

This Decree provides for a number of contents and policies on development of rural trades.

Article 2.- Subjects of application

1. Domestic and foreign organizations and individuals that directly invest in the development of production and services of rural trades in rural areas (hereinafter referred to as rural trade establishments), including:

a/ Small- and medium-sized enterprises established and operating under the Enterprise Law;

b/ Cooperatives established and operating under the Cooperative Law;

c/ Family businesses registered under business registration regulations.

2. Trade villages and clusters of rural trade establishments.

Article 3.- Rural trades

Rural trades in rural areas prescribed in this Decree include:

1. Processing and preserving agricultural, forest and aquatic products.

2. Producing construction materials; wood, rattan, bamboo, ceramic, porcelain, and glass products; textiles and garments; and small-sized mechanical engineering.

3. Treating and processing materials serving rural trade production.

4. Producing art handicrafts.

5. Growing and trading in ornamental plants.

6. Communal and inter-communal construction and transport services, and other services serving rural production and daily life.

**DECREE No. 66/2006/ND-CP OF JULY 7, 2006,
ON DEVELOPMENT OF RURAL TRADES**

THE GOVERNMENT

Pursuant to the December 25, 2001 Law on Organization of the Government;

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

DECREES:

Chapter I

GENERAL PROVISIONS

Article 1.- Scope of regulation

7. Training in and handing down rural trades; and providing consultancy on production and business related to rural trades.

Article 4.- Accreditation of trades, trade villages and quality management of rural trade products

1. The Ministry of Agriculture and Rural Development shall define contents and standards for accreditation of traditional trades, trade villages and traditional trade villages.

Provincial-level People's Committees shall decide on accreditation of traditional trades, trade villages and traditional trade villages in their localities.

2. Provincial-level People's Committees shall organize the registration and quality control of rural trade products in their localities according to the provisions of law on product quality management.

Article 5.- Rural trades development planning

1. The State shall devise national and regional master plans and orientations for long-term development of rural trades which ensure sustainable development and industrialization and modernization of agriculture and rural areas.

The Ministry of Agriculture and Rural Development shall formulate a national master plan on rural trades development. Provincial-level People's Committees shall formulate provincial master plans on rural trades development. Such master plans shall be approved according to current regulations on planning.

2. Master plans on rural trades development must conform with national and regional master plans on socio-economic development and comply with legal provisions on planning with a view to exploiting and bringing into play potential trades of each region and locality.

Chapter II

INCENTIVE POLICIES

Article 6.- Program on conservation and development of trade villages

1. The program on conservation and development of trade villages shall cover:

a/ Conservation and development of traditional trade villages;

b/ Combination of trade village development with tourism;

c/ Development of new trade villages.

2. The State shall work out and allocate its budget to assist the program on conservation and development of trade villages prescribed in Clause 1 of this Article.

3. Based on practical local conditions, provincial-level People's Committees shall adopt mechanisms to assist projects on conservation and development of trade villages in their localities apart from the financial assistance prescribed in Clause 2 of this Article.

Article 7.- Production sites

1. Based on approved land use plans, and master plans and orientations for rural trades development, provincial-level People's Committees shall work out master plans on construction of trade villages and clusters of rural trade establishments to meet the demand for production development, environmental protection, and association of production with consumption, and submit them to competent authorities for approval.

2. To encourage organizations, individuals and rural trade establishments to invest in building infrastructure for trade villages and clusters of rural trade

establishments. The State shall assist investment in trade village infrastructure and rural trade establishments' outside-fence infrastructure as provided for in Clause 1, Article 8 of this Decree.

3. Rural trade establishments having efficient investment projects shall:

a/ Be provided with favorable conditions in receiving land assigned with land use levy payment or renting land in clusters of rural trade establishments and be granted a land use rights certificate according to the provisions of the Land Law;

b/ Investment projects satisfying strict requirements on treatment of environmental pollution and requirements on research into and production of new products shall be prioritized in receiving land assigned with land use levy payment or renting land in industrial parks or clusters;

c/ Rural trade establishments relocating from residential areas to planned areas shall get incentives in land use levy, land rent and land use tax and receive financial assistance for relocation.

Article 8.- Investment and credit

1. Local budget shall be allocated to cover part of investment costs for infrastructure construction and environmental treatment in trade villages and clusters of rural trade establishments. Provinces having budget revenue difficulties shall receive supports from the central budget which shall be incorporated in annual budget estimates.

2. Production and business projects operating with good results shall:

a/ Be entitled to investment incentives under the Investment Law;

b/ Be entitled to post-investment interest supports under current regulations;

c/ Get loans from the Employment Assistance Fund

under current regulations;

d/ Enjoy development investment credit and export credit under relevant state policies;

e/ Be guaranteed by the Credit Guarantee Fund for Small- and Medium-sized Enterprises to get loans from credit institutions.

Article 9.- Trade promotion

1. The State shall encourage, facilitate and support rural trade establishments to conduct trade promotion activities under current regulations on the national trade promotion program.

2. Based on practical local conditions, provincial-level People's Committees shall support rural trade establishments to develop brand names and geographical indications of goods and adopt policies for trademark protection.

Article 10.- Science and technology

1. Rural trade establishments shall be entitled to incentives under incentive policies and financial mechanisms for enterprises investing in scientific and technological activities when they apply scientific and technological results, renew technologies, make new products and provide scientific and technological services or receive scientific and technical advances from domestic and foreign organizations and individuals.

2. Rural trade establishments conducting independent research projects, or collaborating with scientific research agencies in creating new technologies or perfecting commercially viable research products in the rural trade domain shall receive financial support from the state budget for non-business scientific and technological activities.

3. State budget for agricultural, fisheries and industrial extension work shall be used to assist rural

trade establishments in communication and propaganda activities; model construction and scientific and technological transfer; refresher training and training; and consultancy and services.

Article 11.- Human resource training

1. Investment projects on setting up rural vocational training establishments shall enjoy state policies on development investment credit to train human resources for trades to be developed under the master plan on rural trades development.

2. Local budget shall be allocated to finance part of training costs for rural trade establishments opening training in trades.

3. Rural trade artisans organizing training in trades may collect training fees from trainees on the principle of mutual agreement; shall be entitled to remuneration when they provide training at training establishments according to the establishments' regulations; and be entitled to tax incentives for such training activities under current regulations.

4. Rural laborers attending vocational training shall get assistance in training costs according to policies on short-term vocational training assistance for rural labor; and get loans from the national employment program.

Chapter III

IMPLEMENTATION PROVISIONS

Article 12.- Implementation effect

1. This Decree takes effect 15 days after its publication in "CONG BAO."

2. Rural trade establishments, trade villages, and clusters of trade village establishments shall be entitled to incentive policies under the provisions of this Decree and current regulations.

Article 13.- Responsibilities for implementation guidance

1. The Minister of Agriculture and Rural Development shall assume prime responsibility for, and coordinate with concerned ministries and branches, and provincial/municipal People's Committees in, guiding the implementation of this Decree.

2. The Ministers of Planning and Investment; Finance; Culture and Information; Natural Resources and Environment; Labor, War Invalids and Social Affairs; Science and Technology; Industry; and Fisheries, and the State Bank of Vietnam shall have to guide the implementation of this Decree according to their functions and competence.

Article 14.- Ministers, heads of ministerial-level and government-attached agencies, and presidents of provincial/municipal People's Committees shall have to implement this Decree.

On behalf of the Government

Prime Minister

NGUYEN TAN DUNG