

**THE MINISTRIES*****INTER-MINISTERIAL*****THE GENERAL LAND ADMINISTRATION - THE  
STATE BANK OF VIETNAM****JOINT-CIRCULAR No. 772/2001/TTLT-  
TCDC-NHNN OF MAY 21, 2001 GUIDING  
THE PROCEDURES FOR THE MORTGAGE  
OF THE LAND USE RIGHT VALUE AND  
ASSETS AFFIXED TO LAND BY FOREIGN-  
INVESTED ENTERPRISES AT CREDIT  
INSTITUTIONS**

Pursuant to the provisions in Clause 3, Article 92 of the Government's Decree No. 24/2000/ND-CP of July 31, 2000 detailing the implementation of the Law on Foreign Investment in Vietnam and other law provisions, the General Land Administration and Vietnam State Bank hereby jointly guide the procedures for the mortgage of the land use right value by foreign-invested enterprises (including joint-venture enterprises and 100% foreign-capital enterprises) at credit institutions (including Vietnamese credit institutions, foreign banks' branches operating in Vietnam and joint-venture banks between Vietnam and foreign countries operating under the Law on Credit Institutions) as follows:

**I. DOSSIERS OF MORTGAGE OF THE  
LAND USE RIGHT VALUE AND ASSETS  
AFFIXED TO LAND**

1. For foreign-invested enterprises which have been leased land by the State and already paid the land rents for the whole lease term or paid the land rents in advance for many years, if the lease term remains for at least five years, the mortgage dossiers shall include the following papers:

1.1. The contract on the mortgage of the land use right value;

The contents of a land use right value-mortgaging contract shall be agreed upon by the involved parties according to law provisions, but there must be space for certification by the provincial/municipal Land Administration Service or Land Administration and

Housing Service (hereafter referred collectively to as Land Administration Service) of the locality where such land exists, of the land user, land use papers, the current land-use situation and mortgage registration; as well as space for deletion of registration; and changes in mortgage registration;

1.2. The land use right certificate (original);

1.3. The extract map of the land plot (certified and sealed by the Land Administration Service), for cases where the land use right certificate does not include such map;

1.4. Voucher on the payment of land rents (copy certified by agency competent to make notarization and/or authentication).

2. For joint-venture enterprises to which the Vietnamese parties contribute their capital with the land use right value, if the duration of capital contribution with the land use right value remains for at least five years, the mortgage dossiers shall include the following papers:

2.1. Papers prescribed at Points 1.1, 1.2 and 1.3 of this Section;

2.2. Copy of the contract on capital contribution with the land use right value, certified by agency competent to make notarization and/or authentication.

3. For foreign-invested enterprises which mortgage the land use right value and assets affixed to land (including machinery and equipment installed at workshops, construction works and other assets affixed to land), the mortgage dossiers shall include the following papers:

3.1. Papers prescribed at Points 1 or 2 of this Section;

3.2. Papers on the registration of the ownership over the assets;

3.3. Papers evidencing that the assets are under the lawful ownership of such foreign-invested enterprises while the registration of the ownership over such assets is not yet required by law as prescribed at Point 1.3 of Joint-Circular No. 12/2000/TTLT-NHNN-BTP-BTC-TCDC of November 22, 2000 of Vietnam State Bank, the Ministry of Justice, the Ministry of Finance and the General Land Administration.

4. When mortgaging the land use right value according to the provisions in this Circular, the competent State agencies shall not have to issue written decisions to permit the mortgagers to mortgage their

land use right value, but only carry out the procedures therefor and make certification on the land use right value-mortgaging contracts.

5. Each land plot may be mortgaged at only one credit institution licensed to operate in Vietnam. In cases where a foreign-invested enterprise, which has a common land use right certificate for several land plots, wishes to mortgage its land use right value at several credit institutions, such foreign-invested enterprise shall have to go to competent State agencies to carry out the procedures for the granting of separate land use right certificate for each land plot according to the provisions of Circular No. 1417/1999/TT-TCDC of September 18, 1999 of the General Land Administration.

6. When being mortgaged, the land use right value shall be determined according to the land prices announced by the People's Committees of the provinces and centrally-run cities where such land exists for application at the time of mortgage.

For cases where land is leased by the State, the land use right value shall comprise: The land rents already paid in advance to the State minus the land rents already paid for the use duration; compensations for damage (if any); expenses for ground leveling and improvement (if any).

## II. ORDER FOR MORTGAGING THE LAND USE RIGHT VALUE

1. Foreign-invested enterprises shall submit dossiers of mortgage of the land use right value as provided for in Section I of this Circular to the provincial/municipal Land Administration Services.

2. Within 15 days as from the date of receiving complete and valid mortgage dossiers, the Land Administration Services shall expertise such mortgage dossiers and make certification of fully meeting the law-prescribed mortgage conditions on the land use right value-mortgaging contracts; register the mortgage on the land use fluctuation-monitoring books and the register of secured transactions; then return the mortgage dossiers to such foreign-invested enterprises.

In cases where the foreign-invested enterprises fail to fully meet the mortgage conditions, the Land Administration Services shall return the dossiers and notify the enterprises of the reasons therefor.

3. Foreign-invested enterprises and credit institutions shall have to pay fees according to law provisions.

4. The land use right-mortgaging contracts shall be valid as from the time the Land Administration Services register the mortgage of the land use right.

5. In the course of mortgaging the land use right value, if foreign-invested enterprises and credit institutions reach agreements other than the contents of the land use right-mortgaging contracts already signed, the Land Administration Services shall register changes in the land use right value mortgage according to law provisions.

### **III. ORDER FOR DELETING THE REGISTRATION OF LAND USE RIGHT VALUE MORTGAGE**

1. When foreign-invested enterprises fulfill their debt-repayment obligation under the credit contracts or the land use right value-mortgaging contracts already signed, they shall file the land use right-mortgaging contracts to the provincial/municipal Land Administration Services for the deletion of the land use right mortgage registration:

2. The provincial/municipal Land Administration Services shall delete the mortgage registration and affix stamp on the land use right value-mortgaging contracts; and delete the mortgage registration in the land use fluctuation-monitoring books and the register of secured transactions according to law provisions.

3. The settlement of the mortgaged land use right and assets affixed to land for debt retrieval shall comply with the provisions of Joint-Circular No. 03/2001/TTLT/NHNN-BTP-BCA-BTC-TCDC of April 23, 2001 of Vietnam State Bank, the Ministry of Justice, the Ministry of Public Security, the Ministry of Finance and the General Land Administration.

### **IV. IMPLEMENTATION ORGANIZATION**

1. For cases where the land use right value has been mortgaged before the effective date of this Circular, the procedures therefor shall not be re-carried out according to the provisions of this Circular.

2. For foreign-invested enterprises which have been fully qualified for the granting of land use right certificates under the provisions of legislation on land, but not yet granted such certificates, the mortgage dossiers and procedures shall not comply with this Circular, but with the provisions at Point 1.1, Joint-

Circular No. 12/2000/TTLT-NHNN-BTP-BTC-TCDC of November 22, 2000 of Vietnam State Bank, the Ministry of Justice, the Ministry of Finance and the General Land Administration.

3. The entries in the register of secured transactions shall be made only when the concerned ministries or branches issue guiding documents.

4. The People's Committees of the provinces and centrally-run cities shall, within the ambit of their tasks and powers, have to organize the implementation of this Circular.

The provincial/municipal Land Administration Services and Land Administration-Housing Services, the State Bank's provincial/municipal branches, credit institutions, foreign-invested enterprises and concerned units shall have to implement this Circular.

In the course of implementing this Circular, if any problems arise, they must be promptly reported to the General Land Administration and Vietnam State Bank for guidance and settlement.

5. This Circular takes effect 15 days after its signing.

*For the General Director  
of Land Administration  
Deputy General Director*  
**TRIEU VAN BE**

*For the Governor of Vietnam State Bank  
Deputy Governor*  
**DUONG THU HUONG**