

**DECISION No. 02/1999/QĐ-BNN-PTLN OF  
JANUARY 5, 1999 ISSUING THE  
REGULATION ON EXPLOITATION OF  
TIMBER AND FOREST PRODUCTS**

**THE MINISTER OF AGRICULTURE AND  
RURAL DEVELOPMENT**

*Pursuant to the Law on Protection and  
Development of Forests of August 19, 1991;*

*Pursuant to Decree No.73-CP of November 1,  
1995 of the Government providing for the function,  
tasks and powers and organizational structure of the  
Ministry of Agriculture and Rural Development;*

*Pursuant to Directive No. 286/TTg of May 2, 1997*

**REGULATION ON EXPLOITATION OF  
TIMBER AND FOREST PRODUCTS**

*(Issued together with Decision No.02/1999/QĐ-  
BNN-PTLN of January 5,1999 of the Ministry of  
Agriculture and Rural Development)*

*Chapter I*

**GENERAL PROVISIONS**

**Article 1.-** Forests are a precious asset of the country. The exploitation of forests must ensure the objective of preserving and developing the existing forest asset. All activities that lead to the deterioration of the quality and quantity of forests are strictly forbidden.

**Article 2.-** This Regulation provides for State management in the domain of exploitation of timber and forest products in the natural forests, planted forests in the areas of productive and protection forests; the full harvesting of timber and forest products on different types of forest land and other lands.

All objects belonging to the special-use forest areas are not regulated by this Regulation.

**Article 3.-** The exploitation of a forest must strictly abide by the provisions in Articles 37, 38 and 39 of the Law on Protection and Development of Forests.

Exploitation by pruning, full harvest of timber and forest products must comply with the technical process and regulations and the plan of forest regulation or the economic-technical thesis or investment project ratified by the competent authority.

**Article 4.-** The exploitation of timber and forest products can be conducted only in the forests of which the owners are recognized by law, including:

Forests and forest land are assigned by the State to enterprises, organizations, family households and individuals (collectively called forest owners) for planting, management, protection, production and business.

Forest owners have to discharge their obligations and responsibilities stipulated in Articles 40 and 41 of the Law on Protection and Development of Forests, carry out the regime of reporting to the State management agencies uniformly applied throughout the country under this Regulation.

For forest areas still without owners, managed by the local authorities and not being subject to timber exploitation, it is only allowed to gather dried and dead trees for use and to exploit forest products other than timber.

**Article 5.-** State management agencies shall have to inspect and supervise the exploitation of timber and forest products according to this Regulation.

## *Chapter II*

### **EXPLOITATION OF TIMBER, BAMBOO AND FOREST PRODUCTS IN PRODUCTION FORESTS AND NOT CRUCIAL PROTECTION FORESTS**

#### **Section 1. MAIN EXPLOITATION OF TIMBER OF NATURAL FORESTS (EXPLOITATION OF TIMBER OF NATURAL FORESTS FOR SHORT)**

**Article 6.-** Forests subject to exploitation:

1. Natural timber forests of single breed or forests of mixed timber of different ages which have not been exploited or which have been exploited but have been fostered for a prescribed time of an exploitation cycle and have a reserve attaining the following criteria:

a/ For ever-green broad-leaved forests and semi-deciduous forests with reserves of:

- More than 90 m<sup>3</sup>/ha for provinces from Thanh Hoa northward.

- More than 110 m<sup>3</sup>/ha for provinces from Nghe An to Thua Thien-Hue.

- More than 130 m<sup>3</sup>/ha for provinces from Da Nang southward.

b/ For dry-open forests of *dipterocarps* with reserves of more than 100 m<sup>3</sup>/ha

c/ For coniferous forests with reserves of more than 130 m<sup>3</sup>/ha

The rate of the trees with exploitable diameter in all the three above mentioned types of forests must exceed 30% of the total reserve.

d/ For the pit-prop forests with reserves of more than 70 m<sup>3</sup>/ha.

e/ For forests with timber mixed with bamboo, the reserve of timber must be:

- More than 50 m<sup>3</sup>/ha for provinces from Thanh Hoa northward.

- More than 70 m<sup>3</sup>/ha for provinces from Nghe An southward.

2. Natural timber forests of single species which have attained the age of technological proficiency.

**Article 7.-** Initial legal basis:

1. Every five years, the organizations and enterprises of all economic sectors (enterprises for short) shall have to revise their plans of forest regulation to draw up the plan of exploitation and their projects of production and business for the five subsequent years and to submit them to the Ministry of Agriculture and Rural Development for approval.

2. The annual targets of exploitation ratified in the plan of forest regulation shall be limited primarily according to their acreage, while the output may increase or decrease depending on the state of the forests. The acreage for exploitation in each year may be lower or higher, but the maximum must not exceed 20% compared with the area allowed to be left over for compensation so that the average area in five years shall not exceed the allowed level.

3. Each year the Ministry of Agriculture and Rural

Development shall propose to the Prime Minister the level of exploitation of large timber in natural forests allowed for exploitation in the following year.

Pending ratification by the Government, the Ministry of Agriculture and Rural Development shall assign the provisional guiding target for exploitation to the localities and units. Basing itself on this target and the plan of regulation already ratified, the Agriculture and Rural Development Service shall request the provincial People's Committee to provisionally assign the guiding plan on timber production to the enterprises so that they can direct the design and draw up the plan of production and business.

**Article 8.- Designing the exploitation:**

**1. Units allowed to design exploitation:**

The establishment of the dossier for exploitation design and the plan of production and business must be done by the specialized agency with full legal status. This includes:

- Designing organizations of the Agriculture and Rural Development Service or of the enterprises decided by the provincial People's Committee.
- Designing organizations of the Survey and Planning Institute, the Forestry Science Institute, the forestry technical schools, the corporations, the General Corporations attached to the Central Government decided by the Ministry of Agriculture and Rural Development.

**2. Responsibility of the designing unit:**

The designing unit must take full responsibility before law for the quality of the design with the following main contents:

- To design for the right objects.
- To determine the right location and acreage of exploitation according to each area, piece and lot.
- To determine the technical norms (intensity and utilization rate).
- To determine the trees having met the exploitation criteria, to mark with the discard tree hammer as prescribed.
- To ensure that the margin of error on the design output does not exceed 10%.
- To establish the necessary tables, charts, maps and legends as directed.

**3. Basis for designing:**

- The forest regulation plan already ratified by the competent authority.
- The related technical norms and rules.

4. Main technical norms in designing for exploitation:

**a/ Method of exploitation:**

- Selective exploitation for objects under Clause 1, Article 6.

- Full exploitation or selective exploitation in order to change to forests not of the same age for forests under Clause 2, Article 6.

**b/ Exploitation cycle:**

- 35 years for ever-green forests, semi-deciduous forests, coniferous forests and forests of mixed timber and bamboo.

- 40 years for dry-open forests of *dipterocarps*.

- 10 years for pit-prop yielding forests.

**c/ Intensity of exploitation :**

Exploitation intensity is based on the percentage of the trees felled in the lot compared with the reserve of the lot before the cutting.

Exploitation intensity including discard cutting and breakage during the exploitation shall not exceed 45%.

Exploitation intensity not including discard cutting and breakage is determined as follows:

- For the ever-green broad-leaved forests, semi-deciduous forests and coniferous forests with large timber trees:

- + Reserve 90-150 m<sup>3</sup>/ha, intensity 18-24%
- + Reserve 150-200 m<sup>3</sup>/ha, intensity 22-28%
- + Reserve 200-300 m<sup>3</sup>/ha, intensity 26-34%
- + Reserve over 300 m<sup>3</sup>/ha, intensity 32-38%

- For dry-open forests of *dipterocarps*, intensity shall increase one grade as compared with the above-said reserve grades.

- For forests of mixed timber and bamboo species, intensity 20-40%

- For pit-prop business forests:

- + Reserve 70-100 m<sup>3</sup>/ha, intensity 20-25%
- + Reserve 100-120 m<sup>3</sup>/ha, intensity 26-30%

The above exploitation intensity is determined for areas with a sloping level of less than 15°. Past this mark, the intensity shall have to decrease accordingly by 5% when the sloping level increases by 10°.

**d/ Minimum exploitation diameter for trees in the forests yielding large timber:**

- For provinces from Thanh Hoa northward:

Timber of groups I and II = 45cm

Timber of groups from III to VI = 35cm

Timber groups VII and VIII = 25cm

- For provinces from Nghe An to Thua Thien - Hue:

Timber of groups I and II = 45cm

Timber of groups III to VI = 40cm

Timber of groups VII and VIII = 30cm

- For provinces from Da Nang southward:

Timber groups I and II = 50 cm

Timber groups III to VI = 45 cm

Timber groups VII and VIII = 35 cm

c/ Utilization rate:

The utilization rate is based on the percentage of the product volume compared with the volume of the whole tree (volume of standing tree). More concretely:

- Large timber is the trunk of the tree from the base section to the section at the height below the branches. Depending on the means of transport, the tree trunk can be divided into sections for hauling to the delivery ground. The unit is cubic meter.

- Branch and top timber is the timber of branches and the tree tops irrespective of size and length. The unit of measurement is cubic meter.

- Firewood is the part of the branches and tops that cannot be used as timber.

Depending on the characteristics of the species of tree cuts, the terrain condition, the distance of transportation and the capacity of consumption, the utilization rate is allowed to be designed within the following limits:

Large timber from 55 to 70%

Branch and top timber from 5 to 15%

Firewood from 5 to 7%

In case of discard cutting and forest clean-up, the volume of fully harvested products shall be listed separately in the table of products exploited. The marking with the discard tree hammer shall follow the provisions of Article 34 below:

Particularly for pit-prop timber, the utilization rate is calculated as follows:

Large timber of the tree trunk (diameter > 25cm) from 10 to 15%

Pit-prop timber (diameter ≤ 24cm) from 65 to 70%

Firewood 5%

5. Main content of designing for exploitation:

a/ Extra work:

- Demarcation of lots and pieces on the site.

- To cut a boundary between the lots and pieces,

to measure and draw a sketch of the exploitation area on the scale 1/5000.

- To plant lot marker stakes; to determine the location and acreage of exploitation by the lots and sub-sectors according to the prescribed code numbers.

- To measure and count the trees in order to determine the reserve of timber on which basis to project the intensity of exploitation.

- On the basis of the projected exploitation intensity, to discard trees and mark the trees eligible for exploitation (not belonging to the species on the ban list), the discard trees; to clean up the forests for fostering; to determine the trees to be cut for the making of exit and transport routes and to build timber yards.

- To measure and count the trees to be discarded.

Specifically for the pit-prop timber, there needs only to mark the discard trees with paint, no need to use the hammer markings.

b/ Internal work:

- To calculate to determine the timber output according to the sizes and the eight groups of timber. The permitted error margin in output between design and reality is 10%.

In case a number of species are not yet classified among the 8 species of timber and if one of them has a volume smaller than 500 m<sup>3</sup> (within a province), it shall be temporarily classified into an appropriate form on the basis of the characteristics of its timber and the preference of the market.

If its volume exceeds 500 m<sup>3</sup>/ha, a sample of this timber must be sent to the Forestry Science Institute for evaluation and classification. Pending the result of the evaluation it shall be temporarily classified into an appropriate group of timber for the making of the design dossier to be submitted for approval.

- To determine accurately the exploitation intensity and the utilization rate.

- To draw up the plan of production and business including: the network of exit routes, timber storages and yards; to calculate the production cost (labor and money invested in a unit of product); to estimate the resource tax, the deduction for investment in the forestry service; to draw up the plan for volume of forestry.

**Article 9.-** Evaluation of the design for forest exploitation:

The Agriculture and Rural Development Service shall evaluate the design of production with the following main contents:

- The objects of exploitation are production forests

and protection forests not lying in crucial areas and which attain the criteria as stipulated in Clause 1, Article 6 and in the sub-sectors allowed to be exploited in the plan of forest regulation.

- The quality of trees to be discarded: trees that have reached the criteria for exploitation.

- The rationality of the exit route and timber yards (in case trees must be cut to build routes and timber yards).

**Article 10.-** Ratifying the exploitation design:

The Agriculture and Rural Development Service shall set up a council to evaluate the design of exploitation for the enterprises based on the following main aspects:

- Forests subject to exploitation.
- Technical norms.
- Acreage, location, output allowed to be exploited according to the regulation
- Capital construction norms, cost of exploitation, processing, consumption of products, forestry norms.
- Complete dossier as guided.

In case of a change of the location compared with the regulation plan, if it deems reasonable, the Service shall make a written proposal to the Ministry of Agriculture and Rural Development for the change. Pending the reply in writing, it is allowed to put this location into the designed acreage.

**Article 11.-** Procedures of reporting and issuing decision:

- After ratifying the concrete design for exploitation for the enterprises, the Agriculture and Rural Development Service shall sum up the situation and report it to the provincial People's Committee for approval.

- The provincial People's Committee shall ratify the overall exploitation design and submit it to the Ministry of Agriculture and Rural Development for evaluation.

- The Ministry of Agriculture and Rural Development shall evaluate the dossier according to the contents in Article 10 and issue the decision allowing the forests to be opened for exploitation in each province and in the whole country. In the decision, the locations, acreages and outputs allowed for exploitation must be clearly specified.

All the above works must be completed before the 31<sup>st</sup> of December of the previous year.

- On the basis of the decision of the Ministry, the provincial People's Committees shall decide to issue permits for exploitation to the enterprises.

The decision to open the forests and the permits of exploitation shall be sent to the local Forest Control Services as basis for inspection and supervision of the implementation.

**Article 12.-** Exploitation:

After getting the permit of exploitation, the enterprise may sell standing trees or organize itself the exploitation according to the following contents:

1. To organize bidding for the sale of standing trees or to hire an exploitation unit to sign exploitation contracts, or issue a document assigning the exploitation (if the exploitation unit is attached to the enterprise).

2. To deliver the exploitation area: the enterprise shall hand over the exploitation site attached with the design dossier and the map to the exploitation unit and record in writing the hand-over and at the same time send one set of the dossier to the local ranger service in order to supervise the implementation.

3. Preparation for exploitation: The exploitation unit shall make preparations for exploitation such as cutting the creepers, open new exit routes, repair the old ones and build timber storages and yards.

4. Exploitation: Felling the trees marked with the discard tree hammer and move the trees to the delivery ground of the exploitation area.

- Cutting of trees without discard markings is strictly forbidden.

- Cutting must be made on at least 95% of the marked trees.

If the number of marked trees which remain uncut exceed 5%, the enterprise must report on the reason and must get the approval of the Agriculture and Rural Development Service.

- The timber must be hauled to the timber yard as soon as it is felled and must not be left in the forest for more than 15 days.

- After the timber has been hauled to the prescribed yard, the enterprise shall have to classify and pile them and record the timber history.

- The number of timber sections at the yard (including sectioned trees) must match the number of felled trees bearing the discard markings.

- The forest owner shall inform the local forest control service so that the latter can inspect and verify and mark the trees with the forest control hammer as currently prescribed.

5. Within 2 months after completion of the felling and hauling of the timber out of the lot, the forest

must be cleaned up.

6. On the change of exploitation site of the forest already decided open to exploitation:

- The Agriculture and Rural Development Service shall send a written proposal to the Ministry of Agriculture and Rural Development stating the reason for the change of the site, attached to the dossier of the new design.

**Article 13.-** Time-limit of exploitation:

The time-limit for exploitation shall cover the period from the first of January to the 31<sup>st</sup> of March of the following year.

In case not all the ratified volume is exploited it is allowed to change the design dossier for submission to approval in the exploitation plan of the next year.

**Article 14.-** Test on completion of exploitation:

After completion of the exploitation or at the end of the time limit for exploitation, the Agriculture and Rural Development Service together with the Forest Control Department and the local Forest Control Service shall inspect the site and make a written record evaluating the implementation of exploitation according to the following contents:

- Whether or not exploitation is made on the right location

- Whether or not the cutting is made on the trees with the discard marking and whether or not all the marked trees are cut.

- Maximum allowed margin of error between the total volume of products and the products yielded according to species and categories compared to the design is 10%. The maximum error allowed for timber group IIa is 5%.

- The state of timber utilization, the height of the cutting, the branches and tops left over, the forest clean-up.

- Suggestions to the enterprise and exploitation unit on shortcomings (if any) which need to be remedied.

- Suggestions of measures of handling the violations, if any.

**Article 15.-** Closing the forest after exploitation:

After completion of exploitation and test on completion, the Agriculture and Rural Development Service shall issue the decision to close the forest to exploitation and report to the Ministry of Agriculture and Rural Development.

After closing, the forest shall be put under the regime of protection and fostering and is off limit to

exploitation throughout a cycle of growth.

The dossier on the forest history shall be made after exploitation with a view to monitoring throughout a cycle of fostering.

## Section 2. FULL HARVESTING

**Article 16.-** Forests subject to full harvesting:

1. Forests that must be exploited to change the use objectives after filling all the procedures as currently required (mining, water reservoir, communication roads, construction works, planting of agricultural and industrial trees...)

2. Depleted forests with low output and quality that need to be exploited and replanted with forests of higher output and quality according to the economic and technical studies or projects already ratified by the competent authority.

3. Forests lying on routes of timber exit and transport or on timber storages and yards.

4. Forests not yet attaining the exploitation age which are allowed to conduct fostering cutting and pruning; selected forests for cutting to be converted into breeding forests.

5. Depleted forests allowed to be enriched through the method of planting by bands or strips.

6. Forests with trees that have died of fires, pests and diseases or from resin yielding or unfavorable weather conditions.

7. Standing and scattered trees left over on forest land with reserves of less than 25 m<sup>3</sup>/ha; or on agricultural land (fixed hilly fields, gardens of industrial trees, crop fields).

**Article 17.-** Full harvesting of the forests defined in Clause 1, Clause 2, Clause 3, Clause 6 and Clause 7, Article 16:

1. Design for full harvesting:

- To determine the boundary and acreage by the lots, tracts and areas or by the sectors of the area of full harvesting according to the legal document already ratified.

- To measure, count and mark with the discard tree hammer all the trees of more than 25 cm in diameter.

- To calculate the volume of the main product (with diameter of more than 25 cm) that may be fully collected according to their sizes and species or types.

- To estimate the volume of products of small timber and firewood that may be fully harvested.

2. Procedures of report and ratification:

- For objects described in Clause 1 and Clause 2 Article 16 the Agriculture and Rural Development Service shall evaluate the dossier and report to the provincial People's Committee for decision to allow full harvesting.

- For objects described in Clause 3 Article 16, the designing and procedure of report and ratification shall be conducted at the same time as the exploitation of timber of natural forests stipulated in Section I, Chapter II.

- For objects described in Clauses 6 and 7 of Article 16, the Agriculture and Rural Development Service shall inspect and ratify the design and submit it to the provincial People's Committee for decision to allow full harvesting.

### 3. Full harvesting of the above forests:

- To see that the cutting is done in the right area and on the right acreage according to the ratified legal documents. It is strictly forbidden to introduce timber cut in other places into the area of full harvesting.

- To see that the forest products are fully exploited and avoid wastefulness.

**Article 18.-** Full harvesting of forests under Clauses 4 and 5, Article 16:

1. In principle: Absolute respect is required for the regulations on objects and measures of impacting in the regulations on technical forestial measures applied to timber and bamboo productive forests (QPN 14-92) and the regulations on building breeding forests from conversion. (QPN 16-93).

It is strictly forbidden to take advantage of fostering cutting and forest enrichment to exploit timber.

### 2. Technical norms:

- Cutting intensity by the volume shall not exceed 15% for fostering cutting and shall not exceed 30% for forest enrichment.

- Timber from full harvesting shall not exceed 10 m<sup>3</sup>/ha for fostering cutting and shall not exceed 15 m<sup>3</sup>/ha for forest enrichment.

- Firewood from full harvesting shall not exceed 15 m<sup>3</sup>/ha for fostering cutting and 20 m<sup>3</sup>/ha for forest enrichment.

### 3. Design for full harvesting:

- To determine the enclosure and acreage according to each sub-sector, piece and lot.

- To arrange bands for cutting and left-over bands or strips according to the forest enrichment technique.

- To mark trees for discard, use the discard marking hammer on the trees that can be fully

harvested with diameter of more than 25 cm on the cutting band.

- To mark trees for discard, use the discard marking hammer on the trees with diameter of more than 25 cm/ha for forest fostering. The trees marked for discard must be bent, twisted, diseased, stunted trees without tops and trees without economic value. The trees to be discarded or killed without need of full harvesting, only marking with paint is needed.

- To calculate the volume of products that can be fully harvested.

### 4. Procedures for reporting and approval:

- The Agriculture and Rural Development Service shall inspect the site with the two following main contents:

+ The object- forests

+ The trees to be discarded.

- The Agriculture and Rural Development Service shall ratify the design and submit it to the provincial People's Committee for the issue of decision to allow the execution.

## **Section 3. FULL HARVEST OF LYING TIMBER OF VARIOUS KINDS (FULL HARVEST FOR SHORT)**

**Article 19.-** Timber to be fully harvested:

Timbers that shall be fully harvested are all kinds of dried and sapless timber, burnt timber in the form of lying timber (including stump timber, branches, tops, roots, outer layers...) of all sizes on the two following kinds of land:

1. Forest land: timber left over on old exploitation sites, on waste fields.

2. Agricultural land: timber on fixed hilly fields, crop fields, gardens of industrial trees.

**Article 20.-** Procedures of work:

- To inventory the concrete number of sections or tree stumps, their sizes, volumes and categories in each sub-sector, tract, lot or garden plot, crop field, hilly field... To mark with the discard tree hammer the sections of trunks with diameter of 25 cm and more.

- The Agriculture and Rural Development Service shall inspect on the site and in the dossier, sum up the situation and report to the provincial People's Committee for decision to allow implementation. Particularly for timber of Group IIA under Decree No. 18/HDBT of January 17, 1992, there must be written consent by the Ministry of Agriculture and Rural Development.

#### **Section 4. EXPLOITATION OF BAMBOO AND FOREST PRODUCTS OTHER THAN TIMBER AND BAMBOO IN NATURAL FORESTS**

##### **Article 21.-** Exploitation of bamboo:

1. Objects: Bamboo forests with coverage of more than 70% and with the number of old trees and middle-aged trees on 40% of the total of trees.

2. Technical norms: compliance with the processes and regulations already promulgated.

- Exploitation cycle: 2-4 years

- Intensity: from 1/4 to 2/3 number of trees

- For the species growing in groves at least 10 trees must be left in each grove.

- Age of exploitable tree: more than 2 years.

3. Design for exploitation:

- To mark the boundary, planting markers for the plots and tracts on the terrain.

- To draw the plan of the exploitation areas on a scale of 1/5000.

- To make a clear demarcation of the areas on the exploitation acreage.

- To measure and count the trees.

- To calculate the output of exploitation by the number of trees or the trees converted into metric tons for each lot and sum them up according to each piece, each sub-sector and the whole enterprise.

4. Procedures of reporting for approval and to conduct exploitation:

The enterprise shall make the dossier of the design for exploitation according to the technical contents mentioned above and report it for approval as follows:

- For the units under provincial management: the Agriculture and Rural Development Service shall ratify the design and issue the permit for exploitation. The permit shall be sent to the local Forest Control Service as basis for inspection and supervision.

- For units under the General Corporation or Corporation under central control, the General Corporation or Corporation shall approve the design and issue the permit for exploitation. The permit shall be sent to the Agriculture and Rural Development Service and the local Forest Control Service for inspection and supervision.

##### **Article 22.-** Exploitation and gathering of forest products other than timber and bamboo:

1. Exploitation of products with big and concentrated quantities: The enterprise shall have to make the design and report for approval as follows:

- For the enterprises attached to the province: the Agriculture and Rural Development Service shall ratify the design and issue the permit for exploitation.

- For the enterprises attached to the Corporations or General Corporation not attached to the province, the Corporations or General corporation shall ratify the design and issue the permit for exploitation.

2. With regard to the gathering of products with small and scattered quantities and not on the ban list (Group IA) as stipulated in Decree No. 18-HDBT of January 17, 1992 such as *cardamom*, *rattan*, *morinda officinalis*, *chestnuts*... the enterprises are allowed to gather them on the principle of not damaging the growth of these products.

The buyer needs only to send an application to the Agriculture and Rural Development Service in order to be issued the permit for buying. In the application the kinds, volumes and places of purchase must be clearly specified.

#### **Section 5. EXPLOITATION OF PLANTED FORESTS OF FOREST OWNERS, ORCHARD TIMBER AND TIMBER OF NATURAL FORESTS OWNED BY HOUSEHOLD FAMILIES**

##### **Article 23.-** Exploitation of concentrated forests with budget fund, non-refund aid fund and preferential loans of the enterprises:

1. Technical norms:

a/ Age of exploitable trees

- The exploitable age of trees of planted forests depends on the kinds of trees, the quality requirement and the specifications of products, economic and social efficiency and the environment of the planted forests.

- The exploitable age of trees of forests planted by units in the province shall be decided by the Agriculture and Rural Development Service at the proposal of the enterprises.

- The exploitable age of trees of forests planted by enterprises of the Corporations or General Corporations not attached to the province shall be decided by the companies or General Corporations at the proposal of the enterprises.

b/ Method of exploitation : wholesale cutting or complete cutting on a lot. After exploitation, reforestation must be done immediately in the next afforestation drive.

c/ Utilization rate:

- Material timber: from 70% to 80%.

- Firewood: from 10% to 15%.

2. Dossier of exploitation: the making of the



dossier of exploitation shall be done in a simple manner, no need of extra forestial measurement and counting, but only visual estimate combined with the existing documents and maps. The following must be done:

- To determine the location and acreage for exploitation.
- To determine the age of the trees, their reserves, utilization rate and output.
- To make the sketch-plan of exploitation on a scale of 1/5000.
- To draw up the plan of reforestation.
- To sum up the dossier of exploitation for each forest owner.

3. Procedures of issuing permits for exploitation:

a/ For units under the province, the Agriculture and Rural Development Service shall approve the dossier and issue the exploitation permit.

b/ For units under Corporations or General Corporations not attached to the province, the Corporations or General Corporations shall approve the dossier of exploitation, issue the exploitation permit and send them to the Agriculture and Rural Development service for monitoring and management.

c/ The decisions and permits mentioned in Point a and Point b shall be sent to the local forest control sub-sector for inspection and supervision.

**Article 24.-** Exploitation of planted forests, orchard timber, scattered trees planted by the forest owners themselves with their own investment:

1. The exploitable age of trees in the forests planted by the forest owners from their own investment or borrowings shall be decided by the forest owners themselves.

2. For the kinds of trees not existing or almost not existing in the natural forests such as *eucalyptus*, *acacia*, *pipal tree*, *prunus armeniaca*, *cajeput-tree*, *mangrove*, *jack-tree timber*, *mango*, *longan* and *fir tree*, the forest owners can decide themselves and are free to circulate and sell them.

3. For the kinds of tree that are also found in natural forests but are not listed among the banned trees (Group IA) stipulated in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers such as *chukrasia*, *canari-tree*, *cinamomum albiflorum*, chestnut-tree, the forest owner needs only to inform the local Ranger Sector if they are felled for commercial purposes or the commune People's Committee if they are felled for on-the-spot use so that they can be certified as trees cut from planted

forests, gardens or scattered trees.

**Article 25.-** Exploitation of planted forests of family households and individuals with aid fund or preferential loans:

- For forests planted with aid fund source: to comply with the concrete stipulations for each project.
- For forests planted with preferential loans: to comply with Article 24.

**Article 26.-** Pruning of planted forests:

1. The forest owner shall decide himself in case of no full harvest of forest products.

2. In case of full harvest of forest products:

a/ For forests planted with budget fund or preferential loans fund.

- Technical norms:

+ To observe the process and order in forest pruning.

+ Cutting intensity not exceeding 50%. More concretely:

In case of select pruning, intensity of cutting by the number of trees (percentage of trees cut against total of trees) must be smaller than the cutting intensity by the volume (percentage of the reserve cut against the total reserve).

In case of mechanical pruning, the cutting intensity by the trees must be equal to the cutting intensity by the volume.

+ Discard trees are stunted trees, curved or bent, pest affected, having lost their tops, or are dying.

- Making the dossier for pruning:

+ To determine the location and acreage for pruning.

+ Discarding trees: marking for discard with paint in case of select discard; marking the row to be cut or the plan to cut one tree after many trees in case of mechanical pruning.

+ To make a dossier to record the age, height, diameter, number of trees and volume of the portion of forest to be pruned.

+ To determine the intensity of cutting.

+ To calculate the number of trees to be cut and those to be left over.

+ To determine the volume to be cut and that to be left over.

+ To determine the output.

- Procedures of reporting for ratification:

+ For units under the province, the provincial service shall ratify and issue permits for pruning.

+ For units under the Corporations and General Corporations not attached to the province, the Corporations and General Corporations shall ratify and issue the permit for pruning.

b/ For planted forests funded by the forest owners themselves: the forest owners shall make their own decisions.

**Article 27.-** Exploitation of forests raised by the forest owners or natural forests owned by collectives and family households:

a/ Exploitation to meet the need in firewood and furniture timber of the forest owners: the forest owners need only to inform the local commune People's Committee.

b/ Commercial exploitation:

The forest owner needs only to inform the local Ranger Service for inspection and certification and marking with the forest control hammer.

### *Chapter III*

## **FULL HARVEST OF TIMBER, BAMBOO AND FOREST PRODUCTS IN PROTECTION FORESTS**

**Article 28.-** General provisions:

- Exploitation activities must ensure the principle of preserving and developing the protection capability of the forests. All activities of full harvest of forest products that reduce the forest assets and the protection capability of forests are strictly forbidden.

- The State may temporarily suspend the exploitation of natural forest timber in the protection forests as required by the protection of forests.

- The exploitation of timber, bamboo and forest products in the protection forests must be stated in the economic-technical study or in the project of building protection forests ratified by the competent authority.

- The exploitation of timber, bamboo and other forest products in the protection forests is only a secondary activity aimed at ensuring the interests of the working people living in the forest and attached to it, actively taking part in the protection and building of the protection forests.

**Article 29.-** Exploitation and full harvest of timber and forest products in natural forests belonging to the very crucial and crucial protection area:

1. It is permitted to fully exploit the dried, dead, diseased, stunted, fallen, broken trees and trees without tops.

The procedures of designing and reporting for approval is as follows:

- The design shall be made by the managing board of the protection forests according to Clause 1, Article 17.

- Regarding the procedures of reporting for approval: The Agriculture and Rural Development Service shall approve the design and report to the provincial People's Committee for decision to allow exploitation.

2. It is allowed to fully exploit auxiliary forest products without affecting the protection capacity of the forest.

The procedures for issuing the permit shall comply with Article 22.

3. It is allowed to fully harvest lying timber as stipulated in Article 19.

The procedures of making the dossier for issue of permit of full harvest shall comply with Article 20

4. Particularly for the crucial protection forests: When the forest is qualified to be exploited as stipulated in Points a, b, c, e, Clause 1, Article 6, it is allowed to conduct select exploitation with a maximum intensity of 20%.

The discard trees are chiefly stunted, diseased, broken and fallen tree or trees without tops.

The procedures for designing, submission for approval and conducting exploitation shall comply with Articles from 8 to 15, Section 1, Chapter II.

**Article 30.-** Exploitation of timber in raised forests on land without forest:

1. For the State-invested forests, exploitation shall comply with Article 29.

2. For forests invested by contracting forest owners:

a/ Whether the forest lies in a very crucial or crucial area, when it reaches the standard for exploitation, it can be exploited with a maximum intensity of 20%.

b/ On the procedures of reporting and approving:

- When the exploitation aims to meet the needs in firewood and household wood for the forest owner: the forest owner shall make an application for permit from the managing board of the forest. The latter shall inspect and allow the exploitation.

- Commercial exploitation:

+ The forest owner shall apply for permission from the Agriculture and Rural Development Service with agreement of the managing board of the protection forests.

+ After the Service has agreed, the forest owner shall conduct the design of exploitation.

+ The Agriculture and Rural Development Service shall ratify the design and submit it to the provincial People's Committee for decision to allow exploitation.

**Article 31.-** Exploitation of bamboo:

- Bamboo forests are allowed to be exploited only when the forest has reached the coverage of more than 80%.

- Maximum intensity of exploitation is 30%.

The procedures of designing, reporting for ratifying and the exploitation shall comply with Clauses 3 and 4, Article 21.

**Article 32.-** Exploitation of planted forests:

1. For the forests invested by the State, it is allowed to exploit supporting trees.

2. For the forests invested by the forest managing board or the contractor, when the forest reaches the exploitable age, each year it is allowed to exploit no more than 1/10th of the acreage already invested to build planted forests. In case the method of cutting according to band or patch, the bands and patches must not lie adjacent to each other and shall not exceed 0.5 ha in the very crucial areas and 1 ha in the crucial areas.

- For exploitable age, Point a, Clause 1, Article 23 shall apply.

- For the dossier of exploitation, Clause 2, Article 23 shall apply.

- The managing board of the protection forests shall sum up the situation in a dossier and send it to the Agriculture and Rural Development Service for approval and issue of permit for exploitation.

**Article 33.-** Full exploitation when the use objective changes:

- Objects as stipulated in Clause 1, Article 16.

- Procedures of exploitation shall comply with corresponding stipulations in Articles 17.

#### *Chapter IV*

### **MANAGEMENT OF DISCARD TREE HAMMER AND FOREST CONTROL HAMMER**

**Article 34.-** Discard tree hammer:

1. Discard tree hammers are manufactured according to the unified model managed by the Agriculture and Rural Development Service as

provided for by the Ministry of Agriculture and Rural Development.

2. The discard tree hammer is used only in the main exploitation design, full harvest design, and in the full harvest corresponding with the objects defined in Clauses 1 and 2, Article 6; and objects defined in Articles 16 and 19, objects defined in Clauses 1 and 3, Article 29; Point b (commercial exploitation), Clause 2, Article 30 and Article 33. This is the basis to see if the exploited trees are the trees allowed to be cut and if the timber sections are allowed to be fully harvested.

3. During the exploitation design, the director of the Agriculture and Rural Development Service shall assign the discard tree hammer to the design units. After the designing, the hammer must be retrieved.

For the objects defined in Clauses 1 and 2, Article 6 and the objects defined in Article 16, each discard tree must have three markings with the tree discard hammer (two opposite markings at breast height, one marking at the root under the cutting, one third of the diameter of the stump above the ground).

After completing the cutting of trees bearing the markings of the discard tree hammer, the Agriculture and Rural Development Service shall assume the main role and together with the local Ranger Service and the forest owner, inspect and make a written record and put supplementary markings with the hammer on the fallen and broken trees, on branches and tree tops with diameter of more than 25 cm and the sections of tree trunks.

The rate of timber of fallen and broken trees and branch and tree top timber fully harvested with diameters of more than 25 cm (hammer markings required) shall not exceed 10% of the standing trees output.

**Article 35.-** Forest control hammer:

1. The management and use of the forest control hammer shall comply with current regulations.

2. After cutting, the timber shall be hauled to the prescribed delivery ground. The forest owner shall have to classify the timber, pile them up and establish their history. The quantity and volume of timber must match the quantity of discard trees with markings of hammer in the design, and the fully harvested timber must bear the supplementary markings of hammer stipulated in Article 34. The error margin allowed between the volume of large timber according to the approved design and the volume exploited shall not exceed 10% on condition of conformity with the right and adequate number of the discard trees.

3. The local forest control organization shall have to put forest control hammer markings on the sections of timber bearing the discard tree hammer within 15

days after the forest owner reports to the control authority and the document of certification of the timber history is made as prescribed.

It is strictly forbidden to put forest control hammer markings on the sections of timber without the discard tree hammer marking.

4. In case the exploitation technology is primary sawing in the forest, the forest owner shall have to take responsibility for the marking of the sawn timber sections to certify that they are actually the trees with discard tree markings, attached to the history record as basis for the forest control authority to put the control hammer marking.

5. All kinds of timber in the categories that require forest control hammer marking as prescribed above, once having got the forest control hammer marking attached with the origin certificate and the receipt of resource tax, shall be considered lawful timber and are allowed to be circulated.

### *Chapter V*

## **TASKS AND POWERS OF THE STATE MANAGEMENT AGENCIES AND RESPONSIBILITY OF THE BUSINESS UNIT, REPORTING REGIME**

### **Section 1. FOR THE FOREST OWNER**

*Article 36.-* In the process of exploitation, the forest owner shall have to constantly monitor and supervise the exploitation activities in order to correct them. In the course of implementation, exploitation must be directed toward full compliance with the exploitation design already ratified, cutting of the right discard trees, and in conformity with the process and rules of exploitation, with the right volume and category of timber and forest products and with the time-limit for exploitation.

*Article 37.-* At the end of the time for exploitation, the forest owners shall have:

1. Together with the other exploitation units to inspect the site, compare with the exploitation design dossier and exploitation contract or the document assigning the exploitation task in order to evaluate the results of carrying out the process and rules and draw up a written record as basis for the settlement of the contract which shall be put into the dossier of the history of the forest.

2. To report to the higher managerial level on the volume and situation of exploitation attached to record of test on completion.

3. To draw up the history of the forest in the exploitation areas in order to monitor throughout the next fostering cycle.

### **Sector 2. FOR THE EXPLOITATION UNITS**

*Article 38.-* The exploitation of timber in natural forests and full harvest of natural forests must be conducted by organizations and units with adequate labor, machinery and equipment. More concretely:

- State-owned farms set up under Decree No. 388/HDBT of November 20, 1991.

- Other enterprises, cooperatives, producers groups and organizations.

The Agriculture and Rural Development Services are assigned the task of issuing licenses of exploitation to organizations and units qualified to engage in exploitation.

- The exploitation units have the right:

+ To take part in bids for selling standing trees

+ To take part in bidding for hiring exploitation contractors

+ Accepting exploitation on contract

+ Organizing exploitation by themselves

The Regulation for bidding, hiring contractors or organizing exploitation by oneself shall be decided by the provincial People's Committee.

- Exploitation units have the responsibility:

+ To seriously carry out the regulations and rules about exploitation, the regulations in the exploitation designs and fully observe the clauses in the contract already signed with the forest owner.

+ To ensure the cutting of the right trees and all the trees that have discard markings, to reduce the rate of fallen and broken trees, to make the fullest use of the timber.

*Article 39.-* The forest owner shall choose his own partner in the exploitation of bamboo, exploitation by pruning of planted forests, exploitation of garden timber and other forest products.

### **Section 3. WITH REGARD TO FOREST MANAGEMENT AGENCY OF VARIOUS LEVELS**

*Article 40.-* The Ministry of Agriculture and Rural Development has the duty:

- To provide timely guidance about the guiding documents of the Government in the domain of management of forest exploitation.

- To submit to the Prime Minister for approval the overall target of exploiting large timber in natural forests in the annual plans.

- To assign provisional guiding target for the volume of timber exploited from natural forests for the next year to the provinces and cities.

- To evaluate the design dossier of exploitation and the production and business plan of the provinces and cities.

- To sum up the plan of timber exploitation and send it to the Ministry of Planning and Investment in order to assign the official plans to the localities.

- To issue the decision allowing the provinces to open the forests for exploitation.

- To inspect the management of forest exploitation by the localities and units.

**Article 41.-** The People's Committees of various levels have the tasks and powers:

The Presidents of the People's Committees of the provinces and cities shall take responsibility for State management of each type of forest in their localities:

- To direct the authorities in the districts and communes to carry out fully the function of overall State management in their localities; step by step to overcome and eventually to end the wanton destruction of forests.

- To regularly inspect and supervise in order to direct the Agriculture and Rural Development Services, the Forest Control Department and the related commissions and branches to perform their State management function on forest exploitation.

More concretely:

- + To concretize and direct the implementation of the regulatory documents of the State and the branches related to forest exploitation in the province.

- + To supervise and direct the Agriculture and Rural Development Service to ratify the dossier of the concrete design of exploitation of the forest owners.

- + To ratify the general design of exploitation and issue the decision of exploitation (after the Ministry of Agriculture and Rural Development issues the decision to open the forest for exploitation).

- + To direct the related services and branches to implement the regulations on management of forest exploitation.

- + To direct the authorities at the district and commune levels to fully carry out their function of State management of forest exploitation in the territory under their management.

**Article 42.-** The Agriculture and Rural Development Services have the following tasks and powers:

- To guide in time the guiding documents of the Ministry of Agriculture and Rural Development and the provincial People's Committees in the domain of State management over forest exploitation.

- Basing themselves on the targets in the provisional guiding plan assigned by the Ministry, assign the guiding targets for timber exploitation to the forest owners according to the forest regulating plan within their locality.

- To urge the designing of exploitation, to conduct the evaluation of forests and ratify the exploitation designs for the units in the province.

- To sum up the dossier and submit it to the provincial People's Committee for ratification in order to submit it to the Ministry of Agriculture and Rural Development.

- To conduct the issue of permits for exploitation of timber and forest products according to the competence stipulated for the forest owners in this Regulation.

- At the end of the term of exploitation, to carry out procedures to test on completion of exploitation and closing the forests. To announce to the public the forests open to exploitation and closed to exploitation.

- To manage and guide the use of the discard tree hammer.

- To coordinate with the Forest Control Service in inspecting and supervising the exploitation.

**Article 43.-** The Forest Control Organization has the following tasks and powers:

- To inspect and supervise the exploitation of the forests by the forest owners and exploitation units as stipulated by law.

- To detect in time the violations of the regulations on exploitation of forest products by the organizations and individuals in the exploitation of forests in order to handle in time as currently prescribed.

- To conduct the marking with forest control hammer as prescribed in order to establish the dossier on the history of the timber and forest products as basis for the calculation of resource tax (if it is a product from the natural forests) and for the circulation of forest products.

#### **Section 4. REPORTING REGIME AND THE CONTENT OF THE REPORTS**

**Article 44.-** Reporting system:

In order to get the information on exploitation,

each year the units and various levels must report on the situation of exploitation according to the following system:

- The forest owners in the provinces shall report to the Agriculture and Rural Development Service and at the same time to the local district authorities.

- The forest owners belonging to the Corporations or General Corporation not attached to the province shall report to the Corporations or General Corporation and the local Agriculture and Rural Development Service and at the same time to the local district authorities.

Forest owners of various branches (the Army, the Interior, the educational service...) shall report to the higher management agency and the local Agriculture and Rural Development Service.

- The commune authorities shall have to inventory the exploitation activities by family households and report them to the Agriculture and Rural Development Section. The latter shall sum up and report them to the district People's Committee and the Agriculture and Rural Development Service. The report to the provincial level shall be conducted in the last 15 days of the year.

- The Agriculture and Rural Development Service shall make a general report to the Ministry and the provincial People's Committee within the first 15 days of the following year.

**Article 45.-** Contents of the reports:

- Acreage of the exploited forests achieved by various objects and compared with the design.

- Volume and types of products achieved by the various objects compared with the design.

- Evaluation of the realization of the regulation, process and rules.

- The violations (if any) and the forms of sanction already applied.

- Other questions (production cost, selling price, the situation of processing and marketing the products)

examined for penal liability according to the current law.

*For the Minister of Agriculture  
and Rural Development  
Vice Minister  
NGUYEN VAN DANG*

## **Chapter VI**

### **IMPLEMENTATION PROVISIONS**

**Article 46.-** This Regulation applies to all forms of exploitation in the natural forests, planted forests, full harvesting of timber and exploitation of forest products in the area of productive and protection forests.

All organizations and individuals that impact on forests to exploit timber and forest products must observe the provisions of this Regulation. In case of violation they shall be administratively handed or