DECISION
On the issuance of the Production Forest Development Policy
The period from 2007 - 2015

PRIME MINISTER
Pursuant to the Organizational law issued by the Government on 25 December 2001;

Pursuant to the Forest protection and Development law issued on 23 December 2004;

Pursuant to the Resolution no 73/2006/QH11 dated 29 November 2006 issued by the National Assembly XI, session 10 on the adjustment of the objective outputs and tasks of the 5 million ha reforestation program (5MHRP);

Pursuant to the Decision no 18/QĐ-TTg dated 05 February 2007 issued by the Prime Minister on the continuous arrangement, restructuring and development of the state agriculture and forest enterprises;

In accordance with the proposal of the Minister of MPI.

DECIDES:

CHAPTER I: GENERAL PROVISIONS

Article 1. Political guidance on production forest development

1. The state encourages all economic entities to invest in forest plantation and forest products processing under the regulations specified in the Forest protection and development law.

2. Production forest provides multiple objectives. Plantation of the production forest is to contribute to the environmental and ecological protection while increasing incomes of those relying on forestry activities.

3. Organizations, individuals and households are eligible to invest in and benefit directly from planting, harvesting and processing wood and other forest products; the state partly supports for the initial investments to pay for part of the environmental values created from afforestation exercises while compensating for the low revenues benefited from forestry activities.
4. Production forest development must link well with the processing industry and forest products consumption in order to realize a stable and steady forestry sector.

5. Priority will be given to support the economic entities to invest in production forest plantation in particular disadvantaged communes in order to provide motivation to the development of forestry in rural and remote areas. In particular priority is also given to develop the production forest areas in the North West, Central Highlands and mountainous areas in the central region.

Article 2. Objectives

1. To plant 2 million ha of production forest with an average of 250 thousand ha per year (including the re-afforestation area after harvesting).

2. To contribute to create incomes and employment opportunities to stabilize the livelihoods of the mountainous communities.

3. To motivate the formulation of a forestry market that is developed steadily and stably, including markets for supplying seeds, technical services, markets for forest products processing and consumption.

Article 3. Regulatory scope and Policy stakeholders

1. This Policy applies to all domestic organizations, communities, households and individuals operating under the legal framework of the state regulations and laws and involved in production forest plantation and harvesting and forest products processing.

2. Projects that have applied as specified in the Decree no 151/2006/NĐ-CP issued by the Government on 20 December 2006 and areas that have been supported for afforestation through ODA funding sources shall not be regulated by provisions specified in this Policy.

Article 4: Term Explanation

1. Supporting after investment operation is the modality that organizations, individuals and households managing forest lands classified as production forest are allowed to invest in afforestation from their own fund initially. After acceptant checking, the State will pay for the forest farmers according to the supporting fund specified in this Decision.

2. Support for investment: Organizations, individuals, households and communities are supported partly from the State Budget for forestation.
CHAPTER II. INVESTMENT SUPPORTING POLICY BY THE STATE

Article 5: Support for afforestation and extension exercises

1. The planting of production forest on bare lands and hills by organizations, individuals and households in particular disadvantaged communes (in accordance with the Decision no 164/2006/QD-TTg dated 11 July 2006 issued by the Prime Minister on the approval of the particular disadvantaged communes list) shall be supported from the National Budget with the following rates:

   a. For areas that are planned for planting production forest: 3 million VND per ha for areas planting big wood trees (harvesting after 10-year age) and indigenous species; 2 million VND per ha for small wood trees (harvesting prior to 10-year age).

   b. Planting on areas of border communes shall be supported with 1 million VND per ha added to target groups specified in Point a, Provision 1 of this Article.

   c. Planting on areas of communes in-migration resettlements from the Hydro Power Projects built with approval of the National Assembly shall be supported with 1 million VND per ha added to target groups specified in Points a, b of Provision 1 of this Article.

2. Individuals, households and communities that are ethnic groups but not specified as particular disadvantaged communes (in accordance with the Decision no 164/QD-TTg dated 11 July 2006 issued by the Prime Minister on the approval of the particular disadvantaged communes list) shall be supported with 2 million VND per ha for the planting of production forest on bare lands and hills.

3. Supporting seed sources for afforestation and scattered plantation to organizations, individuals and households who are not specified under the Provisions 1 & 2 of this Article. The supporting rate is 1,5 million VND per ha as a maximum and 1,5 million VND per 1,500 scattered plants (equivalent to 1 ha). The specific support rates are based on the price of seed announced yearly by the PPC.

4. Forestation for experimental purposes by organizations, individuals and households (new seed, newly established ecological area) under the planning of the province: the support value is equal to 60% of the total afforestation costs that is approved by the state law. The experimental model area shall not exceed 2 ha each.

5. Supporting rate for extension activities: VND 200,000 per ha in 4 years (1 year planting and the following 3 years of tending) for particular disadvantaged communes (in accordance with the Decision no 164/QD-TTg dated 11 July 2006 issued by the Prime Minister); VND 100,000 per ha in 4 years for the remaining communes.
6. The extension support of VND 50,000 per ha is the cost of survey, designing and completing afforestation contract.

The extension support specified under the Provisions 5 & 6 of this Article is calculated aside from investment support of production forest plantation which are specified under the Provisions 1, 2 & 3 of this Article.

7. Supporting modalities:
Supporting after investment operation and Support during investment.
The Ministry of Planning and Investment, taking a leading role and working closely with MARD to give specific instructions on procedures of supporting after investment operation and support during investment.

8. Conditions for support:

a) Organizations, households and individuals managing forest land located in production forest must have allocated or leased land areas and be issued the land use right certificate. State owned forest enterprises managing forest land located in production forest, are required to contract forest land areas for afforestation purposes to individuals, households and communities for long term and stable use (50 years).

b) The seed sources (including seed and seedling sources) must be secured for the origin from certified seed production centers which are specified under Forestry Seedling Management Regulation of MARD.

Article 6. Rights and obligations of organizations, households and individuals (in short: forest investor) participating afforestation

1. Rights: be permitted to collect all production forest products from harvesting. Products from production forest are free for transportation and be inherited other preferential policies on tax remission, land use fees as regulated by the current state laws.

2. Obligations: For harvesting products from production forest, they contribute to the commune budget an amount of money that is equivalent to 80 kg of rice per ha for a production cycle in order to develop the Commune and village funds for forestry development, of which 50% is for use of the Commune fund while the other part is for the Village fund.

The forest land areas that are contracted for use to the communities, households and individuals by the management units of protection forest, special use forest or state forest enterprise (in short: contract provider), such amount of money is paid to the contract provider. Forest investors do not have to pay for any other costs to the contract provider.
The forest owner must complete the reforestation activities within 12 months after harvesting.

Forest Investors who have received funding support from the state to plant forest, if the forests do not meet the quality criteria as regulated by the state after 4 years of plantation, the organizations, individuals and households must pay all the costs for re-planting the un-qualified forest areas themselves or refund to the state budget the amount of funding support received plus the commercial interest charged from the date of withdrawal.

For the case in which the forest areas are lost by force Majuro such as: natural disaster, fire, or insects as defined in accordance with the procedures of the Ministry of Agriculture and Rural Development (MARD) the forest planting agencies do not have to pay compensation.

3. To the protection forest area that was invested by the 5MHRP and 327 Program and currently planned for production forest, forest investors are responsible for following the rights and obligations specified in Provisions 1 and 2 of this Article.

Article 7. Support for investment in planting and managing seed forest and nurseries

1. The state supports organizations, individuals and households to build, manage and do business in seed forests and nurseries, in which the State (including State enterprises and organizations established by the State) plays the role of directly managing the national scope seed forests and nurseries with the maximum 30% total area while other tasks are allocated, contracted or put up for sale to other economic entities for management and doing business within the planning schedule of the state.

2. Seed forest and nurseries located within the planning area approved by the competent authority shall be supported for initial infrastructure building under the approved project by the competent authority.

The maximum rate supported by the state budget for the silviculture, infrastructure and facilities is:

+ Not exceeding 35 million VND per ha for the newly established nursery.
+ Not exceeding 25 million VND per ha for the newly established seed forest.
+ Not exceeding 10 millions VND per ha for the transformed seed forest.
+ Additionally, provide financial support to manage and protect seed forests and nurseries of 100,000 VND per ha per year; the supporting period is not exceeding 5 years.

Article 8. Support for investment in building up high quality Seed production center.
1. The following criteria are defined for the Seed production center to receive support:
   a. The tissue culture center must produce at least 1 million seedlings per year.
   b. The land area must be at least 3 ha (including: land for building house, shop, nurseries of all species).

2. Eligible conditions to receive support:
   a. Provinces without tissue culture room shall be supported to invest in building one Seed production center with the criteria specified under Provision 1 in this Article.
   b. Non state enterprises or state forest enterprises with equitized seed production centers, of which the state holds not more than 30% of the total shares.
   c. Budget of the enterprise must account for at least 30% of the total investment capital.
   d. Having the investment project for Seed production center establishment appraised by the Provincial Department of Agricultural and Rural Development and approved by the Project Owner.
   d. The investment outcomes of the Seed production center must be checked for acceptance by PPMU.

3. Supporting items: offices, shops, equipments and facilities and technological costs, transportation road, electricity line.

4. The maximum support from the state budget shall not exceed 1.5 million VND per Seed production center.

5. Supporting mechanism: The funding support is provided in two times. The 1st time 70% of the total is provided, which is delivered right after the initial operation that is specified under Provision 3 in this Article while the remaining 30% is delivered in the 2nd round when the Seed production center level I becomes fully operational in terms of both production and consumption as the projected design and ensuring certified seedlings.

Article 9. Support for investment in seed nursery

1. Criteria defined for the seed nursery:
   a. The seed nursery is to provide forest seedlings from cutting, seed, bud and seedlings from tissue shoot.
   b. The land area must be at least 0.5 ha.

2. Planning for the nursery level II: Each commune or group of communes with a minimum of 1000 ha of production forest will prepare planning for one seed nursery. This planning exercise is based on the existing nursery mainly. The newly established planning is only developed according to demand from the new afforestation projects for supplying materials or places where this type of nursery is really needed.

3. Conditions to receive support
a. Be located within the area planned for seed production of the province or be part of the centralized afforestation project for supplying materials.

b. Commit to use the allocated land for seed production purposes for at least 10 years.

c. Belong to the ownership of the non-state economic entities; in case of belonging to the ownership of the state (state forest enterprises, management units of protection and special use forests) the state budget contribution shall not exceed 50%.

d. Having the investment project for the seed nursery establishment appraised by District PMU and approved by the Project Owner. The newly established seed nursery in border communes must be approved by District People’s Committee.

d. The investment result of the seed nursery establishment is checked for acceptance by the District PMU.

4. Supporting items: Support for initial infrastructure investment of the nursery, including: electricity system, irrigation system, fence, materials and site.

5. Supporting rates: 200 million VND as average support for newly established nursery; newly established nursery in border communes is supported in accordance with the approved project budget; not exceeding 50 million VND supporting to the nursery which is upgraded to meet the nursery criteria specified in the Provision 1 in this Article.

6. Supporting orders: The funding support is provided in two times after having acceptance check. The 1st time 70% of the total is delivered right after the completion of items that is specified under Provision 4 in this Article while the remaining 30% is delivered in the 2nd in the following year after construction.

Article 10: Support for investment in building forestry road

1. Road for forest fire prevention and fighting:
   a) Criteria to receive support:

Roads for forest fire prevention and fighting are built in combination with the forestry road, the road for transporting seedlings and materials within the planned project site with the proportion of 15-20 m road per ha. build the road for forest fire prevention and fighting within the scope of the project on supporting to the production forest planting The deployment of the planning must receive official comments from the project owners (including: forest owners signing contract for forest land management for 50 years) within the project site.

The previous afforestation projects which have not got road for forest fire prevention and fighting have rights to receive and supplement according this Decision.

   b) The support rate is 20 million VND per km, in that 15 million VND is provided for building road works, the remaining is for maintaining and upgrading the total road in the afforestation cycle.

   c) Investment procedures and acceptance check for payment and budget finalization: Once the budget plan is allocated by the PPC, the district project management unit is allowed to execute technical design, cost estimate of the road for
forest fire prevention following the standards on the forest fire prevention and fighting road regulated by MARD to get DPC approval. The district project management unit will then start the road construction; The district people’s committee is responsible for acceptance check the forest fire prevention and fighting road for the basis of doing the payment and fund usage finalization with the state treasury. The District PMU is responsible for managing, maintaining the whole road during the afforestation cycle.

2. Forestry road: The forestry road is supported with the investment value not exceeding VND 300 million per km and the investment is only provided to the centralized project on production forest plantation supplying materials to processing factories with the scope of at least 1000 ha in the area where the road for transporting forest products during the rainy season does not exist. The afforestation project investor is the investor who invests in building transportation road.

The forestry road is allowed to build when the forest plantation harvesting starts

Article 11. Support costs for transporting the processed products from the North West region

1. The state covers the costs for transporting products within the initial 5 years of establishing the factory in order to encourage enterprises to invest in wood processing development aiming at consuming products from plantation forests in the North West provinces (in accordance with the Resolution no 37/NQ-TW dated 01 April 2004). The supporting rate specified in the Decision no 210/2006/QD-TTg dated 12 September 2006 issued by the Prime Minister is 1,000 VND per ton per km (one thousand VND).

2. Supporting modality: Supporting after investment operation. The costs of transporting products is calculated on the basis of the distance from the factory to main consumption destination (Hanoi) traveling by the nearest car access road and with reference to the producing capacity of the factory.

3. Financial support procedures, acceptance check, payment and finalization of budget usage:

a) The investment project for factory establishment must be approved by the Chairman of PPC. The project investor take a duty to report to the Chairman of PPC about investment outcomes when the factory is completed and starts its operations; within 20 days from the reported date, the Chairman of the PPC shall establish a Appraisal Committee for conducting acceptance check the factual producing capacity of the factory in order to provide basis for payment of financial support to project investor.

b) The initial direct support is provided by 70% of the total support when the factory starts its operations and the rest is delivered through the deduction of the annual obligatory taxes. The government shall provide direct support to the factory through the state budget during the following budget year whenever the factory
initiates its operations. Each district shall be supported to build one factory. For piloting from now to 2010, each province shall be supported to build 1 to 2 factories if it satisfies conditions specified in Provision 4 of this Article.

4. Supporting conditions:

- The state only supports to factories producing composite panel and MDF in order to utilize materials. The factory is not permitted to move out of the registered production location within 20 years.

- All factory equipment and facilities must be 100% new and be built with the producing capacity of at least 10,000 m³ per year.

- Enterprise must ensure that the mature production forest area for harvesting accounts for at least 50% of the production capacity of the factory or factory is located near the existing material zone that guarantees the 100% factory designed production capacity (the forest capacity for basis to calculate the support to the factory is 100 m³ per ha).

- For state owned organizations, support is only provided to invest in wood processing centers of the factory once these processing centers have been equitized where the state share holding does not exceed 50%.

5. Encourage and give priority to individuals, households owning forested areas to contribute capital and forest sources to establish joint-stock companies, cooperatives and to receive support from the state in accordance with the regulations specified in Provision 4 of this Article.

**Article 12. Supporting sources**

1. Central budget.

2. Local budget: in accordance with the regulations specified in this Policy, PPCs are responsible for using the revenues collected from selling standing trees, forest taxes, and fees from illegal acts, environment protection fees, revenues from hydro power stations and other sources of revenues to ensure the operation.

3. Total investment: about VND 40,000 billions, of which VND 31,000 billions are mobilized from economic entities and VND 9,000 billions are funded through the state budget (VND 8000 billions are provided from the Central budget and VND 1000 billions are received from the local budget).

**Article 13. Investment supporting mechanism**
1. From now to 2010: the Central budget shall provide targeted support to the local budget for implementation.

2. After 2010: the Central budget shall only be provided to the targeted provinces which need to receive support budget from the Central budget; Other provinces shall be responsible for using their own funds to operate the implementation process in accordance with the regulations specified in this Policy.

3. Plan allocation: The Ministry of Planning and Investment takes a leading role and works closely with MARD, Ministry of Finance to draft a consolidated document to submit to the Prime Minister for reporting to the National Assembly in order to allocate the afforestation plans for 3 year period to provinces. Chairmen of PPCs then allocate the afforestation plans for 3 year period to project owners.

CHAPTER III. SOLUTION AND IMPLEMENTATION ARRANGEMENTS

Article 14. Regarding land related issues

1. Land use planning for production forest: Provinces with large areas of unused forestland and three forest kinds classification has been done following Instruction 38/2005/CT-TTg issued by Prime Minister on 05/12/2005, are required to actively implement Land use planning for production forest and inform to the public in order to invite other economic sectors to invest in production forest plantation.

2. Forest land allocation and Land use right certificates:
   a. Chairmen of PPCs take steering role to speed up the progress of the land use certificate issuance to organizations, individuals and households in accordance with the Land law. For forest lands that are contracted to the local people by organizations (without any support to the local people in seedlings, materials, techniques within 3 consecutive years) in order to collect management fees or land rent, Chairmen of PPCs must consider, decide to convert into land allocation or land lease aiming at issuing land use certificates to the local people.
   b. State owned organizations, whose forest lands planning for production forest are ineligible to allocate to individuals, households and communities, are required to contract forest lands to house holds, individuals and communities in long, stable period of 50 years for production forest plantations.

3. To give permission to the forest owners to use 30% of the un-forested land area at most to do eco- tourism, resort businesses, aqua-agro production, of which land used for infrastructure building (transportation road, long life construction works, factories) is not more than 20%

4. Financial sources for implementation
   a. Financial sources for land use planning, land allocation, forest allocation, land lease, forest land contract and projection for production forest plantation are funded through State budget as regulated on article 12 of this Policy.
   b. To allow organizations, individuals and households to use their own funds initially to carry out the duties specified in Point a, Provision 4 of this Article. The state shall refund these amounts in the following budget year.
Article 15. Investment supporting project and investment decision making agency

1. Project Ownership and projection to support investment in production forest plantation:
   a. For projects supporting the production forest plantation of houses, individuals and communities in buffer zones of Special use forests (SUF), protective forests (PF), the SUF, PF Management Units are project organizers and owners.
   b. For projects supporting the production forest plantation of houses, individuals and communities in raw material areas of State owned entities, State owned entities are project organizers and owners.
   c. Investment projects are established on the basis of actual allocated, contracted forest land areas to Private entities and Cooperatives, the private entities and cooperatives are project owners.
   d. Another one or two projects on supporting production forest plantation is developed on the remaining areas by individuals, households and communities and invested by the district forest protection stations and frontier post stations.
   d. Projects on supporting production forest plantation is developed simply in accordance with the productive plan by houses, individuals and communities. The key points are to ensure the principle of not overlapping the other project site; to definitely identify the area measurement of production forest in each lot, plot, forest sub-area of unforested areas or plantation areas and be consistent with the three forest kinds classification pursuant to Prime Minister Instruction No. 38/2005/CT-TTg dated 05/12/2005.
   e. Duration of supporting projects are accordant with production forest plantation cycle.

2. Investment Decision Making Agencies:
   a. PPC is the competent authority to make decision on investment supporting projects specified in Point c, Provision 1, this Article.
   b. District People’s Committee is the competent authority to make decision on investment supporting projects specified in Point a, b, d, Provision 1 of this Article.

3. Projects supporting on production forest investment, which develop species listed in MARD Decision no. 16/2005/QD/BNN dated 15/3/2005 on approving the key species for planting production forest, are exempted from environmental impacts assessment.

Article 16. Establishment of the Management unit of production forest investment project at all levels (hereinafter referred to as Project Management Unit); Commune Forest Development Team; Village, hamlet Forest Development Team (hereinafter referred to as Village forest Development Team)

1. Project management unit at provincial level: Using the existing 5 MHRP management unit at provincial level, that were established by the PPC.
2. Project management board at district level: Project Owners of investment projects stipulated on Point a, b, d Provision 1, Article 15 are permitted to establish PMUs at district level, approved by DPC on the basis of using the existing 5 MHRP management unit in district area.

Management boards of afforestation projects of non-state organizations, cooperatives specified in Point c, Provision 1, Article 15 of this Decision are established by themselves and report to the investment decision-making agency at provincial level and other relevant agencies.

3. Commune forest development team: the Commune forest development team is established by communes managing at least 500 ha of forest land. The Commune forest development team is established under the decision issued by the chairman of the commune people’s committee (CPC); Team members including: Team leader – Vice chairman of the commune people’s committee, with members are commune rangers, agro-forestry staff of the commune and representatives from several unions of the commune. The team consists of not more than 5 members from commune. In addition, each village forest management team is entitled to second a representative to commune forest management team. Communes with existing Forestry Division, these Forestry Divisions are proposed to use as Commune forest development team.

4. Village forest development team: village forest development teams are established in villages and hamlets managing at least 100 ha of forest land and are approved by the Chairman of the Commune people’s committee. The village forest development team consists of village leader, hamlet patriarch, representatives of unions with total up to 7 – 9 members. Village forest development team supports production forest investors in forest management, protection, in monitoring the forest establishment of households, individuals and communities in village area.

Article 17. Rights and obligations of the project management units supporting for afforestation at different levels

1. Project management unit at provincial level:
   a. The provincial project management unit plays the role of monitoring and management only, not of project owner. The provincial project management unit is responsible for using the allocated management fund to promote advocacy activities on policy, to provide training and coaching to staff at district and commune levels on the expertise subject and professional knowledge.
   b. Check and monitor the enforcement of this Policy in the area.
   c. Check directly for acceptance the forest plantations, seed sources forests, seed gardens, nurseries of the non-state organizations, cooperatives. Within 20 working days, the provincial project management unit is responsible for acceptance checking the forest of the investor once requested by the investor in written form.

2. Project management unit at district level:
   a. The district project management unit is the investor directly managing the project operations.
   b. Be responsible for developing the production forest plantation project for submission to the competent authority for approval.
c. Be permitted to adjust the costs of assigned silviculture items of the project with the principle of not exceeding total project budget. Be only permitted to shift budget from infrastructure items to silvicultural items as requested by project progress assurance.

d. Take steering role and work in close collaboration with the Forest development teams at commune and village levels to advocate and disseminate this Policy to individual households, individuals and communities in the project area.

d. With reference to the seedling price and standard announced by the PPC and the technical guidelines and procedures on afforestation regulated by MARD, the district project management unit develops and approves the technical design for annual afforestation.

e. The district project management unit (except for the afforestation project management units of the non-state organizations) is responsible for signing contracts for afforestation (contract form is attached) with local communities, households and individuals. The contract for afforestation is required to be confirmed by the commune people’s committee and village leader, hamlet leader.

f. Provide extensionists to guide and monitor the afforestation process operated by communities, individuals and households. The extensionists are totally responsible for the area and quality of the plantation forests of households and individuals in his/her assigned area from the year of planting to the end of tending process (1 year planting and the following 3 years of tending). Using local rangers instead of extensionists at localities with existing grass root rangers.

h. Arrange to carry out acceptance check for forest plantations, seedling forests, seed gardens of project participating households, individuals and communities, comprising of: checking for acceptance of forest plantation with investment support and forest plantation with pre-investment support modality aiming to provide a basis for getting payment and fund usage finalization with the State treasury. Forest plantation with pre-investment support method is paid one time at the second year following planting.

Anually, at the time of checking for acceptance the plantation forest, the district project management unit drafts a schedule to carry out this task and provide written notice to individual village forest development teams and commune forest development teams to involve in this task.

l. Basis for providing afforestation support payment to the forest owners by the district project management unit includes: Contract for afforestation, bill of purchasing seed (seed and seedling) attached with copy of seeds origin certificate in compliance with MARD Forestry Seedling Management Regulation and minutes of the acceptance check (with confirmation of the forest owners, village head, extensionist and district project management unit).

3. The project management cost is calculated as 10% of the total investment in silviculture in the area, of which 0.5% is allocated to cover the central management cost, 0.7% for management cost at provincial level, 0.8% is allocated to district PMU and 8% is paid to the project investor at district level (of which 1% is allocated to the commune and another 1% is allocated to the village development team). The management cost is used in accordance with the current regulations on financial management.
Article 18. Responsibilities of the ministry, sector and locality

1. The Ministry of Agriculture and Rural Development:
   a. Steer, coordinate with relevant agencies to elaborate and promulgate the procedures and cost norms in establishment of production forest investment project, forestland use planning, forest land allocation, forest land leasing and contracting as to implement this Policy.
   b. Guide the localities to elaborate and promulgate: detailed operational regulations of the project management units at different levels, district project steering board, Forest development team at commune and village level; Regulation on Management and utilization of the Commune forest protection and development fund, the Village forest protection and development fund.
   c. Issue criteria for nationally important seed forest and nursery that are directly managed by the state; Undertake planning for seed forest and nursery system; Guide the contracting, leasing, allocating procedures of state-owned seed forest and nurseries to other economic sectors in accordance to current law. Define detailed criteria for tissue culture center of the Seed production center and Nursery garden.
   d. Organize to register the trade mark for Seed production center and Nursery. Post all the seed production centers that are recognized by the competent verification agency to the website of MARD. Develop the management information system to monitor and consolidate the implementation outputs.
   d. Develop standardized criteria for the forest fire prevention and fighting road and elaborate procedures to define and liquidate forest affected by natural disasters, forest fire in cases of force majeure.
   e. Work in collaboration with the Ministry of Planning and Investment and Ministry of Finance to review the plan on annual, 3-year period and 5-year period bases for state supporting the production forest plantation activities under this Policy.
   g. Mobilize financial and technical support from donor community; use ODA funding sources to support production forest establishment, to construct forestry infrastructure, to train staff at all levels to ensure the most effective enforcement of this Policy.
   h. Promote advocacy activities to disseminate this policy contents and relevant regulations to stakeholders. Instruct, review and supervise the policy implementation process.

2. The Ministry of Planning and Investment:
   a. Steer and collaborate with the Ministry of Finance and MARD to review and balance the budget on annual, 3-year period and 5-year period bases to report to the Prime Minister for making decisions on implementing this Policy. Instruct the financial plan development and allocation to localities.
   b. Take into account the state management responsibility on investment, work in collaboration with MARD, Ministry of Finance and PPCs to check and monitor the implementation of this Policy.
   c. Steer and collaborate with the Ministry of Finance and MARD, on 3-year and 5-year bases, to prepare the supervision report on the overall impact assessment in terms of economic and social aspects of this Policy in order to recommend revisions
and adjustments for more consistency with the factual requirements for submission to the Prime Minister for consideration and decision making.

3. The Ministry of Finance

a. Take steering role to provide guidance to the state treasury system on paying and finalizing budget usage to implement this Policy.

b. Work in collaboration with the Ministry of Planning and Investment and MARD to review, draft plans, issue budget estimate on annual, 3 year, 5 year periods base for deploying this Policy.

4. PPCs:

a. Carry out land use planning and publicize in order to call for investment in afforestation from all economic entities.

b. Develop and approve on planning for the nursery system with vision to 2020 and (propose to collect comments from MARD prior to approval); provide steering role to DARD to speed up the progress of issuing standardized seed sources certificate in compliance with MARD Forest Seedling Management Regulation. Publicize on mass media about eligible seedling production entities.

c. With reference to the recommendations from the Provincial department of Finance and Prices and DARD, PPC informs the price and technical criteria defined for the seedlings of forest seed species in the area in January as a basis to calculate the fund usage finalization by the investor annually. The seedling price recommended by individual projects shall not be approved.

d. Allocate investment supporting funds to projects; steer project management boards of different levels to ensure that the payment for planted area is provided through pre-investment modality. Approve on investment project as stipulated.

d. Promote the advocacy activities to disseminate contents specified in this policy and relevant regulations to different levels, sectors, entities belonging to economic sectors, households, individuals and communities existing in provincial area for policy awareness and enforcement.

e. Review on production forest investment projects indicated in Provision 2, Article 15 of this Decision and approve on eligible projects as stipulated.

g. Steer, arrange implementation, check and monitor this Decision enforcement.

5. The district people’s committee:

a. Establish the Steering board at district level including: Vice chairman of DPC – Steering board leader, other members are representatives of DPC divisions, mass organizations and are about 7 members; DPC take responsibility to develop the Steering board operation regulations. Districts with existing Steering board of 5MHRP won’t establish the new board and use the existing one.

Establish the district project management board for production forest stakeholders: households, individuals and communities.

b. Allocate forestland, lease forestland and Issue land use certificates to households and individuals participating to the project.

c. Appraise projects that are supported for investment under the authority specified in Provision 2, Article 15 of this Policy and approve based on regulations.
d. Steer the district department of forest protection and people's committees of communes to develop annual, 3 year and 5 year afforestation plans that are consistent with the forest development policy of the state in the area.

d. Promote the advocacy activities and disseminate this Decision content to all communes managing forests.

6. Responsibilities of the commune people's committee:

a. make decision on the establishment of the commune forest development team and approve the establishment of the village forest development team. Work in collaboration with the district project management board to undertake procedures on allocating land, contracting land and leasing forest land on a long term and stable basis to organizations, households and individuals.

b. Monitor and supervise the afforestation process as a whole in the area; make public a list of households and individuals participating in afforestation activities in terms of area, tree species, annual received payment at the commune people’s committee office.

c. Dissemination of this Decision to local people living in commune.

7. Responsibilities of village head:

a. Work in collaboration with the project management board at district level and commune forest development team to disseminate this Decision to all households, individuals and communities in the village.

b. Monitor and supervise the afforestation activities of households and individuals in the area; make public a list of households and individuals participating in afforestation activities in terms of area measurement, tree species and annual received payment.

Article 19. This Decision takes effect 15 days after its publication in the official gazette. Other previous regulations in contrary to this Decision shall no longer be effective.

Article 20. Ministers, Directors of Ministerial Bodies, Directors of Government Bodies, Chairmen of PPCs, Chairmen of municipals under central administration and Directors of relevant agencies are responsible for this Decision implementation. /

PRIME MINISTER

Signed

Nguyen Tan Dung
**Destinations:**
- Secretariat of the Central Party;
- Prime Minister and Deputy Prime Ministers;
- Ministries, ministerial bodies, Government bodies;
- The People’s Councils, People’s Committees of provinces and municipals under central administration;
- The Central Office and Departments under the Central Party;
- Office of the State President;
- Committee of Ethnics and other Committees of the National Assembly;
- Office of the National Assembly;
- The People’s Supreme Court;
- The People’s Supreme Procuracy;
- The Central bodies of associations;
- National Administration Academy;
- Office of Government: Government website, Deputy Heads, 112 Steering Committee, the Spokesman of the Prime Minister, relevant departments and bodies and Gazette
- For archive (5 copies).