

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No.: 75/2015/NĐ-CP

Hanoi, 09 September 2015

DECREE

ON MECHANISM AND POLICY OF FOREST DEVELOPMENT ASSOCIATED WITH THE POLICY ON SUSTAINABLE AND RAPID POVERTY REDUCTION AND ASSISTANCE TO ETHNIC MINORITIES FOR THE PERIOD 2015 – 2020

Pursuant to the Law on Organization of Government dated 25/11/2001;

Pursuant to the Law on Forest Protection and Development dated 03/12/2004;

At the request of the Minister of Agriculture and Rural Development

The Government issues this Decree on mechanism and policy of forest development associated with the policy on sustainable and rapid poverty reduction and assistance to ethnic minorities for the period 2015 – 2020.

Article 1. Scope of adjustment

This Decree provides for the mechanism and policy on encouraging forest protection, regeneration, afforestation, non-wood forest product development, income improvement associated with policy on sustainable and rapid poverty reduction for the period 2015 – 2020.

Article 2. Subjects of application

1. The poor households of ethnic minorities and Kinh households stably living in communes with difficult social - economic conditions (region II and III) of ethnic and mountainous areas under the criteria stipulated by the Prime Minister, implementing one of the activities for protection and development of forests: protection and regeneration of natural forests; afforestation, non-wood forest trees on land planned for forest development and allocated by the State for forest protection on contracts.
2. The hamlet population communities are allocated forest as provided for in Article 29 of the Law on Forest Protection and Development and Article 54 of the Land Law, in the communes with difficult social-economic conditions (region II and III) of the ethnic and mountainous areas under the criteria specified by the Prime Minister to implement forest protection assigned or contracted forest.
3. Other relevant organizations and individuals.

Article 3. Assistance to contracted forest protection

1. Forest protected on contract:

- a) The forest area allocated to the management Board of special-use forest and protection forest;
- b) The special-use forest and protection forest are the natural forest allocated to the forestry companies by the State for management;
- c) The forest area not yet allocated or leased under the management of People's Committee of commune, ward and town (referred to as communal People's Committee).

2. Assistance to subjects and limit of contracted forest protection:

- a) Subject: Households, hamlet population communities specified in Clause 1, 2, Article 2 of this Decree.
- b) The limit of contracted forest area provided with assistance in accordance with the provisions in Clause 3 of this Article is a maximum of 30 ha/household.

3. Interests and responsibilities of contracted persons:

- a) Receive an amount for contracted forest protection of 400,000 dong/ha/year;
- b) Receive benefits from forest and take responsibility for forest protection under the current regulations of law of state.

4. Responsibilities and power of contracting persons:

- a) The management Board of special-use forest and protection forest, forestry companies and communal People's Committee managing the forest subjects specified in Clause 1 of this Article shall implement their responsibility and power of forest owner in accordance with regulations of law on forest protection and development.
- b) Make estimate, organize inspection and monitoring and make timely assistance payment as stipulated under Point a, Clause 3 of this Article to the contracted persons.

Article 4. Assistance to forest protection and regeneration with additional plantation

1. Forest subject: Protection forest and production forest as natural forest.

2. Subject entitled to assistance:

- a) The households specified in Clause 1, Article 2 of this Decree implementing the allocated forest protection, regeneration and additional plantation;

b) The hamlet population community specified in Clause 2, Article 2 of this Decree implementing the protection of allocated forest.

3. Assistance rate:

a) The assistance rate of forest protection is 400,000 dong/ha/year;

b) The assistance to additional plantation and assistance under the design – estimate with a maximum of 1,600,000 dong/ha/year in the first 03 years and 600,000 dong for the next 03 years. The chairman of provincial People's Committees shall decide the specific assistance rate consistent with the actual conditions of localities.

4. The responsibilities and interests of the households and hamlet population community entitled to policy on forest protection and regeneration shall comply with the regulations of law on forest protection and development.

Article 5. Assistance to production forest growing and non-wood forest product development

1. The forestry land area planned for development of production forest stably and long allocated to households shall be provided with one-time assistance for the first cycle for the production forest growing with trees for timber and non-wood forest trees.

2. The assistance rate from 5,000,000 to 10,000,000 dong/ha to buy the seedling, fertilizer and a portion of fees for employees in cash for growing trees for timber and non-wood forest trees depending on the business cycle of tree species under the design and estimate. The chairman of provincial People's Committee shall decide the specific assistance rate in accordance with the actual condition of localities and design and estimate.

3. The interests and responsibilities entitled to the policy on forest protection and development shall comply with current regulations of law.

Article 6. Assistance to protection forest plantation

The area of forestry land planned for protection forest plantation allocated to the households shall be funded by the State under the design and estimate for forest plantation, care and development and entitled to benefits from forest in accordance with regulations of law on forest protection and development.

Article 7. Rice subsidy for afforestation instead of burnt-over land

The poor households involved in afforestation specified in Article 5 and 6 of this Decree shall be subsidized 15kg of rice/person/month or an amount of money equivalent to 15 kg of rice/person/month at the time of subsidy during the time of less self-sufficiency of food. The chairman of provincial People's Committee shall decide the rate and time of subsidy but not more than 7 years.

Article 8. Credit policy

1. Based on the afforestation design and estimate, in addition to the amount of money of assistance provided for in Article 5 of this Decree for production forest growing and development of non-wood forest product, the households shall get the loan from the Social Policy Bank or the Bank for Agriculture and Rural Development without mortgage of the remaining investment value as follows:

- Loan rate: A maximum of 15,000,000 dong/ha.
- Loan term: From forest growing to main exploitation according to the business cycle of tree species but not more than 20 years.

The specific loan rate and duration shall be agreed upon by the bank and customer in accordance with the provisions in this Decree. The schedule of principal and interest repayment once upon main exploitation.

2. Loan for livestock development:

The households specified in Clause 1, Article 2 of this Decree shall get loans from the Social Policy Bank or the Bank for Agriculture and Rural Development without mortgage to raise cattle and other domestic animals as follows:

- Loan limit: A maximum of 50,000,000 dong.
- Loan term: A maximum of 10 years.

The specific loan rate and duration shall be agreed upon by the bank and customer in accordance with the provisions in this Decree.

3. Interest and loan interest assistance:

- a) The households shall get loans as stipulated in Clause 1 and 2 of this Article with the interest of 1.2%/year;
- b) The state budget shall finance the remaining loan interest.

4. Debt restructuring and risk handling: Comply with the provisions in Decree No. 55/2015/ND-CP dated 09/06/2015 of the Government on credit policy for rural and agricultural development.

Article 9. Capital for policy implementation

1. The state budget ensure the expenditures specified in Articles 4, 5, 6 and 7 of this Decree and annually allocated in the forest protection and development Plan as follows:

a) The central budget shall finance 100% to the localities which cannot balance their balance and the province of Quang Ngai;

b) The central budget shall finance 50% to the localities which the percentage of revenue regulation of less than 50% and the local budget ensures 50% of funding needs.

c) The remaining localities use the local budget for implementation.

2. The central budget shall provide the interest subsidy to the banks as stipulated in Article 8 of this Decree.

Article 10. Responsibility of Ministries and sectors

1. Ministry of Agriculture and Rural Development

a) Coordinates with the relevant Ministries, sectors and localities to carry out the inspection and monitoring of implementation of provisions in this Decree and recommend the measures to deal with and solve the difficulties and problems arising during the implementation and make report to the Prime Minister on issues beyond its authority;

b) Provides instructions on implementation of this Decree under its functions, duties and authority;

c) Makes annual preliminary and final report to the Government.

2. Committee for Ethnic Minorities

Makes decision on recognizing the hamlets with particularly difficult conditions and the communes of area II and III in ethnic and mountainous regions for the period 2016 – 2020 under the current regulations of the Prime Minister.

3. Ministry of Planning and Investment

Coordinates with the Ministry of Finance, Ministry of Agriculture and Rural Development to aggregate the needs, balance and allocate the development investment capital under the 5-year and annual plan to implement this Decree.

4. Ministry of Finance

a) Allocates the budget for implementation of policies specified in this Decree.

b) Provides instructions and inspect the allocation, management, payment and finalization of assistance funding specified in this Decree.

c) Provides instructions on mechanism of interest assistance to implement the credit policy specified in Article 8 of this Decree.

5. State Bank of Vietnam

a) Steers and guides the systems of Social Policy Bank and the Bank for Agriculture and Rural Development of Vietnam in loan for production forest growing and raising specified in Article 8 of this Decree.

b) Inspects, monitors, handles and solves the difficulties and problems during the implementation.

6. The relevant Ministries and sectors within their functions and duties shall direct the implementation of provisions in this Decree.

Article 11. Responsibility of provincial People's Committees

1. Steer, implements, inspects, monitors, assesses and makes periodical report on result of implementation of mechanisms and policies specified in this Decree at localities.

2. Directs the district and communal People's Committee to make actual investigation and identify the communes with difficult socio-economic conditions (area II and III) of the ethnic and mountainous regions under the current regulations of the Prime Minister, aggregates and reports to the Committee for Ethnic Minorities for consideration and recognition; reviews and recognizes poor households as guided by the Ministry of Labor – Invalids and Social Affairs.

3. Guides the identification of tree and domestic animal species consistent with the local actual conditions as a basis for assistance and loan; directs the development and issue of criteria for specific seedlings, fertilizer and employees for tree species in the area; guides the formulation of design and estimate for forest regeneration and additional afforestation.

Article 12. Effect

1. This Decree takes effect from 02/11/2015.

2. In case of many assistance mechanisms and policies of the same contents, apply the provisions of this Decree.

3. After 2020, the rice subsidy as stipulated in Article 7 of this Decree shall be continued but not more than 07 years as prescribed; the credit loan contract between the bank and households for afforestation and raising specified in Article 8 of this Decree shall be continued to execute until the end of contract.

Article 13. Responsibility for implementation

Ministers, heads of ministerial-level agencies, heads of government, chairman of People's Committees of provinces and centrally-run cities directly within their functions and tasks are responsible for guiding the implementation of this Decree. /.

**ON BEHALF OF THE GOVERNMENT
PRIME MINISTER**

Nguyen Tan Dung