

**MANAGEMENT OF SPECIAL-USE
FORESTS, PROTECTION FORESTS AND
PRODUCTION FORESTS, WHICH ARE
NATURAL FORESTS**

THE PRIME MINISTER

*Pursuant to the September 30, 1992 Law on
Organization of the Government;*

*Pursuant to the August 12, 1991 Law on Forest
Protection and Development;*

*Pursuant to the July 14, 1993 Land Law, the
December 2, 1998 Law Amending and Supplementing
a Number of Articles of the Land Law;*

*Pursuant to the August 19, 1993 Law on
Environment Protection;*

*Pursuant to Decree No. 17/HDBT of January 17,
1992 of the Council of Ministers (now the Government)
on the implementation of the Law on Forest Protection
and Development;*

*Pursuant to the Prime Minister's Decision No. 245/
1998/QĐ-TTg of December 21, 1998 on the discharge
of the responsibility of all levels for the State
management over forests and forestry land;*

*At the proposal of the Minister of Agriculture and
Rural Development (in Report No. 1047/BNN-PTLN
of March 24, 1999),*

DECIDES:

Article 1.- To issue together with this Decision the
Regulation on management of special-use forests,
protection forests and production forests, which are
natural forests.

Article 2.- This Decision takes effect 15 days after
its signing.

All previous provisions contrary to this Regulation
are now annulled.

Article 3.- The ministers, the heads of the ministerial-
level agencies, the heads of the agencies attached to
the Government and the presidents of the provinces
and centrally-run cities shall have to implement this
Decision.

**DECISION No.08/2001/QĐ-TTg OF JANUARY
11, 2001 ISSUING THE REGULATION ON**

***For the Prime Minister*
Deputy Prime Minister
NGUYEN CONG TAN**

REGULATION ON MANAGEMENT OF SPECIAL-USE FORESTS, PROTECTION FORESTS AND PRODUCTION FORESTS, WHICH ARE NATURAL FORESTS

(Issued together with the Prime Minister's Decision No. 08/2001/QĐ-TTg of January 11, 2001)

Chapter I

GENERAL PROVISIONS

Article 1.- Regulations on forests and forestry land

1. Forests prescribed by this Regulation are natural forests on forestry land, where exist forest flora and fauna as well as natural elements related to forest (rock mountains, rivers and streams, lakes, lagoons, submerged land areas...).

2. Forestry land includes:

a/ Land with forests;

b/ Land not yet covered with forests, land without forests and natural vegetational cover, which are planned for forestry purposes.

3. Forests are classified into three categories according to their main use purposes as follows:

a/ Special-use forests, which are determined for the purpose of preserving the nature, standard specimens of the national forest ecological system, gene sources of forest flora and fauna, conducting scientific research, protecting historical and cultural relics and scenic places, and catering for rest, recreation and tourism;

b/ Protection forests, which are determined primarily for forest construction and development aiming to protect and regulate water sources, protect soil, combat erosion, limit natural calamities, make the climate equable, ensure ecological balance and environmental security;

c/ Production forests, which are determined primarily for forest construction and development aiming to produce and trade in forest products (particularly timber and forest specialties) in combination with protecting the environment and ecological balance.

Article 2.- Principles for organizing the management of three categories of forest

1. Special-purpose forests and protection forests shall be placed under unified management by the State and established into national system of special-use forests and protection forests;

Each special-use or protection forest shall be established and organized for management according to its use purposes on each particular geographical area, and managed by an owner. The forest owners shall be assigned forests for management together with

the land use right, take responsibility for managing, protecting, constructing and rationally using forest resources according to law provisions and not contrary to this Regulation;

2. Organizations, households and individuals (collectively called forest owners) shall be assigned or leased by the State forestry land and production forests for production and business activities;

The areas of forestry land and production forest assigned or leased to forest owners shall depend on the localities' forest funds and forestry land funds and the forest owners' needs and capabilities to manage and use land and to undertake forest production and business;

3. All organizations and individuals shall have to protect, construct and develop forests according to law provisions. All acts of encroaching upon forests and forestry land shall be handled according to law.

Article 3.- Competence to organize the management of forests of three categories

1. The Prime Minister shall approve the overall planning on forests of all categories; and approve key national projects;

2. The Ministry of Agriculture and Rural Development shall assume the prime responsibility and coordinate with the concerned ministries, branches and the People's Committees of the provinces and centrally-run cities (collectively called provincial-level) in making the overall planning on nationwide systems of special-use forests, protection forests and production forests, formulating key national projects and submitting them to the Prime Minister for approval;

3. The provincial-level People's Committee presidents shall have to manage, direct functional branches in their provinces and the district-level People's Committees to make detailed planning on forests of three categories in their respective localities, formulate projects and submit them to their immediate superiors for approval;

At the same time the provincial People's Committee presidents shall direct the assignment or lease of forests to organizations and direct the district-level People's Committees to assign or lease forests and forestry land to households and individuals for management, protection, construction, development and use according to law provisions;

4. The competence to decide the establishment of special-use, protection and production forests is prescribed as follows:

a/ For special-use forests: The Ministry of Agriculture and Rural Development shall consult with the People's Committees of the provinces where special-use forests exist, and, together with concerned ministries as well as branches, organize the evaluation and submit to the Prime Minister for decision the

establishment of national gardens and the establishment of other special-use forests within the system of special-use forests:

The provincial-level People's Committee presidents shall decide on the establishment of special-use forests of local importance after obtaining the written evaluation from the Ministry of Agriculture and Rural Development;

b/ For protection forests: Basing itself on the planning on protection forests already approved by the Prime Minister, the Ministry of Agriculture and Rural Development shall direct localities to formulate investment projects on protection and development of protection forests and submit them to the Ministry of Agriculture and Rural Development for evaluation. Basing themselves on such evaluation opinions, the provincial-level People's Committee presidents shall decide on the establishment of protection forests;

c/ For production forests being natural forests: Basing themselves on the planning on production forests already approved by the Prime Minister, the provincial-level People's Committees shall decide on policies to assign and lease land in accordance with the Land Law to organizations, households and individuals for agricultural and forestry production.

Article 4.- Competence to approve investment projects, changes in the use purposes of forests of three categories and re-classification of special-use forests

1. Competent bodies defined in Article 3 of this Regulation shall be also competent to approve investment projects, forest management, protection and development schemes or plans with investment capital levels prescribed by law;

2. Competent bodies defined in Article 3 shall be also competent to decide on changes in the use purposes of forests of three categories provided that they obtain written consents from the concerned ministries, branches.

3. For cases where the use purposes of the forests of the above-said three categories are changed (not for forestry purposes), they shall comply with the provisions of the Land Law and the Law on Forest Protection and Development.

4. The re-classification of special-use forests (from nature conservation zones, cultural, historical and environmental forests into national gardens or vice versa):

a/ For special-use forests under the central management, the managing ministries shall submit the re-classification to the Government for decision;

b/ For special-use forests under the provincial management, the provincial-level People's Committees shall submit the re-classification to the Government for decision on the basis of the evaluation of the Ministry of Agriculture and Rural Development.

Article 5.- Division and demarcation of forests of three categories

Special-use forests, protection forests and production forests must be clearly demarcated on the map and on the field with a system of marks and signboards, and statistic dossiers must be made for close monitoring thereof.

To facilitate their management, special-use forests, protection forests and production forests shall be divided into the following acreage units:

- Sub-zones: With an average area of 1,000 hectares each, used as a basic unit for forest management; the ordinal numbers of sub-zones within each province shall be inscribed in Arabian figures from sub-zone 1 to the last one (for example: sub-zone 1, sub-zone 2, ...);

- Plots: With an average area of 100 hectares each, used as a statistical unit for forest resources and facilitating the field location; the ordinal numbers of plots within a sub-zone shall be inscribed in Arabian figures (for example: plot 1, plot 2, ...);

- Lots: being divided units of plot, with the same natural conditions and exposed to the same technical impact measures; the average area of a lot shall be 10 hectares for natural timber forests and bamboo forests; the ordinal numbers of lots within one plot shall be inscribed in Vietnamese letters (for example: lot a, lot b, ...);

For special-use forests and protection forests, their division shall depend on concrete requirements, they may not be necessarily divided in lots;

The ordinal numbers of sub-zones, plots and lots shall be inscribed in the north-south, west-east order;

The Ministry of Agriculture and Rural Development shall provide detailed guidance on the system of boundary marks, signboards and the compilation of dossiers for management of these categories of forest.

Chapter II

SPECIAL-USE FORESTS

I. ORGANIZATION AND MANAGEMENT OF SPECIAL-USE FORESTS

Article 6.- Types of special-use forest

Special-use forests shall be divided into the following three types:

1. National gardens, which are natural land areas established to permanently protect one or several ecological systems, ensure the following basic requirements:

a/ Natural land areas consisting of standard specimens of various basic ecological systems (remaining intact or little affected by man); specific

characteristics of the habitats of different fauna and flora species; forests of high scientific, educational and tourist values;

b/ Natural land areas large enough to accommodate one or several ecological systems, having not undergone changes due to man's adverse impacts; the area of natural ecological systems to be conserved must account for 70% or above;

c/ Relatively convenient traffic conditions;

2. Nature conservation zones, which are natural land areas set up with a view to ensuring natural succession, and are divided into two types as follows:

a/ Nature reserve zones, which are natural land areas with natural resource reserves and a high bio-diversity, established, managed and protected in order to ensure natural succession in service of conservation and scientific research, and meeting the following conditions:

- Having typical natural ecological system(s) still characterized with basic attributes of the nature, seeing little adverse impacts caused by man, having diversified fauna and flora systems;

- Having important geo-biological, geological and ecological characteristics or other characteristics of scientific, educational, scenic and tourist values;

- Having endemic fauna and flora species still existing or being in danger of extinction;

- Being large enough to ensure the wholeness of the ecological system; the area of the natural ecological system to be conserved must account for 70% or above;

- Ensuring avoidance from direct bad impacts exerted by man;

b/ Zones for conservation of fauna and/or flora species or habitats, which are natural land areas managed and protected in order to ensure habitats for one or many endemic or rare and precious fauna and/or flora species and must meet the following conditions:

- Playing an important role in conserving the nature, maintaining the life and growth of species, being reproduction, hunting, operating or resting, sheltering grounds of animals;

- Having rare and precious plant varieties, or being living or migration places of rare and precious wild animal species;

- Being capable of conserving the habitats and species based on human protection, and, when necessary, exerting through man's action impacts on the habitats;

- The area of these zones shall depend on the habitat needs of those species to be protected.

3. Cultural, historical and environmental forests (scenic place-protecting forests), which are areas containing one or several scenic places of typical

aesthetic value as well as cultural or historical value, aiming to serve cultural, tourist activities or experimental research, including:

a/ Areas with beautiful landscapes in the mainland, coastal areas or islands;

b/ Areas with classified historical and cultural relics or with scenic views like waterfalls, caves, rocks, marine views, archaeological sites or separate zones characterized with historical traditions of local inhabitants;

c/ Areas reserved for experimental research;

For special-use forests being islands, there may exist both forest and marine ecological systems;

For national gardens or nature conservation zones being submerged land areas, they will include all natural resources of the ecological system of submerged land and aquatic creatures.

Article 7.- Functional sub-zones of national gardens and nature conservation zones

National gardens and nature conservation zones shall be divided into the following functional sub-zones:

- Strictly-protected sub-zones, which are preserved in their wholeness and placed under strict management and protection so as to monitor natural evolution; all acts of changing the natural landscape of the forests are strictly forbidden;

- Ecological rehabilitation sub-zones, which are areas placed under close management and protection so that forests can recover and regenerate in a natural way; the introduction of animal species or plant varieties not originated from these forests is strictly forbidden.

- Service-administrative sub-zones, which are areas for construction of working and living facilities of the management boards, research and experimentation establishments, tourist, recreation and entertainment services.

In national gardens and nature conservation zones, there may be constructed tourist service points and lines which must be determined in feasibility projects approved by competent authorities.

Article 8.- Buffer zones for national gardens and nature conservation zones

There must be buffer zones to prevent undesirable impacts on national gardens and nature conservation zones.

1. Buffer zones are forest areas, land areas or land areas with water surface situated adjacent to national gardens or nature conservation zones, with the function of preventing or restricting encroachment upon special-use forests. All activities in buffer zones must be for purposes of supporting the conservation, management and protection of special-use forests; evacuation of people from outside into buffer zones shall be restricted;

hunting and trapping of animals and cutting and destruction of wild plant varieties in need of protection shall be banned.

2. The area of buffer zones shall not be included in the area of special-use forests. Investment projects on construction and development of buffer zones shall be approved together with investment projects of special-use forests.

3. Investors of buffer zone projects shall have to coordinate with the People's Committee of different levels and agencies, units and socio-economic organizations based in buffer zones, especially with the special-use forest management boards, in formulating forestry, agricultural and fishery production and sedentarization schemes on the basis of the participation of local inhabitants' communities, submit them to competent authorities for approval and organize their implementation so as to stabilize and raise the people's living standards.

Article 9.- Assignment of responsibility to manage special-use forests

1. The Ministry of Agriculture and Rural Development shall be responsible to the Prime Minister for assigning the responsibility to manage special-use forests regarding the following activities:

a/ Performing unified management of the entire system of special-use forests throughout the country, including: elaborating a plan on the system of special-use forests and submitting it to the Government for approval; submitting to the Government for promulgation or promulgating according to its competence legal documents relating to the managerial work (monitoring and direction of surveys and reporting on the situation of the evolution of forest resources), protecting and developing special-use forests; organizing professional and technical guidance, inspecting and supervising the managerial work, protection and construction of special-use forests;

b/ Directly managing national gardens, which are of special importance or stretch over two or more provinces;

c/ Coordinating with the Ministry of Aquatic Resources in organizing professional and technical guidance, inspecting and supervising the management and protection of natural resources being aquatic creatures in national gardens and nature conservation zones where exist water ecological systems;

2. The Ministry of Culture and Information shall directly manage and organize the construction of cultural, historical and environmental forests classified as of national level or internationally recognized so as to serve the purposes of cultural and historical sightseeing tours. At the same time, the Ministry of Culture and Information shall have to coordinate with the

Ministry of Agriculture and Rural Development in organizing the construction, management and protection of these forests:

3. The provincial-level People's Committees shall directly manage the remaining special-use forests in the system of special-use forests; depending on the scope and significance of each of such forests, the provinces shall issue decisions on assigning them to the district level for management, construction and exploitation thereof for sightseeing and tourist purposes.

Article 10.- Formulation of investment projects for special-use forests

1. For each special-use forest there must be a development planning on which investment projects shall be formulated and submitted to competent authorities for approval; for large-scale projects, they shall be phased into different implementation periods, and shall be considered and evaluated for supplements when necessary; apart from investment projects on construction of special-use forests, when a need arises, one or several buffer zone projects may be formulated in conformity with the local social and economic conditions;

2. The State shall invest with the budgetary capital and at the same time attract aid capital sources from foreign countries and international organizations in constructing the system of special-use forests according to the approved investment projects.

Article 11.- The managerial apparatus of special-use forests

1. For each special-use forest with a concentrated area of 1,000 hectares or above (or under 1,000 hectares in special cases), a management board shall be set up and operate according to the mechanism of revenue-generating economic public-service units. Such a management board shall be the forest owner, assigned with forestry land and granted a land use right certificate, take responsibility for managing, protecting and constructing the forest assigned to it;

2. For each special-use forest with a concentrated area of 15,000 hectares or above, a ranger section may be set up, which is attached to the special-use forest management board and concurrently submits to the professional direction of the provincial-level ranger service (of the place where the special-use forest management board is based);

3. For special-use forests with an area of under 1,000 hectares each (except special cases), management boards shall not be set up. Instead, they shall be assigned to organizations, households and individuals (collectively called forest owners) for management, protection and construction according to law provisions;

Where special-use forests have not yet been assigned to any specific owners, the district-level People's Committees shall be responsible for directing the People's Committees of communes where such special-use forests exist to organize the management, protection and construction of these forests; at the same time carry out procedures to submit to competent State bodies for approval the assignment of land and forests to the above-said forest owners for management protection and construction of special-use forests;

4. The payroll quota of a special-use forests management board shall depend on the scope, value and conditions of each forest: there may be a staff member on average for every 1,000 hectares (for forests which are of important significance regarding conservation of species or habitats, of cultural and historical values, and which are isolated from large forest areas, there may be a staff member for every 500 hectares); each management board shall have at least five members;

5. For special-use forests prescribed in Clause 3 of this Article, funding shall be also allocated for discharge of the forest management and protection tasks defined in Clause 4 of this Article.

Article 12.- Tasks and powers of the special-use forest management boards

1. To be responsible to the State for managing, protecting, constructing and using special-use forests according to this Regulation and law provisions; to organize management and protection of natural resources; to restore and conserve the intactness of various ecological systems; to preserve the biodiversity of special-use forests, including: taking measures to sustainably develop biological resources, soil resources, water resources and at the same time coordinating with the local administrations in protecting other natural resources; taking measures to prevent and fight forest fires, prevent and control insects harmful to forests, prevent acts of damaging special-use forests;

2. To elaborate additional investment projects on construction of special-use forests together with annual cost estimates for their activities and submit them to competent authorities for approval; to manage the use of investment funding allocated from the State budget according to current regulations;

3. To organize the implementation of activities of special-use forests' investment projects already approved by competent authorities; to organize international cooperation activities as assigned by competent bodies according to the State's current regulations in this regard;

4. To elaborate and organize the implementation of, regulations on operation of special-use forests under the guidance of the managing bodies;

5. To regularly report to the superior authorities on the situation of the evolution of forest natural resources and operations of special-use forests;

6. To carry out scientific research, cultural, social and eco-tourism service activities according to law provisions.

II. PROTECTION, CONSTRUCTION AND USE OF SPECIAL-USE FORESTS

Article 13.- Management, protection and development of natural resources in special-use forests

1. All natural resources in special-use forests must be further surveyed meticulously and recorded in monitoring dossiers;

To regularly monitor the evolution of forest natural resources, particularly rare and precious species, adjust statistical data and maps accordingly; to conduct re-assessment of natural resources once every five years;

The Ministry of Agriculture and Rural Development shall have to deploy implementation thereof according to the provisions in Clause 1, Article 9 of this Regulation.

2. In strictly-protected sub-zones the following activities are strictly prohibited:

a/ Activities that may change natural landscapes;
b/ Activities that may affect the natural life of wild animal and/or plant species;

c/ Breeding, rearing animal species or growing plant varieties taken from elsewhere, which have not yet ever existed in special-use forests (for special cases, the Ministry of Agriculture and Rural Development must be consulted with);

d/ Exploiting biological resources;
e/ Exploiting other natural resources;
f/ Grazing cattle;
g/ Causing environmental pollution;
h/ Bringing noxious chemicals, explosives or inflammables into forests, lighting fires in and at the edge of forests.

3. In ecological rehabilitation sub-zones the following activities are strictly prohibited:

a/ Exploiting biological resources;
b/ Exploiting other natural resources;
c/ Causing environmental pollution.

4. The rehabilitation of ecological systems in special-use forests must absolutely respect the natural succession, and shall be carried out as follows:

a/ The major measure to be taken to rehabilitate the ecological system of special-use forest is to zone off for tendering and natural regeneration.

- To limit forest re-planting, if forest is to be re-planted, correct technical measures must be applied.

with to be-planted trees being aboriginal, according to projects approved by competent authorities; particularly for strictly-protected sub-zones, the provisions in Item c, Clause 2 of this Article shall be complied with;

- The protection and restoration of wild animals in special-use forests:

All wild animal species must be strictly protected, their hunting, trapping or chase shall be prohibited;

To protect the living environment and feed sources of wild animals, feed and drinking water sources may, when necessary, be additionally created for them;

To release only healthy and disease-free wild animal species into special-use forests with a suitable ecological area; the quantity of each species must be suited to their habitats and feed sources;

b/ The protection, restoration and development of aquatic biological resources and bio-diversity of the submerged ecological systems within special-use forests located in islands, coastal or submerged areas shall comply with the already approved contents in investment projects and the law provisions on aquatic resources.

Article 14.- Full exploitation, full use of timber in special-use forests

Full exploitation and full use of timber shall be only carried out in special-use forests that are cultural, historical and environmental forests according to the following provisions:

To be fully exploited, fully used shall only be dead standing or fallen trees due to forest fires or other natural calamities;

The procedures for dossier compilation, management of the full exploitation and full use of timber shall comply with the regulations guided by the Ministry of Agriculture and Rural Development.

Article 15.- Scientific research activities in special-use forests

1. Basing themselves on the regulations on scientific research in special-use forests, issued by the Ministry of Agriculture and Rural Development, the special-use forest management boards shall have to make annual scientific research plans and submit them to competent authorities for approval, organize their implementation and report the results to the superior managing body.

2. Scientific research, teaching or practice visits made by domestic organizations or individual Vietnamese scientists, pupils, students must comply with the following provisions:

a/ They must be permitted by the special-use forest management board and comply with its guidance and

supervision:

b/ When scientific research activities are carried out in special-use forests, a location rental and charges for necessary services must be paid to the special-use forest management board;

c/ A report on the research results already tested and publicized must be sent to the special-use forest management board.

3. The scientific research conducted by foreign organizations or individual foreign scientists themselves or in coordination with Vietnamese organizations or scientists must comply with the following provisions:

a/ They must be permitted by the Ministry of Agriculture and Rural Development and comply with the guidance and supervision of the special-use forest management board;

b/ When scientific research activities are carried out in special-use forests, the provisions in Item b, Clause 2 of this Article shall be complied with;

c/ A report on the research results already tested and publicized must be sent to the permitting body and the special-use forests management board.

4. The collection of specimens in special-use forests for any purposes must be permitted by the Ministry of Agriculture and Rural Development and expenses therefor must be paid to the special-use forest management boards;

The collection and taking of specimens abroad shall be subject to a separate regulation.

Article 16.- Organization of tourist activities in special-use forests

1. The Ministry of Agriculture and Rural Development shall assume the prime responsibility and coordinate with the concerned ministries and branches in promulgating regulations on the organization of tourist activities (ecological, cultural, historical, convalescent...) on the principle that development of tourist activities shall be strongly encouraged without adversely affecting the objective of nature and environment conservation.

2. The organization of tourist activities within special-use forests must be formulated into separate projects and shall be permitted by the special-use forest-managing level on the principle that it must not adversely affect the special-use forests' conservation objective.

3. The special-use forest management boards may organize by themselves, lease out or contract the provision of ecological tourism services to organizations, households and individuals.

It is forbidden to lease out, contract or contribute as joint venture capital land and forests belonging to

strictly-protected sub-zones of national gardens, which may cause change in the forests' natural succession.

All revenues and expenditures related to tourist services shall comply with the current financial management regulations; earnings from tourist services shall be mostly left for investment in the work of managing, protecting and developing special-use forests.

4. Sight-seeing tours in special-use forests shall be organized by the special-use forest management board itself or in coordination or cooperation with the cultural and tourist services.

Article 17.- Socio-economic stabilization and development for inhabitants living in special-use forests and buffer zones

1. Planning options and investment projects on building and organizing the life for the population in special-use forests and buffer zones must be approved by the competent authorities together with decisions on the establishment of such forests.

2. The population currently living in special-use forests shall be stabilized. It is forbidden to relocate people from elsewhere into special-use forests and buffer zones.

In special cases where it is necessary to evacuate people from strictly-protected sub-zones of special-use forests, the special-use forest management board shall have to make a plan thereon and submit it to the competent authorities for approval according to current regulations.

3. Fixed areas of dwelling land, rice fields, gardens and milpa of inhabitants living in special-use forests shall not be included into the area of special-use forests but must be reflected on the map and have boundary markers posted openly on the field.

4. Inhabitants living in special-use forests and buffer zones must strictly observe the Law on Forest Protection and Development, abide by the provisions in this Regulation as well as regulations issued by the special-use forest management board.

Chapter III

PROTECTION FORESTS

I. ORGANIZATION AND MANAGEMENT OF PROTECTION FORESTS

Article 18.- Types of protection forest

1. Headwater protection forests, aiming to regulate

water sources for currents and reservoirs so as to limit flooding, reduce erosion, protect soil and limit the heightening of lake and river beds:

2. Protection forests to shield against harmful winds, blown sand, protect agriculture, protect residential quarters, urban centers, production areas and other construction works;

3. Coastal protection forests to shield against waves, prevent landslides and protect coastal construction works.

4. Protection forests to protect the ecological environment and landscapes in order to make the climate equable, prevent pollution in populous areas, urban centers and industrial zones, in combination with providing tourist and relaxation services.

Article 19.- Classification of protection forests by their degrees of importance

1. Very important areas: covering headwater areas, which are highly steep, close to rivers, lakes, prone to strong erosion, have the highest demand for water regulation; places of vigorous sand movement; coastal places prone to landslides and sea waves regularly threatening production and the people's life, in direst need of protection, specialized protection forests therefore must be planned and invested for construction, ensuring a forest coverage of above 70%.

2. Important areas: including areas with a fair degree of slantingness, erosion and demand for headwater regulation; places where the threat of sand movement and sea waves is lesser and conditions permit combined development of forestry production, with high demand for land protection and use, where protection forests must be constructed in combination with production, ensuring a forest coverage of at least 50%.

The Ministry of Agriculture and Rural Development shall specify the criteria for very important and important forest areas in order to guide the implementation thereof.

Article 20.- Organization of the protection forest management apparatus

1. Depending on the scope, nature and importance of each protection forest, a management board may be set up; in special cases where a forest has a concentrated area of 5,000 hectares or more, a management board may be set up and operate according to the mechanism of revenue-generating economic public-service units. The management board of a protection forest shall be the forest owner, assigned forestry land and granted a land use-right certificate and take responsibility for managing, protecting and constructing such forest.

2. For protection forests with a concentrated area of 20,000 hectares or more, ranger sections may be set up, which are attached to the protection forest management boards and also submit to the professional

guidance of the provincial Ranger Services.

3. For protection forests with an area (whether or not concentrated) of under 5,000 hectares, management boards shall not be set up. Instead, they shall be assigned to other organizations, households and individuals for management, protection and construction. The funding for the performance of this task shall be allocated from the provincial budgets.

Where such forests have not yet been assigned to specific forest owners, the People's Committees of the communes where such forests exist shall be responsible for managing, protecting and constructing such forests and, at the same time, working out plans on step-by-step assignment of land and forests to the above-said forest owners and submit them to competent State bodies.

4. The payroll quota of a protection forest management board shall be determined depending on the area of the protection forest assigned by the State; for every 1,000 hectares of forest there shall be one staff member on average and each management board shall be staffed with at least 7 persons.

Article 21.- Tasks and powers of the protection forest management boards

1. To be responsible to the State for managing, protecting, constructing and using protection forests according to law provisions.

2. Basing themselves on investment projects for protection forest construction and development already approved by competent authorities, the protection forest management boards shall work out annual plans of activity and send them to competent authorities for approval before organizing their implementation.

3. To receive investment capital from the State, coordinate with the People's Committees of different levels and concerned agencies in the localities in organizing the implementation of the plans on contractual assignment of such capital to organizations, households and individuals for protection and construction of protection forests; manage and use investment capital according to the current regulations;

4. To conduct production and business activities on production forest land lying interspersed with the protection forests according to the regulations on managing production forests in combination with doing business in activities of agricultural production, planting industrial trees, fruit trees, eco-tourism, fully exploiting forestry products, exploiting and using forests under Article 25 of this Regulation;

5. To appoint sub-zone heads to manage forests by sub-zone, organize full-time forest guard forces as prescribed in Article 20 of this Regulation;

6. To propagate and educate people in their respective localities to take part in protecting and

constructing protection forests;

7. To periodically report to the superior authorities on the situation of the evolution of forest resources and activities of managing, protecting, building and developing protection forests according to the regulations of the Ministry of Agriculture and Rural Development.

II. CONSTRUCTION AND USE OF PROTECTION FORESTS

Article 22.- Formative criteria for each type of protection forest

In each protection forest, the land area covered with forests must be protected while the area not yet covered with forests must be zoned for regeneration or afforestation with a view to ensuring the following formative criteria for each type of forest:

1. Headwater protection forests must form a concentrated area with a structure of mixed varieties of different ages and multiple layers, for deeply and strongly-rooted plant varieties, the degree of their canopy must be above 0.6;

2. Protection forests shielding against harmful wind and blown sand must comprise at least one main forest belt with a minimum width of 20 meters, combined with subsidiary forest belts forming a closed area; protection forests for agricultural production and economic works are planted in bands and lines, each forest belt or band consists of multiple lines of trees crown-contacted both horizontally and vertically;

3. Coastal protection forests shielding against sea waves must comprise at least one forest belt with a minimum width of 30 meters, consisting of multiple lines of crown-contact trees; different forest belts must have alternate entrances in the direction of big waves.

4. Protection forests to protect the ecological environment and landscapes are systems of forest belts and bands and systems of green trees intermingled with population areas, industrial zones or tourist resorts, ensuring prevention of air pollution, creating a clean environment in combination with recreation, entertainment and sight-seeing activities.

Article 23.- Investing in the management, protection, construction and development of protection forests

The State shall allocate investment funding for the management, protection, construction and development of very important and important protection forests according to projects, schemes and plans approved by competent authorities and for payment of expenses for the operation of the protection forest management board's apparatus.

The State shall encourage organizations,

households and individuals to invest in constructing protection forests.

Article 24.- Benefits of households contracted with and participating in the investment in constructing protection forests

1. Where the State invests capital and assigns it under package contracts to organizations, households and individuals (called collectively as contracting households) for protecting forests, zoning for forest restoration or afforestation, the contracting households shall be obliged to correctly carry out the plans and contents required in the package assignment contracts and be entitled to the following benefits (excluding kinds of Group I forestry products specified in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers (now the Government):

a/ To be entitled to receive remuneration for protecting, zoning off and regenerating forests, or afforestation, depending on the results of the performance of the package assignment contracts signed with the forest management board;

b/ To be entitled to exploit dry wood and subsidiary forestry products under the forest canopy;

c/ Households contracted to zone off and regenerate forests in combination with planting additional forests shall be entitled to enjoy all thinly-pruned products, products not infringing upon to the forest canopy (flowers, fruits, resins, bamboo shoots...), and subsidiary forestry and agricultural products under the forest canopy;

d/ Depending on each particular project, at the expiry of the contractual term if the contracting households so wish and have performed correctly the contents of their contracts during the contractual term, they may receive other contracts for the next period.

2. Where households invest their own capital in zoning and regenerating forests, planting new forests on land not yet covered with forests, they shall be entitled to enjoy 100% of the agricultural and forestry products when their forests meet the criteria for exploitation;

The full exploitation of timber and forestry products shall comply with Article 25 of this Regulation, the regulations and guidance of the Ministry of Agriculture and Rural Development.

Article 25.- Full exploitation of timber, bamboo and forestry products in protection forests

1. For protection forests being natural forests:

- The exploitation aims to get rid of old and stunted trees, diseased trees, thereby raising the forests' regenerability and quality;

- It is permitted to fully exploit dry dead trees,

diseased trees, topless trees, old and stunted trees, trees in over-density areas, at a rate not exceeding 20%, except for kinds of timber of Group IA specified in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers (now the Government); it is permitted to fully exploit fallen trees, timber left on the ground for years, so as to create conditions for natural regeneration;

- It is permitted to fully exploit forestry products other than timber, bamboo if such exploitation does not affect the forests' protection capacity, except Group I forestry products (specified in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers (now the Government);

- For bamboo forests that have met the protection requirements (with a coverage of above 80%), it is permitted to exploit them at a maximum rate of 30% and to exploit bamboo shoots.

In parallel with the full exploitation and full use of timber, bamboo, forestry products, the forest owners must manage, protect and develop forests through such measures as afforestation, zoning for regeneration, and enriching forests.

2. For protection forests being planted forests:

a/ For protection forests planted with the State's investment, it is permitted to exploit subsidiary trees, thinly-pruned trees when planted forests reach a density higher than the prescribed one, at the exploitation rate not exceeding 20% and ensure that, after being thinly pruned, forests should have a canopy degree of above 0.6.

When principal planted trees meet the exploitation criteria, it is permitted to exploit them selectively at a rate not exceeding 20% or fell them all in bands or small patches under 1 hectare in important areas or under 0.5 hectare in very important areas; the annual area in which all trees are felled must not exceed one tenth of the area with planted forests.

b/ For forests planted with the investment by the management boards or heads of contracting households, when they have reached the exploitable age, it is permitted to exploit each year at most one tenth of the area with forests planted by forest owners by the mode of felling in bands or small patches under 2 hectares in important areas or under 1 hectare in very important areas covered with headwater protection forests, and under 1 hectare for other types of protection forest.

c/ After exploitation, forest owners must proceed with regenerating or re-planting forests immediately in the next afforestation season and continue the management and protection thereof.

3. For protection forests which are restored through zoning for natural regeneration on land without forests, Clause 1 of this Article shall apply.

4. The exploitation procedures, the exploitation and the exploitation supervision and monitoring must comply with this Regulation, regulations, technical processes and procedures of the Ministry of Agriculture and Rural Development.

Article 26.- Management and use of other types of forest and land lying intermingled with protection forests

For production forest areas lying intermingled with protection forests, the forest management boards may organize production according to the provisions in Chapter IV of this Regulation.

Inhabitants' fixed residential land, rice fields, gardens and milpa lying intermingled with protection forests shall not be included in such protection forests and shall be managed by the local administrations themselves. The People's Committees of competent levels shall assign and grant land use-right certificates to households, individuals according to law provisions.

Chapter IV

PRODUCTION FORESTS BEING NATURAL FORESTS

I. ORGANIZATION AND MANAGEMENT OF PRODUCTION FORESTS BEING NATURAL FORESTS

Article 27.- Classification of production forests being natural forests

Natural forests are forests of natural origin, including existing natural forests and forests restored through zoning for natural regeneration on land no longer covered with forests. Natural forests shall be classified by their products as follows:

- a/ Timber forests;
- b/ Bamboo forests;
- c/ Specialty forests (cinnamon, amomum, pharmaceutical materials of all kinds...).

Article 28.- Organization and management of production forests being natural forests

1. Production forests being natural forests under unified State management shall be organized into the following production and business units:

- State-run forestry farms tasked to manage, protect forests and conduct forest production and business activities within the assigned areas of forests and forestry land;
- Sub-farms or production teams, which are units attached to forestry farms and tasked to manage and

implement production plans of their forestry farms, forestry sub-farms.

2. Production forests being natural forests assigned or leased by the State to other organizations (other than forestry farms): households, individuals, cooperatives, companies, enterprises... (called other forest owners) for conducting production and business activities. Depending on the forest scope and their managerial experiences, the forest owners may organize different production and business forms like forest gardens, forest stations, plantations...

3. Inhabitants' fixed agricultural land, residential land, rice fields, gardens and milpa lying intermingled with production forests shall not be included in production forests; the local administrations shall assign the right to use these types of land according to law provisions to households and individuals lawfully residing in their localities.

Article 29.- Responsibilities of State-run forestry farms for managing the business in production forests being natural forests

1. Directors of forestry farms shall be responsible to the State for the assigned forest funds and the effectiveness of the forest business management, shall have to organize the management, protection, tendering and rational use of these forest funds with a view to maintaining and developing them according to the approved overall planning, plans and schemes on forest production and business.

a/ To abide by the policies, regimes, laws, technical processes and procedures related to land use and management, forest use and forest production and business activities;

b/ Annually to report to State management bodies on the situation of the evolution of forest resources in their assigned areas.

2. Every five years, to re-assess the forest resources and forestry land so as to evaluate the effectiveness of the forest business management, which shall serve as basis for the formulation of production plans in the next period.

The Ministry of Agriculture and Rural Development shall guide in detail the annual and five-year reporting on forest resources.

Article 30.- Benefits of State-run forestry farms in managing the business in production forests being natural forests

1. To be entitled to exploit, process and sell timber and forestry products according to the provisions in Article 35 of this Regulation.

The Ministry of Agriculture and Rural Development shall assume the prime responsibility and coordinate with the Ministry of Finance in guiding in detail the use

of proceeds from the sale of timber and forestry products exploited from production forests being natural forests on the following principles:

- Payment of expenses for production (including various phases from forest preparation, exploitation designing, evaluation of exploitation designs to exploitation, export, transport, preservation and sale of products);

- Payment of taxes to the State as prescribed;

- Investment in forest regeneration with the application of biological forestry measures like zoning for regeneration, contracting out the forest protection, enriching forests, periodically re-assessing forest resources...;

- Deductions for setting up other funds of forestry farms according to law provisions.

2. To be entitled to organize the collection, processing and sale of agricultural and forestry products.

3. To be entitled to use at most 20% of the assigned land area not yet covered with forests for agricultural production and fishery;

4. To be entitled to enter into joint venture with organizations and individuals inside and outside the country for cultivation and processing of agricultural and forestry products;

5. To contract organizations, individuals and households to participate in the protection, zoning for tendering and planting of forests according to the Government's Decree No. 01/CP of January 4, 1995 on the contractual assignment of land for use for agricultural production, forestry and aquaculture at State enterprises;

6. To be entitled to compensation for damage to works constructed with forest owners' investment capital on the assigned land which is recovered by the State.

For seized timber and forestry products illicitly exploited from the forestry farms' forests by individuals and organizations, after written records and handling dossiers are fully made, they must be returned to the forest owners. When selling these timber and forestry products, the forest owners shall deduct a portion of the proceeds therefrom into the ranger office's fund for combat against forest destruction and forestry product smuggling according to current regulations.

Article 31.- Benefits of other forest owners in managing the business in production forests being natural forests

1. To be provided support by the State for production and business development such as loans at preferential interest rates, technical services, forestry promotion, product processing and sale services.

2. To be entitled to financial support for building of infrastructures in service of production like transportation roads, forest fire prevention and fight, forest disease prevention and elimination, construction of nursery gardens, and reassessment of forest resources once every five years.

3. To be entitled to exploit timber and forestry products according to the provisions in Article 35 of this Regulation, enjoy 100% of incomes after repaying all principal capital and interests thereon (if any) and pay all taxes as prescribed by law; and to invest in forest regeneration according to current regulations.

4. To be entitled to use at most 20% of the assigned or leased land area not yet covered with forests for agricultural production and fishery.

5. To be entitled to compensation for damage to works built with forest owners' investment capital on the assigned or leased forestry land areas that are recovered by the State.

Article 32.- Responsibility of other forest owners for managing the business in production forests being natural forests

1. To strictly abide by the State's policies and laws, relevant regulations, technical processes and procedures related to the land use management, forest use management and forest business.

2. To ensure the use of forestry land for right purposes and the stable and permanent use of forests.

3. To pay taxes as prescribed by law.

4. To annually report to the State management bodies on the situation of the evolution of forest resources in their assigned areas; once every five years to re-assess forest resources with a view to evaluating the effectiveness of the forest business management, which shall serve as basis for formulating production schemes and plans in the next period.

The Ministry of Agriculture and Rural Development shall guide in detail the annual and five-year reporting on forest resources.

II. DOING BUSINESS IN AND USE OF PRODUCTION FORESTS BEING NATURAL FORESTS

Article 33.- Conditions for putting forests into production and business

1. Forest owners must have land use-right certificates granted by competent State bodies; where they have not yet obtained such certificates, they must have decisions issued by competent State bodies to assign or lease forestry land for forest production and business.

2. Forest owners being forestry farms or other organizations must have dossiers approved by

competent authorities, including:

- Investment projects;
- Forest production and business, protection and management schemes;
- When exploiting production forests being natural forests, there must be forest restoration schemes.

3. Forest owners being households or individuals shall be required to have only forest production and business, management and protection schemes or plans approved by competent authorities.

Article 34.- Regulations on zoning for tendering of production forests being natural forests

The zoning for tendering of production forests being natural forests must comply with the plans, investment projects or production and business schemes or plans already approved by competent authorities.

1. For projects on zoning forests for tendering, which are funded with budgetary capital, non-refundable aid capital, domestic and foreign concessional loans, the forest owners or project owners must make cost estimates therefor and submit them to the following competent authorities for approval:

- The provincial/municipal Agriculture and Rural Development Services, if they are units attached to the provinces;
- The managing ministries or branches, if they are units attached to the ministries or branches;
- The corporations or companies, if they are units attached to the corporations or companies.

2. If the forest owners make investment with their own capital, they may make their own decisions on the zoning for tendering of forests

Article 35.- Exploitable objects, procedures for exploitation of timber and forestry products from production forests being natural forests

1. Exploitable objects shall include:

a/ Timber from production forests being natural forests of forestry farms and other organizations of the State, except those types of Group 1A (specified in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers (now the Government));

b/ Timber from production forests being natural forests under the management of households, individuals, including also natural forests marked off for tendering and restoration on land no longer covered with forests, except those types of Group 1A (specified in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers (now the Government));

c/ Other forestry products, except those types of Group 1A (specified in Decree No. 18/HDBT of January 17, 1992 of the Council of Ministers (now the Government));

d/ Exploiting products while tendering, enriching, thinly pruning forests, and exploiting dead standing trees...;

e/ Fully exploiting timber lying on the ground (dry dead trees, removal of pith, bark...).

2. Procedures for exploitation of timber from natural forests:

- For timber exploitation, there must be designing dossiers approved by competent bodies;

- Annual exploitation sites and outputs must be compliant with forest restoration schemes or forest production and business schemes or plans already approved by competent authorities;

- The Ministry of Agriculture and Rural Development shall coordinate with the Ministry of Planning and Investment in submitting to the Government for approval the annual plan's total quota for exploitation of timber from natural forests.

- On the basis of the total exploitation quota approved by the Prime Minister, the Ministry of Agriculture and Rural Development shall allocate the quotas for exploitation of timber from natural forests in the subsequent year to the localities and units for proceeding with the exploitation designing;

- The provincial/municipal Agriculture and Rural Development Services shall evaluate forests, consider and approve the enterprises' detailed exploitation designs; sum up and submit them to the provincial People's Committees for approval.

- The provincial-level People's Committees shall approve the exploitation designing dossiers, sum up and submit them to the Ministry of Agriculture and Rural Development for evaluation;

- On the basis of the results of the dossier evaluation, the Ministry of Agriculture and Rural Development shall issue to the localities decisions on opening forests for timber exploitation, which shall serve as basis for the provincial-level People's Committees to make decisions to grant exploitation permits to enterprises.

3. The Ministry of Agriculture and Rural Development shall issue concrete regulations on the compilation of dossiers, exploitation procedures, organization and supervision of exploitation as well as regulations, technical processes and procedures for exploitation of timber and forestry products:

- After being exploited, natural forests must be cleaned up and closed, protected and tendered throughout the next period.

- For products exploited under permits from production forests being natural forests, after completion of procedures to prove that they are exploited lawfully according to current regulations, they may be freely circulated on the market, except forestry products of Group I ((specified in Decree No. 18/HDBT

of January 17, 1992 of the Council of Ministers (now the Government).

Chapter V

IMPLEMENTATION PROVISIONS

Article 36.- Inspection and supervision of the forest management and forest production and business

1. The presidents of the People's Committees of all levels shall have to perform the State management over all forest areas and forestry land areas in the localities under their management; direct the organization of all activities related to the management, protection, construction, development and business of production forests in their localities according to law provisions.

2. The forestry management bodies of all levels shall have to advise the local administrations on performing the State management over the business in and use of forests assigned to them for management.

3. The ranger offices shall have to supervise, inspect and monitor the observance of the legislation on forest management and protection in their localities, and at the same time guide and help forest owners to manage and protect forests according to the provisions in Clause 4, Article 7 of the Prime Minister's 187/1999/QĐ-TTg of September 16, 1999 and this Regulation.

4. The forest owners shall manage and protect forests and forestry land areas assigned or leased to them; oversee and carry out production activities, prevent mistakes and timely detect violations for interception and handling, or report them to competent authorities for handling according to law provisions.

5. The law enforcement bodies of all levels shall, when conducting inspection and supervision, make written records on and handle violations, or report them to the superior authorities for handling according to law provisions.

Article 37.- Organizations, households and individuals shall have to abide by the provisions in this Regulation. If they commit any violations, they shall, depending on the nature and seriousness of their violations, be administratively sanctioned, disciplined or examined for penal liability according to law provisions. If they record achievements, they shall be commended and rewarded by the State.

Article 38.- All previous regulations contrary to this Regulation are now annulled.

For the Prime Minister
Deputy Prime Minister
NGUYEN CONG TAN