for expenditure; make decision on expenditure at its discretion and take responsibility to the Law.
- f) Provincial fund
- g) Distribution of PFES fund: fund the implementation of tasks under other trusted contracts from the funding source stipulated at point a clause 2 Article 79 this Decree;
- h) Expend the fund for offset afforestation due to the conversion of forest to other uses in accordance with provisions from the budget source stipulated at point b clause 2 Article 79 this Decree;

- i) Expend the fund for supporting the programmes, projects and non-project activities from the budget sources stipulated at points c, d and e clause 2 Article 79 this Decree, including: funding for combating against illegal deforestation, logging, business, transportation, communication, dissemination and implementation of legal policies on forest protection and development; testing and upscaling models of forest protection and development, sustainable forest management, experiments, application of new forestry varieties, support for plantation of scattering trees; development of non-timber forest products on forestry land; training, education for human resources serving forest protection and development at provincial level and support other activities relating to forest protection and development;
- j) Expend the fund for the operational cost of the management structure of the Fund from the budget for management of forest environmental service stipulated at point a clause 2 Article 70 of this Decree; from the management fund under the trusted contract, deposit interest, other legal financial sources in accordance with legal provisions. The detail of expenditure, cost norm for the Fund organizational structure shall conform to the current provisions. In case the law does not stipulate in detail the cost items, cost norm, based on the financial capacity, the Fund shall develop its own cost items, cost norm in the internal regulation for expenditure; make decision on expenditure at its discretion and take responsibility to the Law.

Article 81. Financial planning, reporting, settling

1. The Central Fund

- a) Annually, the Fund shall formulate its financial plan including: plan of PFES collection, distribution of the fund from PFES and other financial sources; estimate the operational budget of the Fund that will be adopted by the Fund Management Council, and submit a funding proposal to the Ministry of Agriculture and Rural Development for decision;
- b) Annually, the Fund shall prepare financial report, financial settlement report in accordance with legal provisions on current legal provisions on finance and accounting and send them to the Ministry of Agriculture and Rural Development for review.

2. Provincial Fund

- a) Annually, the Fund prepare a financial plan which include: the income and expenditure plan, PFES fund and fund from other financial sources to be distributed and; budget for operational expenditure of the Fund, which is submitted to the provincial People's Committee for decision;
- b) Annually, the Fund shall formulate a financial statement, financial settlement report in accordance with current legal provisions on finance and account. The provincial Department of Agriculture and Rural Development shall review the financial settlement report for the Fund under its management; the provincial Department of Finance shall review the financial settlement report for the Fund under the provincial People's Committee's management.

3. The empowerment of self-financing right to the Central, provincial funds shall conform to the Government's provisions on self-financing mechanism applied to public service delivery agencies in the economic and other fields and guiding documents.

Article 82. The regime of accounting, auditing, assets management and financial publicity

The Fund for Forest Protection and Development at all levels shall exercise the regime of accounting, auditing, assets management and financial publicity as follows

1. Performing accounting work according to the accounting regime applied to public service delivery agencies.
2. Managing and using assets according to the provisions of the Law on Management and Use of Public Assets and guiding documents.
3. Encouraging the implementation of independent auditing as for financial report.

Realization of financial publicity according to current financial regulations; encourage independent assessment of the results of implementation of forest environmental services policies.

PART 8. MANAGEMENT OF PROGRAMMES, PROJECTS AND NON-PROJECT ACTIVITIES SUPPORTED BY THE FUND

Article 83. The approach and content of financial support

1. Non-refundable fully or partly fund for organizations, households, individuals, residential communities in implementation of programmes, projects and non-project activities according to contents stipulated at clause 2 this Article.

2. Activities eligible for being supported

- a) The central fund shall support the activities stipulated at point c clause 1 Article 80 this Decree;
- b) Provincial Fund shall support activities stipulated at point c clause 2 Article 80 this Decree.

Article 84. Giving approval on programmes, projects and non-project activities

1. Central fund

- a) Before December 31st every year, organizations, households, individuals, residential communities who have demand shall send the written application for support, which is attached with programme, project or non-project activities documents directly or via post to the Fund Management Council;
- b) Before February 25th annually, the Fund Management Council shall take lead, coordinate with functional agencies in organization of appraisal, reporting to the Fund Management Council for its adoption, and submit it to the Ministry of Agriculture and Rural Development for approval;
- c) Within 03 working days, after the approval of the Ministry of Agriculture and Rural Development is given, the Fund Director shall send the notification via post to the organizations, households, individuals, residential communities who are granted with the support for the implementation thereof.

2. Provincial Fund

- a) Before December 31st every year, organizations, households, individuals, residential communities who have the need of support shall send their writing application for support, which is attached with programmes, projects, non-project activities documents via post to the Fund Management Council;
- b) Before February 25th every year, the Fund Management Council shall take lead, coordinate with functional agencies in organization of appraisal, reporting to the Fund Management Council for its adoption, and submit it to the provincial People's Committee for approval;
- c) Within 03 working days, after the provincial people's committee approve, the Fund Director shall send notification via post to the organizations, households, individuals, residential communities for implementation thereof.

Article 85. Implementation of programmes, projects or non-project activities

1. Organizations, households, individuals, residential communities shall implement programmes, projects and non-project activities according to decisions approved by competent agencies.
2. The establishment of a management board for implementation shall conform to the requirements of competent agencies.

Article 86. Monitoring and evaluation of the implementation of programmes, projects or non-project activities

1. The Central Fund

- a) The Fund management Council shall guide the implementation, monitoring the programmes, projects or non-project activities supported by the Central Fund on a regular or ad-hoc basis;
- b) In case of necessity, the Fund's Executive Board is allowed to hire consultants monitor and evaluate the implementation of programmes, projects or non-project activities supported by the Central Fund.

2. Provincial Fund

- a) The Fund Management Council shall implement, monitor the implementation of programmes, projects or non-project activities that are supported by the provincial Fund on a regular or ad-hoc basis;
- b) In case of necessity, the Fund's Executive Board is allowed to hire consultants monitor and evaluate the implementation of programmes, projects or non-project activities supported by the Provincial Fund.

Chapter VI. POLICY ON INVESTMENT IN FOREST PROTECTION AND DEVELOPMENT

Article 87. Policy on investment

1. The State shall ensure the budget for investment in activities as follows:
2. Protection and development of special-use forests, protection forests:
 - a) Management activities of forest management boards;
 - b) Planting, tending and zoning off generating forest;
 - c) Inventory, monitoring, supervising the changes of forest resources and biodiversity; inventory, updating forest statistics and publicity of forest status;
 - d) Management of information relating to forestry and forest related database;
 - e) Collection of forest faunal and floral specimens;
 - f) Scientific study, training, development of human resources, forestry promotion;
 - g) Communication, dissemination, education on forest protection and development related legislation;
 - h) Monitoring, halting, combating, preventing and handling violations against legislation on forest protection and development;
 - i) Formulation and implementation of the sustainable forest management plan;

j) Forest allocation, demarcation of forest boundary.

3. Protection and rescue of forest endangered, precious and rare animals and plants.

- a) Monitoring, supervising and organization of rescue of forest endangered, precious, rare animals and plants species;
- b) Procurement of monitoring, rescue, protection of forest endangered, precious, rare plants and animals species;
- c) Tending, farming endangered, precious, rare, animals and plants species.

4. Research, application of scientific research, technology development and training, human resource development for State administration over forestry

- a) Application of high technology, advanced technology, innovative technology in forest inventory, updating forest statistics, monitoring forest resource change; prevention and combating forest fire; prevention, elimination of pests harmful to forest; selection, creation of timber trees varieties, non-timber forest products; restoration of forest, improvement of natural forest quality;
- b) Research, conservation of forest ecosystems, forest valuation, identification of forest environmental service value;
- c) Research on solution for biodiversity conservation as for forest ecosystems, response to climate change;
- d) Development and completion of the system of standard, norm and technical guidelines on forestry.

5. Development of research and development zones, high tech zones

- a) Plant propagation by tissue culture and somatic embryo culture; create new varieties by gene transformation technology, gene mutation technology, cell technology, molecular genetics technology;
- b) Research, development, application of mechanization, automation, biotechnology, use of new materials and energy saving in industrial seedling production, forest planting and tending;
- c) Research and application of remote sensing technology, information technology and biotechnology in forest resource management and protection;

- d) Research and application of high technology in harvesting timber and forest products;
- e) Research, application and demonstration of high technology in processing and preserving wood and forest products.

6. Procurement of facilities, equipment and equipment: for forest protection; monitoring and warning of the risk of forest fire; prevention and elimination of forest harmful organisms.

7. Building, maintaining, repairing, upgrading and improving infrastructure for the protection and development of special-use forests and protection forests

- a) Traffic roads from existing roads to the office of the Forest Management Board; forestry roads: kidding traits for transport and transport within the boundaries of the Forest Management Board; forest patrolling road;
- b) Office, public houses for temporary stay of officials, forest protection stations; rescue center combining wild animal grazing site; environmental education center combining guest houses; museum of forest animals and plants; works for scientific research;
- c) Fire breaking trail, forest fire guard tower, observation station, forest fire forecast; canals, bridges, culverts, tanks, water tanks, dams, reservoirs and water pipelines for forest fire prevention and combating;
- d) Signboards, warning signs and landmarks of forest boundaries;
- e) Warehouses and yards for gathering raw materials, materials, tools and equipment for forest protection and development; wharves for ships and boats as for offices and forest protection stations located near rivers and seas;
- f) Independent electricity system (solar power, wind power, small hydroelectricity, ...) in the place where the forest management board office is located, the forest protection and management station does not have the national grid system; telecommunication systems;
- g) Other works for forest management and protection.

7. National forestry plan, basic forestry surveys, development of forestry development programs and projects.

8. Inventory, update of forest statistics, and monitoring forest resources change.

9. Protection and development of natural production forests during forest closure.

10. Maintaining and developing national seed forests and botanical gardens according to plans approved by competent state agencies.

11. Subjects, investment levels and investment order shall be specified by the Government in each period on the basis of the budget balancing capability and the socio-economic development situation of the country.

Article 88. Policy investment

State budget supports investment for the following activities:

1. Transfer high technology, advanced technology, new technology, forestry extension and certification of sustainable forest management

- a) Application of high technology, advanced technology, new technologies in: intensive cultivation of large timber, native tree planting, mixed forest planting; modernizing forestry seed production processes, planting, tending, protecting and harvesting forests; exploitation, transportation, processing and preservation of forest products; supporting industries in forest product processing;
- b) Research for innovations in organizational model of forestry production along the value chain, associated with sustainable forest development; developing combined forestry, agricultural and fishery production models;
- c) Transfer technology and research results in the forestry sector in the field of forestry production, business and management;
- d) Training, testing, transfer, operation of high technology, advanced technology, new technologies, forestry extension activities;
- e) Develop plans, implement sustainable forest management and certification as of production forests.

2. Developing infrastructure associated with development investment and trading of production forests along the value chain

- a) Building centers for production of high quality forest tree seeds and nursery gardens for forest trees;

- b) Construction of forestry roads in areas of production forest with a scale of 500 ha or more;
- c) Constructing forest protection works (fire guard towers, signs and fire-break trails) in production forests with a scale of 500 ha or more;
- d) Investment in construction and transportation costs for factories processing timber from planted forests in difficult socio-economic regions.

3. Cooperation and associating in forest protection and development of ethnic minorities people and residential communities in association with socio-economic development programs and new rural construction.

- a) Planting production forests and developing non-timber forest products for farming households living in mountainous, border, island and specially difficulty-stricken socio-economic regions;
- b) Forest protection and zone-off forest regeneration with additional planting as for natural production forests for farming households living in mountainous, border, island and specially difficulty-stricken areas;
- c) Support livelihood development, improve people's living standards in buffer zones of special-use forests and protection forests;
- d) Households of ethnic minorities people and poor households in specially difficulty-stricken socio-economic regions participating in afforestation of production forests may borrow capital from the Social Policy Bank according to current regulations;
- e) Support in rice shall be given to ethnic minority households and poor households in specially difficulty-stricken socio-economic regions to change the cultivation practices of nomadic farming and implement afforestation in replacement of upland cultivation.

4. Training, retraining and developing human resources for forest owners

- a) Seed production and trading;
- b) Planting, tending and protecting forests;
- c) Exploiting, processing and trading forest products;

- d) Application of remote sensing technology, information technology in management, protection and monitoring of forest changes;
- e) Forest fire prevention and fighting; prevention of forest pests and diseases.

5. Promoting investment, market development, trade in forestry activities; expand and strengthen international cooperation on forestry

- a) Investment promotion, market development and product trade activities;
- b) Expanding and strengthening international cooperation on forestry.
- c) Subjects, levels of support and order of investment support shall be specified by the Government in each period.

Article 89. Investment incentive policy

1. The State provides investment incentives for activities prescribed in Clause 3, Article 94 of the Forestry Law.

2. Other investment activities are entitled to incentives in accordance with the Investment Law and the Law on Public Investment.

3. Subjects, contents, principles and procedures for specific investment preferences shall comply with the law on investment and investment preferences.

Chapter VII. TERMS OF ENFORCEMENT

Article 90. Enforcement

1. This Decree takes effect from January 1st, 2019.

2. To annul legal documents in Appendix I attached to this Decree.

Article 91. transitional provisions

1. Programmes, projects and activities for forest protection and development, forest products processing and trade which is fully partly, preferentially funded by the State in accordance to the existing policies shall be continued until the Government, Prime Minister promulgate new policies, including:

- a) The policy that secures the life of ethnic minority groups, residential depending to forest under the provisions stipulated in Decree 75/2015/NĐ-CP dated September 9th 2015 of the Government on the forest protection and development in association with the policy for sustainable poverty reduction and support to people from ethnic minority groups;
- b) The policy for contracting households, individuals, residential communities for forest protection and development according to provisions at Decree 168/2016/NĐ-CP dated December 27th, 2016 of the Government stipulating contracting for protection of forests, orchards and water surface areas by special-use forest, protection forest management boards and State one member liability company limited;
- c) The policy for development of forest products processing and market according to provisions in Decree 55/2015/NĐ-CP dated June 09th, 2015 of the Government on credit in service for agriculture, rural development; Decree 57/2018/NĐ-CP dated April 17th 2018 of the Government on the policy encouraging companies invest in agriculture, rurality;
- d) The policy for investment in development of special-use forests for the period 2011-2020 according to Decision 24/2012/QĐ-TTg dated June 1st, 2012 of the Prime Minister on the policy for investment in development of special-use forest for the period 2011-2020;
- e) The policy for strengthening the forest protection according to Decision 07/2012/QĐ-TTg dated February 8th, 2012 of the Prime Minister, except clauses 2, 3, 4 and 5 and Article 5 of this Decision;
- f) The policy for forest protection and development and investment in infrastructure, tasking public service to agro-forestry companies according to Decision 38/2016/QĐ-TTg dated September 14th 2016 of the Prime Minister;
- g) The policy for management, protection and sustainable development of mangroves in response to climate change according to Decree 119/2016/NĐ-CP dated August 23rd 2016 of the Government;
- h) Forestry companies' natural forest area which is closed, are entitled to support from the State budget for protection thereof. The support rate is stipulated at clause 3 Article 6 of Decision 38/2016/QĐ-TTg dated September 14th, 2016 of the Prime Minister that promulgates a number of

- policies for forest protection and development and investment in infrastructure, tasking public services to agro-forestry companies;
- i) When the State promulgate policies to replace policies stipulated at this clause then those policies shall be applied.

2. Special-use forests of which the establishment is decided by State administration agencies include marine protected areas, internal wetland components, the management boards of such special use forests shall continue to manage the marine, internal wetland components without having to establish management boards for new marine protected areas or internal wetland.

3. As for the Funds at commune level that have been established in accordance to provisions at Decree 05/2008/NĐ-CP dated January 14th , 2008 of the Government on the Fund for Forest Protection and Development who are entitled to continue their operation, complete the on-going process of payment, finance settlement and dissolution in 2019.

Article 92. Responsibility of implementation

Ministers, Heads of ministerial-level agencies, Heads of governmental agencies, Chairpersons of people's committee of provinces, centrally-administered cities and agencies, organizations, individuals concerned take the responsibility for implementation of this Decree./.

FOR. PRIME MINISTER

Destination:

- The Communist Party Secretariat;
- Prime Minister, Deputy Prime Ministers;
- Ministries, ministerial-level agencies, governmental agencies;
- People's Council, People's Committee of provinces, centrally-administered cities;
- Central Office and Department of the Communist Party;
- The Office of the General Secretary of the Communist Party;
- The Office of the Country President;
- Ethnic Council and Committees of the National Assembly;
- The Office of the National Assembly;

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- Supreme People's Court;
- The Supreme People's Procuracy of Viet Nam;
- The State Audit Office of Viet Nam;
- National Financial Supervisory Commission;
- The Social Policy Bank;
- The Viet Nam Bank for Development;
- The Viet Nam Father Land Front Central Council;
- Central level agencies of association;
- Government Office; Management Minister, Deputy management Ministers, Assistant to the Prime Minister, Director General of the Electronic Portal, Administrations, Departments, line agencies, Gazette;
- Achieve: