

THE PRIME MINISTER

DECISION No. 100/2007/QĐ-TTg OF JULY 6, 2007, AMENDING AND SUPPLEMENTING A NUMBER OF ARTICLES OF DECISION No. 661/QĐ-TTg OF JULY 29, 1998, ON THE TARGETS, TASKS, POLICIES AND ORGANIZATION OF IMPLEMENTATION OF THE PROJECT ON PLANTING 5 MILLION HECTARES OF FORESTS

THE PRIME MINISTER

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

Pursuant to the December 3, 2004 Law on Forest Protection and Development;

Pursuant to the Prime Minister's Decision No. 661/QĐ-TTg of July 29, 1998, on the targets, tasks, policies and organization of implementation of the project on planting 5 million hectares of forests;

Pursuant to Resolution No. 73/2006/QH11 of the XIth National Assembly, the 10th session, on adjustment of the targets and tasks of the project on planting 5 million hectares of forests in the 2006-2010 period;

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

DECIDES:

Article 1.- To amend and supplement a number of articles of the Prime Minister's Decision No. 661/QĐ-TTg of July 29, 1998, on the targets, tasks,

policies and organization of implementation of the project on planting 5 million hectares of forests:

I. To amend Article 3 as follows:

Article 3.- Tasks of the project during 2006-2010:

1. General tasks:

a/ Management and protection of forests:

- For special-use forests: To relocate inhabitants from the zones which must be strictly protected under regulations. If conditions do not permit that relocation, there must be specific schemes and investments to stabilize their life and prevent deforestation. In strictly protected zones, forests may be contracted to people only if the State's specialized forest protection forces are inadequate.

- For protection forests: To increase measures in order to protect existing natural forest resources. To attach importance to the development of valuable non-timber forest products and those under the forest canopy so that people may benefit from the contracting of protection forests. To gradually reduce the area of forests contracted for protection; the management boards of protection forests may contract with people for the protection of forests in difficulty-hit areas and areas at the high risk of destruction which do not bring any benefits yet. Forests in border areas far from residential areas, which are at the high risk of encroachment, may be allocated to or contracted with border guard or public security units for protection. To concentrate efforts on stepping up the allocation of forests to local communities and households, creating conditions for them to manage, protect and benefit from forests, thereby developing forests;

- For production forests: Forest owners shall by themselves organize forest protection forces; households shall protect forests by themselves and

with the assistance of the community. Forest rangers and local administrations at all levels shall handle acts of encroaching upon production forests of all economic sectors so as to ensure the strict observance of discipline and law and make forest owners feel at ease when investing in forests.

b/ Planting and development of forests

- Special-use forests: To review the planning on special-use forests and functional zones within those forests; to keep the special-use forest acreage stable at around 2 million ha. With regard to planned areas where special-use forests do not yet exist, if it is necessary to restore forests, the major measure is to zone off forests for regeneration; special attention shall be paid to the development of non-timber forest products in order to generate incomes for inhabitants in special-use forest areas (outside strictly protected zones);

- Protection forests: To keep the protection forest acreage stable at around 6 million ha nationwide. With regard to planned land areas where protection forests do not yet exist, the major measure is to zone off forests for regeneration and forests shall be planted only in areas where conditions do not permit forest regeneration. Priority shall be given to investment in projects on wave- and sand-break protection forests or border protection zones. All economic sectors may participate in the protection and development of protection forests and enjoy forest benefits in accordance with law;

- Production forests: To allocate or lease around 3 million ha (including natural forests, forest plantations, bare land and hills) which have been planned for protection forests but, after investigation, fail to meet the criteria for conversion into production forests, to organizations, households, communities and

individuals for long-term production or business in accordance with law. To thoroughly tackle land-related issues in each locality so as to attract all economic sectors to invest in the building of large or medium consolidated raw material areas, thereby ensuring raw materials for forest product processing. To encourage forms of joint venture and cooperation, and the establishment of forestry cooperatives. To use combined bio-forestry methods to raise the quality of natural forests, proceed to the sustainable management and exploitation of forests, thus nurturing forests with forests:

+ For production forests being natural forests: To formulate schemes on forest management and exploitation based on sustainable forest management approach;

+ For impoverished natural forests. To enrich them in order to raise their quality by planting more timber trees of economic value and non-timber species or replanting trees of higher economic value;

+ For existing production forests that are plantation forests: Beside exploiting and replanting them, to encourage investment in tending and conversion of small-timber forests into big-timber forests so as to supply big-timber for the processing of domestic-use woodworks, fine-art items for export and other processing needs;

+ For bare land for planting production forests: To step up afforestation by intensive planting so as to meet the demand for big and small timber for use as raw materials for the processing of domestic-use woodworks; to encourage the planting of multi-purpose trees and non-timber species. To use high-quality varieties in order to raise the productivity of forest plantations.

To renew the work of scientific research, technology transfer and silviculture extension in

forest plantation and protection. To concentrate efforts on improving forest seedlings to have a higher productivity and a shorter cycle while taking advanced bio-forestry measures to raise the productivity of forest plantations. To improve bio-forestry processes and regulations and make market information available. To enhance the operation of grassroots silviculture extension networks in mountain, deep-lying and remote communes.

2. Specific tasks:

- To review plans on forests of three types, determine stable forest estates on the map and place landmarks to delineate forests of three types on the field;

- To review and complete the allocation and lease of forests and forestland to forest owners (local communities, households, organizations and enterprises);

- To set up forest protection teams and train local forest rangers for 100% villages and communes with forests;

- To ensure that 100% of protection and special-use forests will have owners (state organizations, individuals or communities) and medium- and long-term forest protection and development plans and plans;

- To ensure that 100% of units engaged in natural forest production and business will formulate, implement, supervise and assess forest management schemes;

- To contract with households, individuals and village communities for the management and protection of 1.5 million ha of protection forests and special-use forests which are currently managed by forest management boards;

- To zone off for regeneration 800,000 hectares of forests, of which 400,000 ha will transitionally

be zoned off and the rest will be zoned off for the first time;

- To plant 250,000 ha, 50,000 ha a year on average, of special-use forests and protection forests;

- To plant 750,000 ha, 150,000 ha a year on average, of production forests.

Total investment capital: VND 15,000 billion, of which:

- + State budget capital: VND 5,000 billion, VND 1,000 billion a year on average;

- + Loan capital and other capital sources: VND 10,000 billion, VND 2,000 billion a year on average.

II. To amend Article 5 as follows:

Article 5.- Land policies:

1. In 2007, provincial/municipal People's Committees shall complete the review and re-planning of forests of three types under Directive No. 38/2005/CT-TTg, thus keeping stable national forest estates on map and on field.

Special-use forest or protection forest areas which have been invested by the State under Program 327 and Project 661, but, after the planning review, fail to meet the criteria for conversion into production forests, shall be allocated or leased to organizations, households or village communities for management, protection and development.

2. After reviewing the plans on forests of three types, provinces shall place landmarks to delineate these forests on the field; review and adjust local projects on planting 5 million hectares of forests; reorganize and allocation the operation of state-owned forestry farms; review and accelerate the allocation and lease of forests and forestland to organizations, households, individuals and local communities for stable and long-term use for

silviculture purposes; and encourage domestic and foreign economic sectors to participate in forest protection and development.

3. The limits and terms of land allocation, land lease, forest lease, land recovery and forest recovery comply with the 2003 Land Law, the 2004 Forest Protection and Development Law, the Government's Decree No. 23/2006/ND-CP guiding the implementation of the Law on Forest Protection and Development, and relevant legal documents.

III. To amend Article 6 as follows:

Article 6.- Investment and investment credit policies:

1. State budget investment capital

- Annually, to set aside 5% of the project fund for forest management and protection (awareness raising and education, training, grant of responsibility allowances for commune-level forestry cadres, organization of forest protection, forest fire and pest control forces, land and forest allocation...); the specific spending levels shall be decided by provincial/municipal People's Committees based on the actual situations of localities.

- To continue contracting the protection of special-use forests and protection forests which are currently managed by management boards in localities at the high risk of destruction and which cannot bring any benefits yet. The level of central budget support for local budgets for the contracting of the protection of protection forests or special-use forests is VND 100,000 /ha/year. The specific contractual quotas and terms applicable to each locality shall be decided by provincial/municipal People's Committee, based on the actual situation (except for localities subject to other regulations of

the Prime Minister). The support level of VND 100,000/ha/year is also applied to the zoning off of natural forests for tending;

- The fund for the project on planting 5 million hectares of forests shall also be used for the review of the plannings on forests of three types and for the placement of landmarks;

- For protection forests and special-use forests: Investment in afforestation and zoning off of forests for regeneration, including additional planting and enriching of natural forests, shall be considered on the basis of the bio forestial economic technical norms set by the Ministry of Agriculture and Rural Development; specific investment amounts for each project or region shall be based on the cost estimates approved by competent authorities. The average investment portion for afforestation, which is used for the purpose of balancing annual investment plans in the 2007-2010 period, is VND 6 million/ha.

- Support shall be provided for planting production forests in line with the Government's policy on production forest development.

- When participating in forest protection and development on the allocated forestland, ethnic minority households governed by the Prime Minister's Decision No. 134/2004/QĐ-TTg of July 20, 2004, are entitled to the benefits specified in the Prime Minister's Decision No. 304/2005/QĐ-TTg of November 23, 2005, in addition to the benefits above, depending on whether those forests are protection or production ones;

- To supply food for ethnic minority inhabitants in mountainous regions to plant forests instead of slash-and-burn cultivation:

+ For unstable mountain fields with a slope of over 25° which have not yet been renovated into terraced fields on land planned for protection forests (around 500,000 ha), where the cultivation of rice

and subsidiary crops is likely to erode or degrade the soil, protection forests will be re-planted;

+ For mountain fields with a slope of under 25° on land areas planned for production forests (around 260,000 ha), production forests will be planted with timber or specialty trees suitable to the local natural conditions and consumption markets.

While people are planting forests and cannot yet change their cultivation methods, the State shall provide an average support of 10 kg of rice/person/month and concurrently allocate funds according to regulations, depending on whether they plant protection or production forests, for them to replant forests on mountain field land areas. To encourage the planting of multi-purpose trees and non-timber species in protection forests. Provincial People's Committees shall decide on specific support levels. Foresters are entitled to all forest products under the forest canopy and timber products, if any, in protection forests that are forest plantations in accordance with regulations.

- To build essential infrastructure facilities in service of bio-forestry work under afforestation projects, specifically:

+ Providing support for construction and upgrading of seeding gardens, seeding forests, converted seeding forests and nurseries for the creation of forest seedlings;

+ Building and upgrading works for forest pest and forest fire control (fire lines, fire towers, canals, water tanks and reservoirs for forest fire extinguishment in the dry season...);

+ Building forest protection stations; renovating and upgrading the system of forestry roads (main roads in raw material forest plantations and protection forests).

The fund for investment in infrastructure

construction (for elaboration of annual master plans) shall account averagely for 10% of the total budget investment capital for a project. The specific investment level for a project shall be approved by the Ministry of Agriculture and Rural Development or the provincial People's Committee.

- To set aside 2% of the total annual budget investment capital for the Project to organize silviculture extension activities: building models, transferring advanced techniques, communication, guiding and training local foresters who directly participate in the Project;

- The fund for management of the Project on planting 5 million ha of forests is estimated at 10% of the total state budget investment capital for the Project, including 0.7% to be allocated to ministries and centrally run branches, 1.3% to provinces and 8.0% to local project owners;

- If their salaries have not yet been guaranteed by other non-business funding sources, forest management board members, including project directors, accountants, planning and technical officers and field supervisors will receive salaries from the project fund.

2. Investment credit:

- Forestry farms, enterprises, investors, organizations and households participating in planting forests under raw material forest-planting projects approved by competent authorities may borrow capital from the Vietnam Development Bank, ODA capital from foreign countries and international organizations and capital of other sources at the current preferential interest rates. Loan terms will correspond to the planted tree cycles. Investors shall repay loans and interests under credit contracts, excluding accumulated interests, only after exploiting timber of the first

cycle, and are responsible for replanting forests;

- To encourage all economic sectors, domestic and foreign enterprises to invest in afforestation. Investors may be allocated or leased land to conduct business in a stable and permanent manner under current regulations;

To set up central and local forest protection and development funds from various capital sources (budget capital, ODA capital, forest and water resources tax, electricity and environmental service charges, carbon credit, eco-tourism revenues and other contributions) in support of investment in forest protection and development.

IV. To add the following Article 13a:

Article 13a.- The plan-assignment mechanism

The Ministry of Planning and Investment shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development in, assigning the 3-year plan (phased on a yearly basis) to provinces, based on which provinces shall assign plans to local project owners for active preparation of land, plant varieties and afforestation to ensure the completion of the Project.

Article 2.- Besides the amendments to Articles 3, 5 and 6 and the added Article 13a above, other articles of the Prime Minister's Decision No. 661/QĐ-TTg of July 29, 1998, remain effective.

Article 3.- After the 2006-2010 targets and tasks are accomplished, from 2011 the Government shall assign the Ministry of Agriculture and Rural Development to assume the prime responsibility for, and coordinate with the Ministry of Planning and Investment and the Ministry of Finance in, further arranging capital and administering forest protection and development programs according to the

mechanism applicable to national target programs in order to achieve the objective of planting 5 million hectares of forests.

Article 4.- Ministers, heads of ministerial-level agencies, heads of government-attached agencies and presidents of provincial/municipal people's Committees shall implement this Decision.

Article 5.- This Decision takes effect 15 days after its publication in "CONG BAO."

For the Prime Minister
Deputy Prime Minister
NGUYEN SINH HUNG