

MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT  
VIET NAM ADMINISTRATION OF FORESTRY

# LAW ON FORESTRY

## KEY CONTENTS



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**LAW ON FORESTRY  
KEY CONTENTS**

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## **PART A KEY CONTENTS OF THE LAW ON FORESTRY**

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# I. THE RATIONALE OF THE PROMULGATION OF THE LAW ON FORESTRY

## 1. Context

Following over 30 years of implementing “Doi moi” (Renewal), Viet Nam has stepped away from socio-economic crisis and become a developing country with middle income per capita and accelerated industrialization, modernization and international integration. The country’s economy has been experiencing relatively high growth rate, the socialist-oriented market economy has been step by step formed and developed and the living standard of the people has been remarkably changed and upgraded. The country’s multifarious power has been consolidated with international relations extended and deepened, and national position and prestige in the international arena brought to a higher level. Yet, the Vietnamese economy and society is still facing many difficulties and challenges, including unsustainable economic development leading to improper use of the national development potential and mobilized resources; unstable macro-economy, regression of economic growth with slower recovery rate; the quality, efficiency, productivity of the country’s workforce as well as the competitiveness of the national economy remains low, unsustainable development prevailing in all economic, cultural, social and environmental spheres; the national overall goal of creating the basic foundation for Viet Nam to transform into an industrialized and modernized country left unfulfilled.

Notwithstanding the encountered problems and challenges, the forest sector of Viet Nam is also endowed with immense opportunities, including:

*One*, achievements and experiences accumulated over almost 30 years of “Doi moi” (1986-2014) have granted the country with a consolidated position and integrated power that has ever been before; the national economy has entered into a recovery stage and regained a growth momentum. In 2017 Viet Nam’s GDP increased by about 4.5 times, from USD 49 billion in 2004 to USD 223 billion in 2017. In the economic structure, the share of agriculture - forestry - fishery continues dropping down from

in 2004 to 15.34% in 2014; the forest sector has been showing a relatively high growth rate at 7.09% in 2014, 7.92% in 2015, 6.17% in 2016 and 5.14% in 2017.

*Two*, the awareness on sustainable development and environmental protection with special attention to sustainable forest management in compliance with sustainability principles was raised and clearly reflected in the regulatory and policy framework for forestry development; the forest resources have been greatly restored and developed with the forest estate increased from 12.306 million ha in 2004 to 14.377 million ha in 2016 and the national forest coverage raised up from 37% to 41.19% correspondingly.

*Three*, the local and international trade of wood and wood products has been growing fast, creating opportunities for Viet Nam's wood industry development (the number of wood processing enterprises has been increasing: 900 enterprises in 2000 and 4,000 enterprises in 2013 with the total invested capital accounted at USD 4 billion in 2012). The turnover of wood product export has been experiencing a continued growth (USD 6.3 billion in 2014; 7.1 billion in 2015, 7.3 billion in 2016 and 8 billion in 2018). Wood products made in Viet Nam are destined to 120 countries.

*Four*, the international cooperation in the forestry sector continues developing in both quantitative and qualitative dimensions attracting financial and technical supports for the implementation of the forest protection and development programs and providing contribution to achieving the goal of country's sustainable development.

However, Vietnamese forestry sector has also encountered numerous challenges, including:

*One*, in the context of global climate change, Viet Nam is forecasted to be one of the five countries which are heavily affected by climate change. Long-term impacts of climate change could lead to habitat loss that would hamper forest biodiversity, boost Forest insects and diseases, cause Forest fires, deforestation and desertification.

*Two*, the gap between rapid, comprehensive and sustainable development of the forest sector and the sector's resources, while

the State budget allocated to forestry remains limited. As Viet Nam becoming a middle (low) income country, ODA fund for forestry is dropping, while the mobilization of socialized fund remains modest.

*Three*, as the country's population grows, the need for forest conversion continues to increase; the dispute between forest trees and short-term agricultural crops, or perennial crops with higher export value exists; the increasing demand for wood drives illegal logging, transport and trade of forest products and remains as a major a threat to rich and medium natural forests. These factors are all undermining the establishment of the national forest estate.

*Four*, the forestry sector is facing difficulties in planning and identifying suitable seed varieties for bigger-timber plantation establishment to assure higher yield and performance of planted forests.

*Five*, the export-oriented wood processing industry of Viet Nam is imperative to meet newly emerged wood legality requirements imposed by overseas consumers. This is a serious challenge for sustainable management of production forests that Viet Nam has to overcome.

## **2. Shortcomings and constraints found in the Law on Forest Protection and Development**

In the course of implementing the 2004 Law on Forest Protection and Development over the last 13 years, relevant competent agencies at the national level have promulgated over 100 legal documents governing the implementation of laws and policies on forest protection and development, creating the legal framework for regulating social behaviour in forest protection and development. As a result, the forestry sector has been transformed from the State forestry to the social forestry enabling the involvement of various economic sectors; the misuse of natural forest resource with extensive logging has shifted to improved forest protection and maintenance as well as efficient use of forests and forestry land.

Nevertheless, the implementation of the Law on Forest Protection and Development has revealed the following shortcomings and uncertainties:

*Firstly*, the 2004 Law on Forest Protection and Development governs activities relating to forest management, protection and development disregarding inter-relations between different steps of the forestry value chain, including management, protection, development and use of forest resource as well as processing and trade of forest products. Forestry, therefore, cannot be seen as a specific technical-economic sector encompassing all activities associated with forest related commodity production and services provision.

*Secondly*, provisions of the Law on Forest Protection and Development failed to determine explicit mechanisms prescribing the regulatory right of the State as the entrusted representative of the natural forest owner; the rights and responsibilities of organizations and individuals, to whom natural forests are allocated and/or leased, left unclarified.

*Thirdly*, the organizational structure required for management of the forestry sector as well as the set-up of public forest protection force and local forest protection force remains asynchronous with low stability and absence of synergic effectiveness.

*Fourthly*, the Law on Forest Protection and Development has no specific provisions on science and technology, neither on human resources required for training and development.

*Fifthly*, provisions of the Law lack coherence and consistency with relevant legal provisions.

*Sixthly*, The Law on Forest Protection and Development contains provisions which are inappropriate or unspecific for implementing a number of international conventions and agreements Viet Nam has signed or acceded to.

### **3. New forestry-related policies and guidelines issued by the Party and the State are to be institutionalized**

On August 5<sup>th</sup>, 2008, the 7<sup>th</sup> Plenum of the 10<sup>th</sup> Central Committee of the Party adopted Resolution No. 26-NQ/TW on agriculture, farmers and rural development. In this Resolution, the Party advocates for an *“integrated forestry development encompassing forest management, protection, enrichment planting and afforestation, logging, forest product processing as well as environment protection to support eco-tourism. Appropriate mechanisms and sound policies have to be formulated to enable organizations and individuals of all economic sectors to engage in forest protection and development. Use of economic benefits from natural production forests is allowable following the principle of sustainable forest management; the income generated from forest harvest has to be reinvested into forest protection and development; and people engaged in forestry are encouraged to become forest-based rich. Organizations and individuals are encouraged and supported to establish intensified plantation, modernize logging and wood processing technologies in order to increase forest product values with special attention to the development of non-timber forest products”*.

The Political Report of the 10<sup>th</sup> Central Committee at the 11<sup>th</sup> Party Congress (2011) also highlighted the development of a comprehensive and sustainable forestry of all categories of forest, including production, protection and special-use forest; forested area and forest coverage has to be increased by means of attracting joint investment from all economic sectors. Supportive mechanisms and policies are to be worked out to enable people to make a forest-based living and become rich by engagement in forest planting, tending and protection; promotion of raw material areas associated with wood industry development and establishment of industrial plantations to secure locally-sourced wood to meet increasing demand from wood processing industries, including paper production.

On March 12<sup>th</sup>, 2014, the Politburo issued Resolution No. 30/NQ-TW on further re-organization and renovation of agriculture and forestry enterprises and improvement of their business efficiency.

This Resolution contains an in-depth assessment of the current status of enterprises and indicates the direction for their further development. It also emphasizes the need to renovate forest management mechanisms in order to improve the efficiency of forest economy based on afforestation and forest protection.

On May 15<sup>th</sup> 2014, the Politburo released Conclusion No. 97-KL/TW on policies and measures applicable for further implementation of 7th Resolution of the 10th Central Committee on agriculture, farmers and rural development with specific instructions on effective forests protection and development; re-enforcement of the ban on natural forest logging; promoting investment in afforestation and improving economic efficiency of production forest.

On January 12<sup>th</sup>, 2017, the Secretariat Committee of the Party issued Directive No. 13-CT/TW on strengthening the leadership of the Party at all levels in forest management, protection and development. In this Directive, emphasis is given to the restriction of forest conversion (except those projects that serve either national defense and security or other special purposes decided by the Government); the ban on natural forest logging is effective in the whole country.

Based on the instructions and guidelines issued by the Party, the Government has promulgated policies for forest economy development combined with forest protection and development, such as the policy on forest and forestry land allocation, leasing and forest protection contracting; mobilization of investment in forest protection and development; harvesting forest products; benefit sharing right applicable for households and individuals who receive allocated, leased or contracted forest and forest land, payment for forest environmental service; credit for agriculture and rural development, providing incentives for enterprises to invest in agriculture and rural areas; support poverty reduction, community based forest management, sharing benefits derived from management, protection and sustainable development of special-use forest etc...

As these applicable policies have demonstrated proactive impacts, their integration and consolidation into the Law on Forestry needs to be considered.

#### **4. Harmonization of Vietnamese commitments in forestry related international conventions and treaties.**

Wider and in-depth international integration has been taking place in Viet Nam. The forest sector, in particular, has been maintaining cooperation with dozens of international forest networks and organizations; acceded to and signed important regional conventions and agreements (CITES, RAMSAR, Biodiversity Conservation Convention, Climate Change Convention etc.); wood products made in Viet Nam are exported to over 120 countries by over 100 trade partners. These regional and international ties help uplift Viet Nam's position in international forest fora. The localization and legalization of international regulations into the Law on Forest Protection and Development appears inappropriate or unspecific.

The implementation of Law on Forest Protection and Development over the last 13 years, therefore, has shown shortcomings and constraints encountered in the legal system that regulates forest protection and development. In addition, principal viewpoints and policies advocated by the Party and the State for the further development of the country have to be consolidated and institutionalized. International commitments and treaties that Viet Nam has joined, on the other hand, are in need of an enabling legal framework for effective implementation. In this context, the formulation of the new Law on Forestry with proper amendments and further revisions of the 2004 Law on Forest Protection and Development proves to be highly imperative.



## II. OBJECTIVES AND VIEWPOINTS GUIDING THE FORMULATION OF THE LAW ON FORESTRY

### 1. Objectives

The Law on Forestry aims at establishment of a legal framework to govern social relations prevailing in forestry being a technical-economic sector covering forest management, protection, development and use as well as forest product processing and trade in conformity with market development and global integration. The forest sector, therefore, has to be properly structured to facilitate forest and forestry-related production and business management toward modernization, sustainable development in all economic, social and environmental dimensions. The Law on Forestry is also requested to enhance the contribution of the sector in improving income and living standard of forest workers and promotion of new rural areas development as well as effective response to climate change and national defense and security safeguarding.

### 2. Viewpoints

- a. Timely and adequately institutionalizing policies, directions and guidelines defined by the Party and the State for forestry development focused on sustainable forest management, protection and development and thereby creating foundation for further forestry development through promoting and deepening socialized forestry.
- b. Consolidating the regulatory framework to govern forest ownership in accordance with provisions of Article 53 of the 2013 Constitution stipulating rights, duties and obligations of forest owners, State forest administration agencies; leveraging available resources for sustainable forestry development.
- c. As a technical-economic sector, Vietnamese forestry has to follow a production chain meeting the objective of restructuring the socialist-oriented market economy; the forest value chain encompasses forest management, protection and development, forest harvesting and processing of forest product.

- d. The Law on Forestry assumes to set up a policy framework that attracts social resources for forestry development while harmonizing the interest and benefit of the State, the forest owners and the local communities. This policy framework is also expected to provide contribution to economic growth, hunger eradication and poverty reduction, environmental protection and response to climate change as well.
- dd. Building on appropriate and effective provisions of the 2004 Law on Forest Protection and Development, the new Law has to make revisions and improvements, and legalization of under-law regulations which have been tested and prove to be viable. The coherence and continuity of the new Law and other relevant laws has to be assured. Localization and legalization of relevant international conventions and treaties in conformity with Vietnamese conditions is also seen as a key requirement behind the new Law.

### III. FORMULATION PROCESS OF THE LAW ON FORESTRY

1. The Ministry of Agriculture and Rural Development (MARD) has held a comprehensive review of the implementation of the 2004 Law on Forest Protection and Development. At local level, 54 forest-possessed provinces and centrally-administered cities have reviewed and provided reports on the implementation of the Law on Forest Protection and Development in their respective areas. The Ministry of Agriculture and Rural Development has dispatched 3 missions to assess the performance of the Law in provinces representing different regions of the country. A series of conferences and seminars have been conducted to collect comments and feedbacks on the review of the implementation of the 2004 Law on Forest Protection and Development and propose orientation for amending the Law.
2. An inter-ministerial team comprised of 14 members was set up, chaired by the Minister of Ministry of Agriculture and Rural and Development, while the edition team with 31 members from relevant ministries and departments was established and headed by a Deputy Minister of Ministry of Agriculture and Rural Development.
3. Legal documents applicable in the forestry sector was systematically reviewed and reference has been made to certain international regulations.
4. For the purpose of experience learning and harmonization, forest laws currently applied in 14 countries have been reviewed and referred to.
5. Survey and evaluation teams were dispatched to selected localities to investigate the current situation of forest protection and development, forest product harvesting and processing and provide inputs for formulation of the Law on Forestry.
6. The national consultation workshop on the draft version of the Law (revised) was held in mid-December 2016 with the attendance of 295 participants from 60 provinces, central agencies, enterprises, national and international organizations and individuals.
7. The draft version of the Law accompanied with the submission letter and a dossier of supportive documents was circulated to relevant ministries, departments and local authorities for comments; since October 17<sup>th</sup>, 2016, these documents were posted on the websites of the Government and of Ministry of Agriculture and Rural Development for public comments. In total, the Ministry of Agriculture and Rural Development received 41 written comments from concerned ministries, departments and localities and 33 feedbacks from various organizations and individuals.
8. Policy and gender impact assessment was conducted to scrutinize possible impacts of new Law.
9. The formulation and the edition teams worked together on a regular basis, collecting comments from various organizations and individuals and provided feedbacks on them.
10. On January 5<sup>th</sup>, 2017, the Ministry of Justice constituted an appraisal council to work on the project for formulating the Law on Forest Protection and Development (revised) and prepared appraisal report No. 24/BC-BTP dated January 20<sup>th</sup>, 2017. The Ministry of Agriculture and Rural Development then carefully reviewed the appraisal report prepared by the Ministry of Justice and provided feedback explanations in Report No. 820/BC-BNN-TCLN dated January 23<sup>rd</sup>, 2017.
11. On January 9<sup>th</sup>, 2017, the Ministry of Agriculture and Rural Development submitted to the Government a package of the Law project-related documents (submission letter No. 241/ TTr-BNN-TCLN).
12. The Office of the Government officially distributed feedback form to members of the Government Cabinet to collect their ideas on 5 controversial issues remained in the content of the Law project. On January 25<sup>th</sup>, 2017, the Office of the Government received feedbacks from 21 out of 27 members of the Cabinet. Their ideas and comments were incorporated into Report No. 856/BC-VPCP dated February 2<sup>nd</sup>, 2017 of the Office of the Government.

13. On February 3<sup>rd</sup>, 2017, the Prime Minister chaired a Government's regular meeting for January, 2017, and as a part of the agenda of this meeting, a consultation session was done to scrutinize the draft Law on Forest Protection and Development (revised). As an outcome of this consultation, Resolution No. 23/NQ-CP dated February 7<sup>th</sup>, 2017 of the Government was adopted. At this stage, the revised Law on Forest Protection and Development was completed with comments from Cabinet's members.
14. On March 1<sup>st</sup>, 2017, the Government officially submitted to the National Assembly the draft Law attached to submission letter No. 68/TTr-TTg.
15. At a Session held on March 4<sup>th</sup>, 2017, the Draft Law on Forest Protection and Development (revised) was preliminarily appraised by the Committee of Science - Technology and Environment of the National Assembly and on March 16<sup>th</sup>, 2017 it passed the first round of hearing by the Standing Committee of the National Assembly. Responding on comments from the Standing Committee and the Committee for Science - Technology and Environment of the National Assembly, the formulation team prepared explanation on the collected comments and proposed a schedule for revising the draft Law (submission letter No. 3931/BNN-TCLN dated April 14<sup>th</sup>, 2017. This letter was distributed to deputies of the National Assembly at the 3<sup>rd</sup> Session of the 14<sup>th</sup> National Assembly held in May 2017). The Committee of Science - Technology and Environment proceeded with the final appraisal of the Law project at a plenary session on April 27<sup>th</sup> 2017. The final appraisal report was circulated to deputies of the National Assembly at the 3<sup>rd</sup> Session of the 14<sup>th</sup> National Assembly.
16. At the 3<sup>rd</sup> Session of the 14<sup>th</sup> National Assembly the deputies examined the Project on the Law on Forest Protection and Development (revised) at group discussions and during a plenary meeting. Following this Session, the Standing Committee of the National Assembly instructed the Committee of Science - Technology and Environment and MARD, as the leading agencies and the mandated representative of the Legal Committee of the National Assembly and other relevant agencies to scrutinize comments provided by the deputies of the National Assembly for further incorporation into the final draft version of the Law. On August

14<sup>th</sup>, 2017, the Standing Committee of the National Assembly provided instructions on handling key issues revealed from collected comments and finalization of the draft Law on Forest Protection and Development (revised). With reference to these instructions, the draft version of the Law was carefully revised, finalized and sent to 63 delegations of the National Assembly for further comments.

17. On October 24<sup>th</sup> 2017, at the 4<sup>th</sup> Session of the 14<sup>th</sup> National Assembly, the National Assembly proceeded with a debate on the Project of the Law on Forest Protection and Development (revised). After this debate, the Standing Committee of National Assembly instructed Committee of Science - Technology and Environment to collaborate with the edition team under MARD, the Standing Group of the Legal Committee and relevant agencies to have further study and consultation with the deputies to finalize the Law project.
18. On November 15<sup>th</sup>, 2017, at the 4<sup>th</sup> Session, the 14<sup>th</sup> the National Assembly finally passed the draft Law on Forestry.

## IV. STRUCTURE AND MAIN CONTENTS OF THE LAW ON FORESTRY

### 1. Structure

The Law on Forestry carries 12 chapters with 108 articles and is structured as follows:

- Chapter I: General provisions: 9 articles, from Article 1 to Article 9.
- Chapter II: Forestry planning: 4 articles, from Article 10 to Article 13.
- Chapter III: Forest management: 23 articles, from Article 14 to Article 36.
- Chapter IV: Forest protection: 7 articles, from Article 37 to Article 43.
- Chapter V: Forest development: 8 articles, from Article 44 to Article 51.
- Chapter VI: Forest use: 14 articles, from Article 52 to Article 65.
- Chapter VII: Processing and trade of forest products: 7 articles, from Article 66 to Article 72.
- Chapter VIII: Rights and obligations of forest owners: 17 articles, from Article 73 to Article 89.
- Chapter IX: Forest valuation, investment and finance in forestry: 6 articles, from Article 90 to Article 95.
- Chapter X: Science and technology, international cooperation on forestry: 4 articles, from Article 96 to Article 99.
- Chapter XI: State administration of forestry and forest protection: 7 articles, from Article 100 to Article 106.
- Chapter XII: Implementing provisions: 2 articles, from Article 107 to Article 108.

### 2. Key contents of the Law on Forestry

#### 2.1. Chapter I. General provisions

This chapter stipulates the following key contents:

- Scope of governing (Article 1): This Law governs the management, protection, development, use, processing and trade of forest products.
- Interpretation of terms (Article 2): To facilitate the Law and legal enforcement in a consistent way, the Law on Forestry provides a number of additional terms, such as forestry,

forestry activity, definition of forest, forest owner, residential community, forest environmental service, sustainable forest management, certificate of sustainable forest management, specimen of forest faunal and floral species; closing and re-opening of natural forest; forest degradation, forest product, forest product dossier, legal timber...

- Principles of forestry activities (Article 3): forest is managed sustainably, socialization of forestry activities; ensure that forestry activities are following a value chain from forest protection, development, use to processing and trade of forest products to enhance forest value.
- State policies on forestry (Article 4): Principal policy orientations are stipulated in the Law assuring that the State provides resources for management, protection and development of special-use forest, protection forest; to organize and support the management, protection and development of production forest, forest seeds and seedlings, forest rehabilitation, afforestation; to provide incentives for agro-forestry and fishery practice and organic forestry production; to promote insurance for planted production forest; the State shall promulgate supportive policies targeting at ethnic minorities and local communities dependent on forest.
- Forest classification: Based on key uses of forest, natural forests and planted forests are classified into special-use forest, protection forest and production forest.
  - + Special-use forests cover national park, nature reserve, habitat/species conservation area, protected landscape, forest for research, scientific experiments, national botanical garden and national forest seed orchard.
  - + Protection forests include watershed protection forest, community water source protection forest, border protection forest, wind and sand shielding forest; wave shielding protection forest and sea encroachment-preventing forest.

- + Production forest.
- Forest ownership (Article 7): The law specifies forest categories with ownership either belonging to the entire people or to organizations, households, individual, and residential communities. Accordingly, the State is the owner's representative of the forest owned by the entire people, such as natural forest, State-invested planted forest, planted forest which is revoked by the State, planted forest given or donated to the State or other cases in which the planted forest use right is transferred to the State according to legal provisions. Organizations, households, individuals and residential communities that own planted production forests, such as forests invested by organizations, households, individuals or communities, forests of which ownership is transferred, donated or inherited from other forest owners in compliance with legal provisions.
- The new Law specifies seven categories of forest owners (Article 8), including (i) special-use forest management boards, protection forest management boards; (ii) economic organizations, except foreign invested enterprises; (iii) armed force units; (iv) forestry related scientific and technological organizations, training and education institutions; (v) local households and individuals; (vi) residential communities; (vii) foreign-invested enterprises to whom land is leased by the State for production forest planting.
- Prohibited acts in forestry activities (Article 9): The Law stipulates 9 categories of prohibited acts in forestry activities providing the basis for checking, monitoring as well as inspection and handling of violations against forestry legislation.

## 2.2. Chapter II. Forestry planning

This chapter stipulates that apart from the contents prescribed in the Law on Planning, it is required to observe the following main provisions:

- The forestry planning must follow several principles, such as its relevance to the national comprehensive plan, national land use plan, national forestry development strategy and sustainable forest management plan; natural forest must be included in the plan for special-use forest, protection forest and production forest.
- The forestry plan must be based on the national comprehensive plan, national land use plan, national forestry development strategy; the forestry related contents covered by a provincial plan must be based on the national forestry plan.
- The term of the national forestry plan shall be 10 years; with vision from 30 years to 50 years.
- The forestry plan includes main contents, such as defining the viewpoints and objectives of forestry development, orientation for sustainable development of special-use forest, protection forest and production forest; development of forestry infrastructure; market development, raw material areas, forest products processing; solutions and resources for the plan implementation.
- The Law contains provisions on development, consultation, appraisal, approval and adjustment of the national forestry plan. In particular, the Ministry of Agriculture and Rural Development is responsible for organization of national forestry plan formulation, acts as the standing unit of the national appraisal council for the national forestry plan; the Prime Minister shall establish an appraisal council for the national forestry plan and approve the national forestry plan.
- The forestry planning agency must select forestry planning consulting organizations in accordance with the legislation on bidding.

### 2.3. Chapter III. Forest management

This chapter stipulates the following key contents:

- a. Forests allocation, forest leasing, change of forest use, forest revocation.

Principles of forest allocation, lease, change of forest use, forest revocation: eight principles are identified, including newly added ones, such as:

- No conversion of natural forests to other uses, except for important national projects; projects for national defense and security safeguarding; other urgent projects approved by the Government.
- + No allocation or lease of forest areas that are under disputes.
- + Forest owners are not allowed to lease natural forest and planted forest invested by the State to organizations, households or individuals.
- + Respect the living spaces, customs and habits of local communities; priority is given to ethnic minorities, households, individuals, local communities who have their traditions, customs, culture, beliefs and traditions closely associated with forest, and have their village rules and regulations complied with the law.
- + Legal basis for forest allocation, forest lease or change of forest uses: Plan on forest allocation, forest lease or change of forest uses developed by district People's Committees approved by provincial People's Committees; the demand for forest use presented in the investment projects of organizations; proposals of forest allocation, lease and change of forest to other uses as applicable for households, individuals and local communities.

- Forest allocation:
  - + Specific provisions applicable for actors who are allocated with special-use forest without forest use levy, such as special-use forest management boards, economic organizations, forest science and technology institutions, training and education organizations, management boards of protection forest, armed units and communities.
  - + Specific provisions applicable for actors who are allocated with protection forest without forest use levy, such as protection forest management boards, armed units, economic organization, households, individuals, local communities.
  - + Specific provisions applicable for actors who are allocated with forest without forest use levy, such as household, individual, community; special-use forest management board and protection forest management board with production forest area found in special-use forest and protection forest area allocated to such forest management board.
- Lease of production forest:

The State leases natural production forest and planted production forest to economic organizations, households and individuals with one-off payment or annual rental payment. According to the Law on Forestry, the State does not allow the lease of special-use forest or protection forest. Instead, forest owners are allowed by the State to lease environment of special-use forest and protection forest for eco-tourism, leisure, recreation service and this content is prescribed in the Chapter on rights and obligations of forest owners (Chapter VIII).
- Change of forest category: Change of forest category must satisfy certain required conditions, such as be in line with the forestry plan; meet the criteria for forest classification;

availability of plan for forest category change. The Prime Minister shall decide the re-categorization of forests established by the Prime Minister; chairman of provincial level people's committee decides to change the forest category following the endorsement of People's Councils of the same level.

- Conversion of forest to other uses:
    - + Conditions for conversion of forest to other uses: Conversion of a forest to other uses regardless of being either natural forest or planted forest is allowed with approval by State competent agencies; having investment project; accompanied with offset afforestation plan or upon completion of payment for offset afforestation.
    - + Provisions on authority competent to take decision on conversion of forest to other uses: the National Assembly, the Prime Minister and the provincial level people's councils.
    - + Provisions on offset afforestation while converting forest to other uses.
  - Revocation of forests: provisions on cases when the State revokes forests and forest owners are entitled to be compensated and supported if forests are revoked by the State for defense and security purposes; socio-economic development for national and public interests; mis-allocation and mis-lease of forest either by incompetent authorities, or to wrong actors.
  - Provisions on the competence in forest allocation, lease, conversion of forest to other uses, and revocation of forests by people's committee at provincial and district levels.
- b. Organization of forest management
- Provisions on authority competent for decision on establishment of special-use forest and protection forest (Article 25): The

Prime Minister takes decision on the establishment of special-use forest and protection forest either of national importance, or extended in more than one province; chairperson of provincial people's committee is mandated to take decision on the establishment of special-use forests and protection forests of other types.

- Specific provisions defining criteria for establishment of managerial organization for special-use forest and protection forest (Article 26).
- c. Sustainable forest management
- Specifying provisions on formulation of sustainable forest management plan, including: forest owners being organizations must develop and implement sustainable forest management plans; forest owners being households, individuals, local communities or groups of households and individuals are encouraged to develop and implement sustainable forest management plans.
  - Specifying provisions on the main contents of sustainable forest management plans applicable for special-use forest, protection forest
  - Specifying provisions on the main contents of sustainable forest management plans applicable for special-use forest, protection forest and production forest.
  - Stipulating the grant of sustainable forest management certificate to forest owners on voluntary principle; forest owners are granted with national or international certificate for sustainable forest management when a sustainable forest management plan made available and sustainable forest management criteria are met. Sustainable forest management auditing and certification bodies operating in Viet Nam must comply with relevant regulations defined by Vietnamese legislation.

## Closing and re-opening of natural forests

Articles 29 - 32 specifies the following contents:

- Principles applicable for closing and re-opening of natural forests.
- Specific cases of natural forest and closing and re-opening: closing of natural forests shall be declared when deforestation and illegal exploitation of forests escalated, threatening to degrade forest resources severely; degraded natural forest in need of rehabilitation; biodiversity and forest protection functions are severely impacted. Re-opening of natural forest is made when the above-mentioned situations are over.
- Specific provisions on authority competent for taking decision on procedure, formality applicable for declaring closing and re-opening of natural forest: The Prime Minister is mandated to declare the closing and re-opening of natural forests in the whole country or in selected provinces and centrally-administered cities; chairperson of provincial people's committee is authorized to announce closing and re-opening of those natural forests that are distributed in local areas following the approval by the people's council of the same level to close or re-open natural forest.

In addition, the Law also stimulates the responsibility of the State when taking decision to close natural forest to ensure the interest of the forest owners affected by the implementation of forest closing decision.

## dd. Forest inventory, monitoring and forest database

- Specific provisions on forest inventory and organization contents: the Ministry of Agriculture and Rural Development is mandated to organize national forest inventory and publish its results every 5 years and theme-based whenever required; provincial people's committees authorized to conduct forest inventory in their provinces.

- Forest inventory is to be done at specific administrative levels in collaboration with specific forest owners in the whole country, every 10 years; forest owners are responsible for undertaking forest inventory and subject to inspection by provincial forest administration agencies if forest owners being organizations; or forestry agencies at district level if forest owners being households, individuals, local communities.
- Monitoring of forest resources is done annually; forest plot is the basic unit for monitoring forest succession, plots are assembled in compartment and district managed by each forest owner and consolidated at commune, district, provincial and national levels.
- Provisions stipulating forest database as an integral part of the forestry information system.

## 2.4. Chapter IV. Forest protection

This chapter specifies the following main contents:

- Protection of forest ecosystems, endangered precious and rare forest flora and fauna species listed for control and protection.
- Forest fire prevention and combating: provisions stipulating the responsibility of forest owner for preparing and implementing plan for forest fire prevention and fighting; organizations, households and individuals who carry out activities, construct works in forests and nearby forest areas must abide by the regulations on fire prevention and combating; treat post-fire consequences and follow the report schemes on forest fire prevention and fighting; responsibility of forest protection agencies, fire and rescue police force, and responsibility of concerned State agencies, organizations, individuals in guiding forest owners to develop and implement their forest fire prevention and combating plan.



- Specific provisions on prevention and eradication of forest pests and diseases: forest owners assume responsibility for implementing measures to prevent and control forest pests and diseases; consolidated application of silvicultural and biological measures in prevention and control of forest pests and diseases. Provisions on responsibility of the Ministry of Agriculture and Rural Development and people's committees at all levels in forecasting epidemics and guiding measures to prevent and control forest pests and diseases.
- The forest owner's forest protection force: special-use forest management boards and protection forest management board who do not have a forest protection body; State-owned companies, organizations who do not belong to the armed force to whom forest, forest land is allocated or leased are entitled to organize their own forest protection force. Forest owners assume the responsibility for directly managing their forest protection force; ensuring the benefits for their forest protection force in accordance with legal provisions.
- Verification of the forest product origins: to re-enforce the commitments and international treaties on traceability of forest products origin to which Viet Nam is a member, the Law on Forestry have added provisions on verification of forest products dossiers and verification of forest products during processes of harvesting, transporting, processing, trading, exporting, importing, captive breeding, artificial farming and storing. Public forest protection force at all levels, within the ambit of their respective tasks and powers and in coordination with concerned agencies assume the prime responsibility for fighting against, verifying, detecting and handling violations in compliance with legal provisions.
- Responsibility for forest protection of the entire population: The law stipulates that State agencies, organizations, households, individuals and local communities assume the responsibility for forest protection; organizations, households, individuals, local communities assume the responsibility for promptly notifying State competent agencies or forest owners of forest fires and/or forest pests and diseases

and violating acts against legal provisions on forest management and protection; comply the mobilization of manpower and means by State competent agencies in the case of forest fire.

## 2.5. Chapter V. Forest development

This chapter specifies the following main contents:

- a. Development of forest seed varieties: establish a national system of forest seed orchards; as for the major trees, only recognized seeds, seedling sources and seed materials are allowed for massive production; improve genetic quality, select and create new varieties of higher yield, high quality and strong tolerance which can satisfy requirements from forest product business and adapt to climate change; raise awareness of people and State agencies and organizations on forest tree seed varieties.
- b. Development of special-use forest
  - As for national park, nature reserve, habitat/species conservation area, activities therein must ensure the perpetuation of the natural forest structure, natural development of forests in the strictly protected zone of special-use forest; measures featuring a combination between natural regeneration of forest and forest enrichment techniques, plant indigenous species in ecological rehabilitation zone and others set aside for service and administrative zones.
  - As for landscape protection area, it is allowed to: carry out activities to ensure the perpetuation of the existing forest area; apply technical measures in afforestation, zoning off afforestation for assisted natural regeneration and forest improvement.
  - As for forest for scientific research and experimentation: conduct forest protection and development activities according to scientific research tasks decided by forest owners or State competent agencies.

- As for national forest seed orchards: carry out activities to ensure the forest perpetuation and development based on the plan approved by State competent agencies.
  - As for national botanical garden: to carry out activities including collection, selection, storage and cultivation of indigenous species in association with scientific researches, training activities, environmental education and tourism.
- c. Development of protection forest
- As for watershed protection forest and border protection forest: develop assembled, undivided protection forest areas, perpetuate and form the forest structure that ensures protection function of forest.
  - As for watershed protection forest, border protection forest and forest protecting community water sources, it is allowed to carry out activities such as forest protection and assisted natural rehabilitation of degraded forest associated with forest enrichment planting; reforestation in barren land, in land where natural regeneration appears impossible; afforestation using a mixture of indigenous species, multi-purpose trees species, non-timber forest products species.
  - As for wind and sand-shielding forests; wave-shielding forest and sea encroachment-preventing forest, activities are allowed to establish protection forest belts suitable to natural conditions of each region; priority is given to afforestation using indigenous species growing well under harsh conditions and have strong tolerance; supplementary planting is applicable in areas where criteria for a well-established forest stand are not met.
- d. Development of production forest
- Restore natural forest in previously exploited areas where criteria for an established forest stand are yet to be met; re-afforestation is applicable only in those area where degraded forest proves to be unrecoverable.

- Develop concentrated plantation areas; encourage mixed species afforestation and non-timber forest products development; combination of small-timber fast growing tree species and big-timber long rotation trees; transform small-timber planted forest to big-timber planted forests in suited sites.

dd. Cultivating forest plants, breeding forest animals

Organizations and individuals who involve in artificial farming and breeding endangered, precious and rare or common forest plants and animals must meet requirements specifying legal sources of varieties and breeds, safe farming and breeding facilities ensuring safety for humans and animals being produced, environmental sanitation and epidemic prevention and free of negative affects on conservation of species populations being in the nature.

- e. Specific provisions on infrastructure for forest protection and development.

*2.6. Chapter VI. Forest use*

This chapter stimulates the following contents:

a. Use of special-use forests

- As for national park, nature reserve and habitat/species management area:
  - + No forest product harvest in the strictly protected zone; no salvage harvest of dead wood, broken trees in the ecological rehabilitation zone; salvage harvest of dead trees, broken trees and mushrooms in the service and administration zones is allowed.
  - + Salvage harvest of wood, firewood and non-timber forest products, mushrooms within the boundary of a site cleared for construction of work that is approved by State competent agencies is allowed.

- + Collecting specimens of forest plants, animals, mushrooms and biological genetic sources associated with scientific and technological tasks approved by State competent agencies is allowed.
- As for landscape protection forest:
  - + Salvage harvest of timber, firewood, non-timber forest products, mushrooms is allowed.
  - + Collecting specimens of forest plants, animals, mushroom and biological genetic sources associated with scientific and technological tasks is allowed.
  - + As for sacred forest, salvage harvest of dead trees, broken trees, forest plants, mushrooms, non-timber forest products is allowed; logging to serve communal purposes is allowed.
- As for forests for scientific research and experimentation:
  - + Harvest forest products associated with scientific and technological tasks is allowed.
  - + Salvage harvest of timber, firewood, non-timber forest products, mushrooms is allowed.
  - + Collecting forest plants, animals, mushrooms, micro-organisms, specimens of forest plants, animals and genetic sources for scientific and technological researches is allowed.
- As for national botanical garden and national forest seed orchard: collecting seed materials is allowed; salvage harvest of timber, firewood, non-timber forest products, mushrooms is allowed.
- Scientific research, teaching, practicing, eco-tourism, leisure and recreational service related activities in special-use forests:

- + No leisure and recreational service related activities are allowed in the strictly protected zone of special-use forest.
- + Forest owners assume the responsibility for formulating projects on eco-tourism, leisure and recreational services in special-use forest and submit proposals thereof to State competent agencies for approval.
- + Organizations and individuals investing in ecotourism, leisure, recreational service related activities are to formulate projects in accordance with legal provisions and in line with the scheme on eco-tourism, leisure, recreational services.
- + Forest owners are entitled to organize their own eco-tourism, leisure, recreational service related business or cooperate with organizations, individuals or lease forest environment to them for provision of these services.
- Stabilization of life of people living in special-use forests and buffer zone of special-use forests:
  - + No emigration to and settlement of people from other locations in special-use forest areas.
  - + Special-use forest management board signs contracts for providing forest protection and development service with households, individuals and local communities. Subject to local conditions, special-use forest management boards shall coordinate with the respective local authorities in formulating projects on relocation of people out of the strictly protected zone of special-use forests and submit these projects to State competent agencies for approval.
  - + As for ecological rehabilitation zone in special-use forest, special-use forest management boards arrange contracts with households, individuals and local communities for providing forest protection and

development service or cooperate with these entities to protect and develop forest.

- + Special-use forest management boards assume the responsibility for formulation of investment programs and projects on buffer zone development; Organizing the implementation of investment programs and projects in buffer zone with the participation of local communities.

b. Use of protection forest

- As for natural protection forest: collecting dead trees, broken trees, disease-affected trees and standing trees where the density is higher than the prescribed one is allowed; harvest of bamboo shoots, mushrooms and other non-timber forest products is allowed.
- As for planted protection forest: Harvest of subsidiary trees, thinning trees whereby planted forest density exceeds the prescribed density; logging of purpose and cut-able trees following selective cutting or corridor and plot clear cutting practice is allowed; after logging, forest owner must carry out assisted forest regeneration or reforestation in the next planting season and continuously maintain forest management and protection.
- Scientific research, teaching, practicing, ecotourism, leisure and recreational services in protection forest: follow the forest management regulation; forest owners formulate projects on eco-tourism, leisure and recreational service in protection forest and submit to State competent agencies for approval; organizations and individuals investing in ecotourism, leisure and recreational service related activities must formulate projects in accordance with applicable legal provisions and in line with the allowable scheme of ecological tourism, leisure and recreational service; forest owners are entitled to organize on their own eco-tourism, leisure and recreational services, or cooperate and associate with organizations or individuals or lease forests to the later for service provision.

- Agro-forestry and fishery practice in protection forest: conducting alley cropping of agro-products and non-timber forest products is allowed; livestock raising and aqua-product farming under forest canopy is allowed; use unforested land for agro-forestry and fishery practice is allowed.

c. Use of production forests

- Harvest of forest products in natural production forests: forest owners being organizations must have a sustainable forest management plan approved by State competent agencies; forest owners being households, individuals and local communities who wish to harvest timber in production forest must submit their application to the district people's committees for approval.
- Harvest of forest products in planted production forest: forest owners make decision to their discretion on harvest of planted forest owned by them; if planted forest is funded by State budget, forest owners must prepare a dossier of forest product harvest and submit it to State competent agencies for approval on the invested fund granted.
- Agro-forestry and fishery practice, scientific research, teaching, practicing, eco-tourism, leisure and recreational services in production forest:
  - + Alley cropping of agro-products, non-timber forest products; livestock raising and aqua-products farming under forest canopy; use unforested land for agro-forestry and fishery practice are allowed.
  - + Associated eco-tourism business, leisure, recreational service, scientific research, teaching and internship in production forest are allowed.
  - + Forest owners are allowed to organize eco-tourism, leisure, recreational services on their own, or cooperate with organizations or individuals or lease forest environment to them for providing these services.

- + Building facilities for eco-tourism, leisure services and recreational service is allowable.

#### d. Forest environmental services

- The Law specifies 5 types of forest environmental services.
- Principle applicable for payment for forest environment services (PFES) is stipulated: Forest is eligible to access payment for forest environment services if it provides one or several forest environmental services; service users must pay for forest environmental services to service providers. Payment for forest environmental services is done in cash through direct or indirect payment form; payment for forest environmental services constitutes an integral part in production cost of products, commodities and services provided to environment services users.
- Eligible PFES recipients, form of payments and use and management of PFES fund are stipulated as below:
  - + PFES eligible recipients include: forest owners; organizations, households, individuals and local communities contracted for forest protection and development by forest owners being organizations which are established by the State for providing forest protection and development services; commune people's committees and other organizations assigned by the State with the responsibility for forests management in accordance with legal provisions.
  - + There are 6 categories of payers for forest environment services stipulated.
  - + Form of payment for forest environmental services: direct and trusted payment form through the Viet Nam Fund for Forest Protection and Development (indirect payment).

- Rights and obligations of forest environmental services users and providers are specified.

#### 2.7. Chapter VII. Processing and trade of forest products

This chapter specifies the following key contents:

##### a. Forest products processing

- Specific provisions on policies applicable for forest products processing development, including: support enterprises to cooperate and associate with forest owners to create raw material areas, manage forest sustainably, consume forest products and apply sciences, high, advanced and new technologies and green growth solutions, enhance product added value; prioritized development of supporting industries in forest products processing; support human resource training in forest products processing.
- Processing of forest faunal and floral specimens: entities engaged in processing forest faunal and floral specimens shall comply with provisions of this Law as well as other regulations governing investment, enterprises, environmental protection, plant protection and quarantine, veterinary service; processing of specimens from endangered, precious and rare forest flora and fauna species must satisfy defined requirements: specimens must have legal origins from artificial farming or breeding facilities; or be legally collected from the nature.
- Specific provisions on rights and obligations of forest products processing facilities.
- The State shall set up and operate Viet Nam Timber Legality Assurance System; promulgate criteria, mandatory authority, process and procedure for classification of enterprises engaged in harvest, transportation, consumption, processing and export of timber and timber products.

b. Trade of forest products

- Specify policy framework for development of forest products market: organizations and individuals involving in marketing and consumption of forest products through cooperation or joint-venture arrangement are provided with preferential credit; the State supports activities on branding, trade promotion, market development and market information locally and abroad.
- Stipulate rights and obligations of forest products trading entities.
- Stipulate management of forest products trade: market forecast and set up orientation for forest products processing development in specific period; negotiate international treaties and agreements on trade, explore new markets for forest products, mutually recognize legal timber and sustainable forest management criteria; issue license and certificate for exported and imported forest products; domestic forest products trade shall comply with regulations on submitting legal dossier of forest products and verification of the forest products origin.
- Trade of specimens from endangered, precious and rare forest flora and fauna species must be conducted in accordance with requirements applicable for traceability and management over production chain starting from harvest, farming, breeding down to processing and consumption. Specimens must be marked with certified legal origins to avoid possible counterfeiting or erasure.

*2.8. Chapter VIII. Rights and obligations of forest owners*

This chapter specifies the following key contents:

a. General rights and obligations of forest owners

- Common rights of forest owners: Entitled to be recognized by State competent agencies for forest use right and ownership right of planted production forest; entitled to enjoy added forest products as a result of their own investment in natural forests, planted forests being special-use forests and protection forests; to be technically guided, entitled to benefit from infrastructure works invested by the State for the protection and development of forests; entitled to cooperate and associate with domestic and foreign organizations and individuals for forest protection and development.
  - General responsibilities of forest owners: manage, protect, develop and use forests sustainably, return forests when they are revoked by the State; prevent and combat forest fire; prevent and control forest pests and diseases; follow the management, inspection, check and handling of violations by State competent agencies.
- b. Rights and obligations of forest owners being management boards of special-use forests and protection forests
- Entitled to access to the policies of investment in protection and development of special-use forest and protection forest.
  - Allowed to harvest forest products in special-use forest and protection forest in compliance with legal provisions.
  - Allowed to lease forest environment; have cooperation and partnership in eco-tourism business; leisure and recreation services in compliance with the forest management regulation.
  - Allowed to conduct scientific and technological activities, teaching, practicing and international cooperation.
  - Prepare and submit to State competent agencies for approval a sustainable forest management plan and implement the approved plan.

- Allowed to contract with households, individuals, local communities for forest protection and development.
- c. Rights and obligations of forest owners being economic organizations
- Rights and obligations of economic organizations allocated with national seed orchards found in the allocated forests: access to fund provided by the State for maintaining and developing the allocated seed orchards; harvest forest products in the allocated forest; sell forest products to generate income and are entitled to manage, use the income in compliance with legal provisions on finance; develop and implement seed orchard maintenance and development plans approved by State competent agencies.
  - Rights and obligations of economic organizations allocated with protection forest and special-use forest being landscape protection area: entitled to access to investment policies for protection and development of special-use forest and protection forest; harvest forest products; lease the allocated forest environment; promote cooperation, partnership, investment in ecotourism development, leisure and recreational services; prepare and submit to State competent agencies for approval a sustainable forest management plan and implement the approved plan.
  - Rights and obligations of economic organizations who are allowed by the State to lease production forest: sharing benefit from forest under forest lease contract; own trees, livestock and other assets associated with forests invested by forest owners; harvest forest products; prepare and submit to State competent agency a plan for sustainable forest management and implement the approved plan.
  - Rights and obligations of economic organizations to whom the State allocate or lease land for establishment:

- + Economic organizations to whom the State allocates land for protection forest establishment funded by the State budget: are allowed to establish forest according to the design-based budget estimate approved by the owner of the budget; harvest forest products and share benefits from forests in compliance with State's policies.
  - + Economic organizations to whom the State allocates land for protection forest establishment funded on their own: Allowed to own inter-cropped trees, livestock and other assets created on protection forest land; harvest forest products in compliance with legal provisions.
  - Economic organizations to whom the State leases land for production forest establishment funded on their own: Allowed to own trees, livestock and other assets on afforested land; harvest forest products; transfer or sub-lease such planted production forest; mortgage or contribute capital equal to the value of such planted production forest.
- d. Rights and obligations of forest owners being households, individuals and local communities.
- Households and individuals to whom the State allocates protection forest: are entitled to access to fund provided by the State for forest protection and development; harvest forest products and share benefits from forests in compliance with State's policies; entitled to transfer the allocated forest area; individuals are allowed to transfer the forest use rights to their inheritor(s) in compliance with legal provisions.
  - Households and individuals to whom the State allocates production forests:
    - + As for natural production forest: are entitled to harvest forest products and be shared with benefits from forests in compliance with State's policies.

- + As for planted production forest: are allowed to harvest forest products and be shared with benefits from forest according to State's policies; own trees, livestock and other assets associated with planted forests invested by forest owners; entitled to transfer allocated forest area; individuals are allowed to transfer the forest use rights to their inheritor(s).
- Households and individuals to whom the State allocates land for production forest, protection forest establishment: are entitled to own planted trees, livestock and other assets associated with planted production forest funded on their own; harvest forest products; individuals are allowed to transfer land use rights to inheritor(s).
- Households and individuals to whom the State allocates land for production forest, protection forest establishment: are entitled to own planted trees, livestock and other assets created on planted production forest land invested by their own; to harvest forest products; transfer, donate, grant, lease planted production forests; to mortgage or share invested capital equal to the value of the planted production forest; individuals are allowed to transfer ownership right and use right of their planted production forest to their inheritor(s).
- Households and individuals to whom the State leases land for production forest establishment: Allowed to own trees, livestock and other assets created on planted land; harvest forest products; transfer, donate, grant or lease the planted production forest; mortgage or share invested capital equal to the value of the planted production forest; individuals are allowed to transfer ownership right to their inheritor(s) in compliance with legal provisions.
- Local communities to whom the State allocates sacred forest, protection and production forest: are entitled to access to State budget for protection and development of special-use forests and protection forests; harvest forest products in compliance with legal provisions; entitled to be shared with benefits from forests in accordance with State's policies; are entitled to own

trees, livestock and other assets created on planted land invested by forest owners; to complete and implement village rules and regulations on forest protection and development; are not allowed to re-allocate forest to community members; are not allowed to transfer, lease or donate the forest use right; mortgage or share invested capital equal to the value of the forest use right.

In addition, the Law on Forestry also stipulate rights and obligations of forest owners being other organizations, such as armed units, science and technology organizations, vocational training and educational institutions; foreign invested enterprises.

## 2.9. Chapter IX. Forest valuation, investment, finance in forestry

### a. Forest valuation;

- Stipulate the concept of forest valuation covering activities to determine the total economic value of forests;
- Specify forest pricing principles: Consistent with the values of forest products and of forest environmental services on the market transaction at the time of valuation; relevant to each forest category and in association with provisions on forest use right, profitability and income from forests; openness, transparency, objectivity and scientifically soundness;
- Define cases applicable for forest valuation: State's forest allocation, organization of forest use right auction, lease forests; valuation of forest value on PFES implementation; State's revocation and liquidation of forests; determine compensation-worth value against damage caused by forest violations; account value of damages caused by natural disasters, forest fires and other forest damages; define forest value for settlement of forest disputes;

### b. Policy on investment in forest protection and development;



- The State shall promulgate investment policies for activities, including protection and development of special-use forests and protection forests; protection and rescue of endangered, precious and rare forest plants and animals; study and application of scientific research results, technological development and training human resource for State forestry administration; investment in facilities, equipment for forest protection; monitoring and warning of forest fire; construction of fire prevention and combating works; prevention and control of forest pests and diseases;
- The State shall promulgate policies for investment in activities, such as hi-tech transfer, high, advanced and new technologies, forest extension and certificate for sustainable forest management; infrastructure development associated with investment for development and production forest business along forest value chain;
- The State shall promulgate policies for preferential investment in activities: development of production forest on bare land and denuded hills; establish big- timber forest and conversion of small- timber forest to big-timber forest; development of non-timber forest products;

c. The Fund for Forest Protection and Development

- The Fund for Forest Protection and Development is extra-budgetary state financial fund; organized and operated as a public service provider, established under decision of State competent agencies;
- Operational principles of the Fund for Forest Protection and Development: non-profit; focusing on supporting programs, projects or non-project forest protection and developing activities which are lacking or running short of State fund;
- Organization of the Fund for Forest Protection and Development: at the central level, the Viet Nam Fund for Forest Protection and Development is established by MARD's Minister; at provincial level, provincial Funds for Forest

Protection and Development are established by chairpersons of the provincial people's committees;

- Financial sources constituting the Fund for Forest Protection and Development: grants, voluntary contributions, trusted funds from domestic and overseas organizations, individuals; payment for forest environment services; offset afforestation in case of forest conversion.

*2.10. Chapter X. - Science and technology, international cooperation on forestry*

a. Science and technology;

- Scientific and technological activities on forestry are stipulated, including: application of high, advanced and new technologies in selected forestry activities; studies on forest ecosystems, value of forest environmental services; researches on solutions for forest biodiversity conservation, response to climate change; researches on renovation of forest production models based on a value chain associated with sustainable forest development; sustainable agro-forestry and fishery practice models; development and completion of the national system of forestry technical standards and norms;
- Specify policies for forestry related science and technology, including: the State shall apply mechanisms and policies to prioritize scientific and technological researches on facilitation of forest growth cycles and application of advanced technologies in forestry; clearly specify scientific and technological researches that the State prioritizes to invest in and facilitates implementation;

b. International cooperation on forestry;

- Viet Nam maintains international cooperation on forestry with various countries, territories and international organizations on the basis of equality, mutual benefit, respecting independence, sovereignty, law of each party and

international legislation;

- In coordination with concerned ministries and ministerial-level agencies, the Ministry of Agriculture and Rural Development assumes the prime responsibility for proposal on joining international treaties and agreements on forestry; as the country focal point, the Ministry of Agriculture and Rural Development represents the country in implementing the Convention on International Trade in Endangered Species (CITES), the Convention on combating desertification and other international treaties and agreements related to forestry;
- Vietnamese organizations and individuals are encouraged to cooperate with foreign organizations and individuals in forest protection and development, processing and trade of forest products, and in strengthening the effectiveness of State forestry administration;
- Favourable conditions shall be created for foreign organizations and individuals, overseas Vietnamese who invest in and support human resource training, scientific researches and technology transfer in forest protection and development, nature conservation, processing and trade of forest products in Viet Nam;
- Cooperation with countries sharing the border with Viet Nam to handle forest fires, cross-border haze, combat illegal trade of timber and trafficking of wildlife specimens and nature conservation is promoted.

#### *2.11. Chapter XI. State administration in forestry and forest protection force*

##### a. State administration in forestry;

- Specify principles for organization of the system of State administration agencies in forestry, such as the system of State administration agencies in forestry is organized synchronously and in line with the requirements for State administration in forestry; the State forestry administration agencies are

organized at the central and provincial levels; the task of forestry administration at district level is defined in accordance with Government's regulations;

- Specific State forestry administration responsibilities assumed by the Government, ministries and ministerial-level agencies are stipulated as follows:
  - + The Government performs a unified State administration in forestry throughout the country;
  - + The Ministry of Agriculture and Rural Development serves as the focal point to assist the Government in performing State administration in forestry;
  - + With assigned duties and mandate, Ministry of Defense, Ministry of Public Security, Ministry of Natural Resources and Environment and other relevant ministries shall collaborate with the Ministry of Agriculture and Rural Development to perform State administration in forestry;
- Stipulate responsibilities of State administration in forestry by people's committees at provincial, district and commune levels; chairpersons of people's committees at all levels are responsible for forest fire, deforestation or forest loss caused by violations against forest management and protection within the areas entrusted to them;

##### b. Public forest protection force;

- Define functions of the public forest protection force: perform function in forest protection and management, forest legislation enforcement; specialized force for forest fire prevention and fighting;
- Stipulate task and mandate of the public forest protection force;
- Organization of the public forest protection force is as follows:

- + The public forest protection force is organized at the central and provincial levels; at district level, the organization of the public forest protection force shall be based pertaining to requirement and task assigned on forest management, protection and forest legislation enforcement;
  - + The public forest protection force is organized for national park, nature reserve, habitat/species management areas, watershed protection forest, wind-shielding forest and sand-shielding forest, wave-shielding forest or sea encroachment-preventing protection forest under central or provincial control subject to defined forest management and protection requirements;
  - Stipulate provisions of equipment to support activities conducted by forest protection force and entitlements and policies toward rangers working in the public forest protection force: Forest rangers are entitled to rank- and grade-based salaries, seniority allowances, occupation- based preferential allowances and other allowances as prescribed by law; forest rangers who are injured or sacrifice their lives while on duty shall be recognized as war invalids or martyrs respectively and enjoy entitlements and policies in accordance with the law on preferential treatment toward people with meritorious services to the revolution.
- + Forest owners being economic organizations who have been allocated with production forest by the State prior to the date this Law takes effect shall be entitled to continue with such allocation until the end of the defined term; their rights and obligations shall be exercised in compliance with legal provisions;
  - + Projects on conversion of forest to other uses that are approved but site clearance has yet to be conducted before the date this Law takes effect, must carry out offset afforestation according to provisions of this Law;
  - + Provincial people's committees are responsible for reviewing the existing natural forest areas within 12 months from the date this Law takes effect in order to count those areas in the spatial plans for special-use forests, protection forests and production forests.

## 2.12. Chapter XII. Implementation provisions

- Enforcement effect: The Law on Forestry takes effect from January 1<sup>st</sup>, 2019;
- Transitional provisions:
  - + Forest owners who have been allocated or leased forest by the State prior to the date this Law takes effect shall be entitled to continue with such allocation or lease until the end of the defined term; their rights and obligations shall be exercised in compliance with provisions of this Law;

## V. KEY INNOVATIVE POINTS IN THE LAW ON FORESTRY

In comparison with the 2004 Law on Forest Protection and Development, the Law on Forestry features a number of new points as follows:

### 1. *The structure of the law*

The 2004 Law on Forest Protection and Development carries 8 chapters with 88 articles in total. The Law on Forestry 2017 has 12 chapters with 108 articles, 4 chapters and 20 articles more than the 2004 Law on Forest Protection and Development.

### 2. *The innovative points of the Law*

*One*, the Law on Forestry has extended the scope of governing towards linking forestry activities in a value chain encompassing forest management, protection, development, use, processing and trade of forest products (Article 1); it explicitly indicates that forestry is a distinctive economic and technical sector comprising all activities associated with forest-based commodity production and service provision (Clause 1 of Article 2). This represents one of the most important new points relating to the whole structure of the Law.

*Two*, the law has institutionalized the concept of forest ownership (Article 7) in accordance with the provisions in the 2013 Constitution; accordingly, two categories of forest ownership are defined: (i) forest under the ownership of the entire people for which the State is the owner's representative, including natural forest, planted forest invested by the State and planted forests revoked by the State, donated or granted forest, or other cases of other planted forest ownership transferred in accordance with legal provisions; and (ii) forests under the ownership of organizations, households, individuals, local communities including planted forest invested by organizations, individuals and local communities; forest donated, granted by or inherited from other forest owners in compliance with legal provisions.

*Three*, processing and trade of forest products is prescribed in the new Law upholding the strengths of the forest products value chain (Chapter VII). The Law clarifies policies for forest product

development by providing support to enterprises to consolidate cooperation, partnership and association with forest owners to establish raw material areas, pursue sustainable forest management, proper forest product consumption and application of science, high, advanced and new technologies and solutions for green growth, increase added value; development of supporting industries in forest product processing is prioritized; support is given to human resource training in forest product processing; the State shall develop and manage Viet Nam Legal Timber Assurance System. The forest products market development is directed towards organizations and individuals involved in cooperation, partnership, association in consumption of forest products, and they are provided with preferential credit; The State shall give supports to activities including branding, trade promotion, market development, domestic and international market communication.

*Four*, the Law stipulates sustainable forest management as the guiding principle of forestry activities. Forests shall be managed sustainably in both forest area and quality, with harmonization between socio-economic development, national defense and security safeguarding; biodiversity conservation objectives are ensured, and value of forest environmental services, response to climate change is all improved. Forest owners must observe State's regulations on sustainable forest management, ensure long-term and continuous forest business; optimize economic, social and environmental efficiency; forest owners must formulate and implement sustainable forest management plans; the State defines sustainable forest management criteria and organizes sustainable forest management certification.

*Five*, the Law stipulates a strict control of natural forest conversion to other uses; not to change the use of natural forests to other uses, except for important national projects, including projects for national defense and security safeguarding and other urgent projects approved by the Government (Article 14). Harvest of natural production forests must be based on a sustainable forest management plan. In case of necessity, temporarily cease of timber extraction from natural forests for a certain period of time will be applied in order to protect

the existing natural forests and give them time to re-grow, restore and to ensure environmental security so as the demand for forest products in the long run can be satisfied.

*Six*, valuation and use of benefit from non-traditional forest products such as forest environment services to meet development demands of the economy and human life is stipulated. Organizations and individuals who use forest environment services must pay for these services; fund derived from payments for forest environmental services is distributed to forest protection and development service providers. This is also a new legal framework facilitating the shift to exploitation of all potential benefits from forests rather than timber and non-timber products alone, creating sustainable finance for direct investment in forests.

*Seven*, the reform of forestry sector management is central in the new Law. The Law stipulates a framework for agencies responsible for providing professional advices to the State on forestry management and forest protection organization. Building on this, the Government shall stipulate detailed regulations on the functions, tasks, organizational structure and operational modalities provided that these agencies could be adequately flexible and able to meet practical requirements from forestry activities. As for the forest protection force, more specific provisions are added to the new Law highlighting a number of mechanisms, policies and competences to ensure the necessary legal corridor for the forest protection force to organize forest protection, prevent forest violations and combat forest fire.

*Eight*, renovation of forest policy: The law does not tend to stipulate forest allocation with forest use levy. Instead, forest lease is specified. The State shall lease production forests to economic organizations, households and individuals. Regarding special-use forests and protection forests, the lease is applied just to forest environment and at the discretion of forest owners; the State shall provide resources for management, protection and development of special-use and protection forests, and activities to assure State administration in forestry; The State shall protect the legitimate rights and interests of organizations, households, individuals and communities engaged in forestry

activities. The Law has broadened the right of forest owners to share benefit from forests for their attempt to restore degraded natural forests and maintain forests. As forest is a renewable natural resource, specific stipulation of various forest ownership forms will enable the recognition of the efforts and inputs contributed by forestry workers. In this regard, the new Law shall motivate and leverage organizations and individuals to invest in poor forests and share benefits from forests. At the end, better and more effective forest management is expected to achieve.

*Nine*, the Law stipulates certain new points in forest definition (Clause 3 of Article 2), which are attributed to three criteria: area, tree height and forest canopy being suited to Vietnamese reality and meeting international requirements. The Law stipulates that those local communities which are sharing the same customs, habits, cultures and beliefs, and having their own regulations and rules in line with the new Law are allocated with forests and becoming forest owners. The forest protection and development plan at 4 levels (central, provincial, district and commune) is replaced with the national forestry plan that conforms to the 2017 Law on Planning. The Law also stipulates forestry scientific and technological activities in the direction that the State shall promulgate mechanisms and policies on scientific and technological researches suitable to cycles of forest growth and development, and on application of scientific and technological progresses in forestry. The State, therefore, prioritizes investment in a number of activities, encouraging individuals and organizations in the country and abroad to participate in forestry related scientific research activities.

**PART B**  
**THE LAW ON FORESTRY**

## **LAW ON FORESTRY**

*Pursuant to the Constitution of the Socialist Republic of Viet Nam;  
the National Assembly promulgates the Law on Forestry.*

### **Chapter I** **GENERAL PROVISIONS**

#### **Article 1. Scope of governing**

This Law stipulates the management, protection, development and use of forests, and the processing and trade of forest products.

#### **Article 2. Interpretation of terms**

In this Law, the terms below are construed as follows:

1. Forestry is an economic-technical sector encompassing the management, protection, development and use of forest; and processing and trade of forest products.
2. Forestry activities include one activity or more activities in the management, protection, development and use of forests; and processing and trade of forest products.
3. Forest is an ecological system consisting of forest floral and faunal species, fungi, micro-organisms, forest land and other environmental factors, of which the main composition includes one or a number of timber trees, bamboos, long-sectioned bamboos (neohouzeaua),

trees belonging to the palm family (arecaceae) that have reached a certain height determined specifically for floral systems growing on either earthen mountain, rocky mountain, wetland, sandy land, or other typical floral systems; on an undivided land area of at least 0.3 hectares; with a canopy of at least 0.1.

4. Crown canopy is the cover by tree crown canopy in vertical per unit of forest area which is expressed in decimal number from 0 to 1.
5. Forest coverage is the percentage between the forest area and the total natural land area in a certain geographic area.
6. Natural forest is forest which exists in nature, or being restored either wholly by natural regeneration or with supplementary planting.
7. Planted forest is a forest established by artificial planting on unforested land; by rehabilitating natural forest; by re-planting or regenerating planted forest after harvest.
8. Sacred forest is a forest associated with beliefs, customs, practices of forest- dependent local communities.
9. Forest owner is either an organization or a household, an individual or a local community to whom the State allocates or leases forest; land for afforestation; restoration, development of forest by his/her own; who is transferred, donated, inherits a forest in accordance with legal provisions.
10. Ownership of planted production forest includes the forest owner's right to possess, use, dispose planted trees, livestock and other assets associated with such forest as a result of the forest owner's investment during the terms of forest allocation, lease for afforestation therein.
11. Forest use right is the forest owner's right to exploit the utilities of and enjoy yields and profits from his/her/its forest.
12. Forest values is the total value of elements constituting a forest

ecosystem and forest environmental value at a given point of time, in a given forest area.

13. Value of forest use right is the total monetary value of forest use right at a given point of time and in a given forest area.
14. Endangered, precious and rare forest plants and animals species are plants and animals species of special economic, scientific, medical, ecological, scenic and environmental values, which exist in small quantities in the nature or under threat of extinction.
15. Specimens of forest plants and animals species are forest plants, animals, alive or dead, and their eggs, larvae, body parts or derivatives.
16. Forest products are products harvested from forest, including forest plants and animals and other forest organisms including also timber, non-timber forest products, and processed timber, rattan and bamboo products.
17. Forest product dossier means documents on certain forest products that are stored at a forest product production, trading facilities and accompanying such forest products in the course of harvest, trade, export, import, transportation, processing and storage.
18. Legal timber means timber and timber products harvested, traded and produced in compliance with Vietnamese legal provisions.
19. Sustainable forest management means the way of managing forest to achieve forest protection and development objectives which does not undermine but helps increase forest values, improves people's livelihood, protects the environment, and contributes to firmly preserving national defense and security.
20. Certificate of sustainable forest management is a document recognizing a certain forest area having satisfied the criteria of sustainable forest management.

21. Forest lease by the State means the State decides to assign forest use right through a forest lease contract to an organization, a household, an individual that wishes to use forest.
22. Lease of forest environment means the agreement between an organization or individual and a forest owner on the former's use of the forest environment for a given period of time through a forest environment lease contract in accordance with legal provisions.
23. Forest environmental service means the provision of use values of forest environment.
24. Residential community means a Vietnamese community living in the same hamlet, village, hamlet, street quarter or similar residential unit sharing common customs and practices.
25. Buffer zone means the forest area, land area or water surface area bordering a special-use forest that has the effect of preventing or mitigating negative impact on such special-use forest.
26. Strictly protected zone of a special-use forest means the areas in a national park, natural reserves, and habitat/species management area which is protected in its intact status.
27. Ecological restoration zone of a special-use forest means the area in a national park, natural reserves, and habitat/species management area which is strictly managed, protected for naturally restoration of the natural ecosystem.
28. Service and administrative zone of a special-use forest means the area in a national park, natural reserve, habitat/species management area where regular activities of the special-use forest management board are carried out, research and experimentation, tourism, leisure and recreational establishments and constructed facilities for service management are located.
29. Closing of natural forest means the suspension of timber harvest in a natural forest during a certain period of time under a decision of a State competent agency.



30. Re-opening of natural forest means the permission for resumption of timber harvest in a natural forest under a decision of a State competent agency.
31. Forest degradation means a decline in the forest ecosystem, resulting in decrease in the forest function.

### ***Article 3. Principles of forestry activities***

1. To manage forest sustainably in terms of area and quality, ensuring a harmony between different objectives of socio-economic development, national defense and security, biodiversity conservation, to increase forest coverage and forest environmental services values, and to respond to climate change.
2. To mobilize social resources for forestry activities; to ensure a harmony between interests of the State and interests of forest owners as well as organizations and of individuals engaged in forestry activities.
3. To ensure that forestry is organized along a value chain from forest protection, development and use to processing and trade of forest products in order to enhance forest values.
4. To ensure publicity and transparency and involvement of related organizations, households, individuals and residential communities in forestry activities.
5. To ensure the compliance with forestry related international agreements to which Viet Nam is a signatory. In case such a treaty contains provisions different from those of this Law or governing an issue not yet regulated by any Vietnamese legal document, the provisions of such treaty prevail.

### ***Article 4. State's policies on forestry***

1. The State shall adopt policies on investment in and mobilization of social resources for forestry activities which are associated and synchronous with policies on socio-economic development, national defense and security.

2. The State shall ensure resources for the management, protection and development of special-use forests and protection forests.
3. The State shall protect legitimate rights and interests of organizations, households, individuals and residential communities involving in forestry activities.
4. The State shall organize and support the management, protection and development of production forests; forest tree varieties, forest restoration and afforestation; research and application of science and high, advanced and new technologies; training for human resources; provision of forest environmental services; planting of big timber forest, conversion of small timber planted forests to big timber ones; infrastructure development; sustainable forest management; processing and trade of forest products; international cooperation on forestry.
5. The State shall encourage combined forestry, agricultural, fishery production; organic forestry production; and insurance for planted production forests.
6. The State shall ensure that people from ethnic minority groups and forest-dependent communities are allocated forests together with land for combined agro-forestry and fishery production; are entitled to cooperate and associate with forest owners in forest protection and development, be shared with benefits from forests; to practice their forest-associated culture and beliefs in compliance to Government's regulations.

### ***Article 5. Forest classification***

1. Based on their primary use purposes, natural forests and planted forests are classified into three categories:
  - a. Special-use forest
  - b. Protection forest
  - c. Production forest

2. Special-use forest is used mainly for conservation of ecosystems of natural forests and forest biological genetic resources, scientific researches, conservation of historical, cultural and religious relics, scenic places in association with ecotourism; leisure and recreation services excluding the strictly protected zone thereof; and for provision of forest environmental services. Special-use forests are categorized in the following categories:
  - a. National park;
  - b. Natural reserve;
  - c. Habitat/ species management area;
  - d. Protected landscape including forests for conservation of historical or cultural relics, scenic places, sacred forest, forest for environmental protection in urban areas, industrial parks, export processing zones, economic zones, and high-tech parks;
  - dd. Forest for scientific researches and experimentation; national botanic garden; and national seeding forest.
3. Protection forests are used mainly for protection of water sources, land, prevention of land erosion, land slide, sweeping and flash flood, desertification, natural disasters mitigation, and climate regulation, contributing to environmental protection and national defense, security safeguarding in association with eco-tourism, leisure and recreation services, and for provision of forest environmental services. Protection forests are categorized by their crucial levels, including the following categories:
  - a. Watershed protection forest; forest used for protection of water sources of residential community; and border protection forest;
  - b. Wind-shielding protection forest and sand-shielding protection forest and wave-shielding protection and sea encroachment-preventing protection forest.

4. Production forests are mainly used for supply of forest products; agro-forestry practice and fishery production and trading; eco-tourism, leisure and recreation services, and for provision of forest environmental services.
5. The Government shall stipulate in detail criteria for forest identification and classification and the Regulation on Forest Management.
6. The Minister of Agriculture and Rural Development shall stipulate in detail criteria for determining crucial levels of protection forests.

#### ***Article 6. Forest boundary demarcation***

1. Forest boundaries shall be demarcated in the field and delineated on maps, and are documented in forest management dossiers. Forests shall be demarcated consistently nationwide to forest compartments, sub-compartments and plots.
2. The Minister of Agriculture and Rural Development shall stipulate in detail this Article.

#### ***Article 7. Forest ownership***

1. The State is the owner's representative for forests owned by the entire people, which include:
  - a. Natural forest;
  - b. Planted forest wholly invested by the State;
  - c. Planted forest revoked by the State, donated to the State, or with its ownership transferred to the State in accordance with legal provisions.
2. Organizations, households, individuals and residential communities may own planted production forests which include:
  - a. Forest invested by themselves;

- b. Forests transferred, donated or inherited to them from other forest owners in accordance with legal provisions.

#### **Article 8. Forest owners**

1. Special-use forest management boards, protection forest management boards.
2. Economic organizations including enterprises, cooperatives and cooperatives unions and other economic organizations established and operating in accordance with legal provisions, except those referred to in Clause 7 of this Article.
3. People's armed forces units that are allocated forests (below referred to as armed units).
4. Forestry related science and technology, training and vocational education organizations
5. Domestic households and individuals.
6. Residential communities.
7. Foreign-invested enterprises that are leased land by State for planting production forests.

#### **Article 9. Prohibited acts in forestry activities**

1. Illegally logging, deforesting, exploiting of forest, encroaching, appropriating of forest land.
2. Illegally bringing wastes, toxic chemicals, explosives, inflammables, tools, or vehicles into forests; tending, grazing cattle, livestock in strictly protected zones of special-use forests or in newly planted forests.
3. Illegally hunting, catching, capturing, caging, slaughtering, storing, transporting and trading of forest animals; illegally collecting specimens of forest plant and animal species.

4. Illegally destroying forest resources, forest ecosystems, and works in service for forest protection and development.
5. Violating against legal provisions on forest fire prevention and fighting; prevention and control of forest pests and diseases; management of invasive alien species; forest environmental services.
6. Storing, trading, transporting, processing, advertising, displaying, exporting, importing, temporarily importing for re-exporting, temporarily exporting for re-importing, transiting forest products in contravention of provisions of Vietnamese law and international treaties to which the Socialist Republic of Viet Nam is a signatory.
7. Illegally exploiting natural resources, minerals resources and using the forest environment; illegally building works, excavating, digging, construction, digging and excavation, embanking, barricading natural water flows and carrying out other activities in contravention of legal provisions that disrupt the natural landscape structures of forest ecosystems.
8. Illegally allocating, leasing, revoking, re-categorizing forest category, converting forests to other uses; illegally permitting the exploitation and transportation of forest products; illegally changing forest areas; transferring, inheriting, donating, mortgaging, or contributing as capital the value of the rights to use forests or the right to own planted production forests in contravention of legal provisions; practicing discrimination relating to religion, belief, gender in forest allocation and lease.
9. Illegally use of raw materials in processing of forest products.

## Chapter II FORESTRY PLANNING

### *Article 10. Principles of and bases for forestry planning*

1. Forestry planning must abide by the principles prescribed in the legislation on planning and the following principles:
  - a. To be in line with the national comprehensive plan, national land use plan, national forestry development strategy, and national biodiversity strategy;
  - b. To ensure sustainable forest management; exploiting and using forests in association with natural resources conservation meanwhile enhancing forest economic, cultural and historical values of forests; protecting the environment, responding to climate change and improving the people's livelihoods;
  - c. To include natural forests in spatial plans of special-use forests, protection forests and production forests;
  - d. To ensure the involvement of agencies, organizations, households, individuals and residential communities; to ensure publicity, transparency and gender equality;
  - dd. To ensure the conformity of forestry-related contents in provincial-level spatial plans with the national forestry plan.
2. Forestry planning shall be based on the legislation on planning and the following bases:
  - a. The national forestry plan shall be based on the national comprehensive plan, national land use plan, and national forestry development strategy;
  - b. The forestry-related contents in provincial level plans shall be based on the national forestry plan;
  - c. Natural and socio-economic conditions and national or local resources.

### *Article 11. Planning term and content of the national forestry plan*

1. The planning term as for the national forestry plan is 10 years, with a vision from 30 to 50 years.
2. The contents of the national forestry plan must comply with provisions of legislation on planning and include the following information:
  - a. Collected data, results of data analysis and assessment on natural and socio-economic conditions, status quo of forest resources; relevant development policies, orientations and forestry related spatial plans; result of assessment on resources for development, and issues to be addressed;
  - b. Assessment on the implementation of the previous period's spatial forestry plan in terms of forest management, protection and development; processing and trade of forest products; investment, science and technology, and labour;
  - c. Forecast data on demands and markets for forest products, forest environmental services, impact of climate change, and scientific-technical and technological advancements that can be applied to forestry;
  - d. Result of studies on the sector's background, linkages; identified requirements to the sector on socio-economic development;
  - dd. Determined viewpoints, objectives of forestry development;
  - e. The orientation set forth for sustainable development of special-use forests, protection forests, and production forests;
  - g. The orientation set forth for development of forestry infrastructure;
  - h. The direction set forth for development of markets, raw material areas and forest products processing;

- i. Solutions and resources for organizing the implementation of the national forestry plan.

**Article 12. Formulation, consultation on, appraisal, approval and adjustment of the national forestry plan**

1. The responsibility for organizing the formulation of the national forestry plan is stipulated as follows:
  - a. The Ministry of Agriculture and Rural Development shall organize the formulation of the national forestry plan;
  - b. Ministries, ministerial-level agencies, and provincial people's committees shall coordinate with the Ministry of Agriculture and Rural Development in formulating the national forestry plan.
2. Consultation on the national forestry plan shall be carried out as follows:
  - a. The Ministry of Agriculture and Rural Development shall organize the consultation to collect opinions from related State administration agencies, organizations, households, individuals and residential communities; summarize, assimilate and respond to contributed opinions on the national forestry plan;
  - b. Consultation on the national forestry plan shall be carried out publicly via portals and in the mass media; by circulating the plan for written opinions; and by holding consultation conferences and workshops;
  - c. The given duration of consultation on the plan is 60 days after the State competent agency decides to organize the consultation.
3. Appraisal of the national forestry plan is stipulated as follows:
  - a. The Prime Minister shall establish an appraisal council for the national forestry plan;

- b. The Ministry of Agriculture and Rural Development shall act as the standing body of the appraisal council for the national forestry plan;
- c. The appraisal council for the national forestry plan shall organize the appraisal and send the appraisal result to the Ministry of Agriculture and Rural Development. The Ministry of Agriculture and Rural Development shall assimilate and respond to appraisal opinions;
- d. The content of the appraisal of the national forestry plan includes the conformity with the national comprehensive plan, national forestry development strategy and national land use plan; practice, resources, demand and capability to use forests meeting requirements on sustainable development; socio-economic and environmental effectiveness; and feasibility of the plan.

4. The Prime Minister shall approve the national forestry plan submitted by the Minister of Agriculture and Rural Development.
5. The adjustment of the national forestry plan is stipulated as follows:
  - a) The national forestry plan shall be adjusted upon changes in the national comprehensive plan, national forestry development strategy or national land use plan which result in major changes in the contents of the national forestry plan prescribed in Clause 2, Article 11 of this Law;
  - b) The appraisal and approval of adjustment to the national forestry plan must comply with provisions in clauses 3 and 4 of this Article.
6. The formulation, consultation on, appraisal, approval and adjustment of the national forestry plan must comply with provisions of this Law and other relevant provisions in the legislation on planning.

**Article 13. Forestry planning consultancy organization**

1. Forestry planning organizations shall select consultancy organizations for forestry planning in accordance with the legislation on bidding.
2. Forestry planning consultancy organizations must have the legal person status and satisfy requirements on professional capacity to the undertakings in accordance with the Government's regulations.

## **Chapter III FOREST MANAGEMENT**

### **Part 1 FOREST ALLOCATION, FOREST LEASE, RECATEGORY, FOREST CONVERSION, FOREST REVOCATION**

#### ***Article 14. Principles of forest allocation, forest lease, forest conversion and forest revocation***

1. To conform with the national forestry plan and land use plan, and to suit existing local forest area.
2. Not to convert natural forest to any other uses, except national important projects, projects serving national defense, security, or other urgent projects approved by the Government.
3. Not to allocate, lease disputed forest areas.
4. Forest owners must not lease natural and planted forests invested by the State to other organizations, households and individuals.
5. To ensure a consistency and synchronicity between forest allocation, forest lease, forest conversion, forest revocation with land allocation, land lease, land conversion, land revocation.
6. To ensure a consistency between the term and limit of forest allocation, forest lease with the term, limit of land allocation, land lease.
7. To ensure publicity, transparency, involvement of local people; no beliefs, religions, and gender related discrimination in forest allocation, forest lease.
8. To respect the living space, customs, practices of residential communities; to prioritize forest allocation to people from ethnic minority groups and households, individuals and residential communities with forest-associated customs, practices, culture,

beliefs and traditions, and having village conventions conformable with legal provisions.

**Article 15. Basis for forest allocation and forest lease, forest conversion**

1. The plan on forest allocation, forest lease, forest conversion of the district level people's committee shall be approved by provincial level people's committee; the district level annual land use plan shall be approved by State competent agency.
2. The forest and land area planned for afforestation.
3. The need of forest use presented in investment projects as for organizations; proposals on forest allocation, forest lease, forest conversion as for households, individuals, and residential communities.
4. The capacity in sustainable forest management of organizations, households, individuals and residential communities.

**Article 16. Forest allocation**

1. The State shall allocate special-use forests without forest use levy to:
  - a. Special-use forest management boards as for national parks; nature reserves; habitat/species management areas; protected landscapes including forests for conservation of historical and cultural relics and scenic places, forests for environmental protection in urban areas, industrial parks, export-processing zones, economic zones or hi-tech parks; national seeding forests; national botanic gardens;
  - b. Forestry-related science and technology, training, vocational education organizations as for forest for scientific research and experimentation and national botanic gardens;
  - c. Protection forest management boards, economic organizations, armed units as for protected landscape including forest for conservation of historical and cultural relics and scenic

places, forests for environmental protection in urban areas, industrial parks, export-processing zones, economic zones or hi-tech parks located within allocated forest areas;

- d. Residential communities as for the sacred forests that according to tradition they are managing and using.
  - dd. Domestic forestry related economic, scientific, technological, training, vocational education organizations as for national forest seed orchards located within allocated forest area.
2. The State shall allocate protection forest without forest use levy to:
    - a. Protection forest management boards, armed units as for watershed protection forests, border protection forests; wind-shielding protection forests, sand-shielding protection forests; wave-shielding protection forest; sea encroachment-preventing protection forests;
    - b. Economic organizations as for protection forest located within production forest areas of these organizations;
    - c. Households and individuals lawfully residing in commune level localities where exist protection forests as for watershed protection forests; sand-shielding protection forests; wind-shielding protection forests; wave-shielding protection forests; sea encroachment-preventing protection forests;
    - d. Residential communities lawfully residing in the commune level localities where exist protection forests as for watershed protection forests; sand-shielding protection forests; wind-shielding protection forests; wave-shielding protection forests; sea encroachment-preventing protection forests; forests for protection of water resources of such communities.
  3. The State shall allocate production forests without forest use levy to:

- a. Households, individuals, residential communities lawfully residing in commune level localities where exist production forests; and armed units;
- b. Special-use forest management boards or protection forest management boards as for production forests located within special-use forest or protection forest areas allocated to such management boards.

**Article 17. Lease of production forests**

The State shall lease to economic organizations, households and individuals natural production forests and planted production forests with one-off or annual rental payment for forestry production; agro-forestry and fishery practice; or eco-tourism, leisure and recreation business.

**Article 18. Recategorization of forest**

1. Recategorization of forest must satisfy the following conditions:
  - a. To conform with forestry spatial plans;
  - b. To satisfy the criteria for forest categorization;
  - c. To have a forest re-categorization plan;
2. Authority in making decision on forest recategorization is stipulated as follows
  - a. The Prime Minister shall make decision on forest recategorization as for forests established by the Prime Minister at the proposal of the Minister of Agriculture and Rural Development;
  - b. Provincial people's committee chairpersons shall make decision on recategorization of forests other than those specified at Point a of this Clause, after provincial level people's councils approve in principle the proposals of such recategorization.

**Article 19. Conditions for forest conversion**

1. To conform with the national forestry plan, land use plans, land use schemes;
2. The proposal on forest conversion is approved in principle by State competent agencies;
3. To have an investment project approved by State competent agencies;
4. To have a plan of offset afforestation approved by State competent agencies or having fulfilled the payment obligation for such offset afforestation.

**Article 20. The authority in making decision on the proposal of forest conversion**

1. The National Assembly shall make decisions in principle on forest conversions as for special-use forests, watershed protection forests and border protection forests of at least 50 hectares; wind-shielding protection forests, sand-shielding protection forests, wave-shielding protection forests, sea encroachment-preventing protection forests of at least 500 hectares; and production forests of at least 1,000 hectares.
2. The Prime Minister shall make decisions in principle on forest conversions as for special-use forests of under 50 hectares, watershed protection forest, border protection forests of between 20 and under 50 hectares; wind-shielding protection forests, sand-shielding protection forests, wave-shielding protection forests, sea encroachment-preventing protection forests of between 20 and under 500 hectares; and production forests of between 50 and under 1,000 hectares.
3. Provincial level people's councils shall make decision in principle on conversion as for special-use forests, watershed protection forests, border protection forests, wind-shielding protection forests, sand-shielding protection forests, wave-shielding protection forests, sea encroachment-preventing protection forests of under 20 hectares;



production forests of under 50 hectares; and forests for protection of water resources of residential communities.

**Article 21. Offset afforestation in the case of forest conversion to other uses**

1. A project owner that is allocated or leased land with forest conversion must offset afforest on an area equal to the area of the planted forest converted or equal to three times the area of the natural forest converted.
2. The project owner mentioned in Clause 1 of this Article that wishes to plant by itself an offset forest shall prepare a plan on offset afforestation and submit it to the provincial level people's committee for approval. If the project owner fails to plant an offset forest by itself, it/she/he shall pay a sum of money into the provincial level forest protection and development fund.
3. The sum of money to be paid to the provincial Fund for Forest Protection and Development shall be calculated by multiplying the area of offset forest to be planted by the unit price per hectare of planted forest as decided by the provincial level people's committee; the provincial people's committee shall decide on how to use the sum of money already paid to the provincial Fund for Forest Protection and Development for offset afforestation in its locality.
4. In case the provincial level people's committee cannot arrange or sufficiently arrange a land area for planting an offset forest within 12 months from the time the project owner fulfills its obligation to pay a sum of money into the provincial level Fund for Forest Protection and Development it/he/she shall transfer such sum of money to the Viet Nam Fund for Forest Protection and Development for offset afforestation in another locality.
5. The Minister of Agriculture and Rural Development shall stipulate in detail the contents, order, procedures and time limit for offset afforestation referred to in this Article.

**Article 22. Forest revocation**

1. The State shall revoke a forest in the following cases:
  - a. The forest owner improperly uses the forest, intentionally refuses to fulfill its/her/his obligations to the State or seriously violates legal provisions on forestry;
  - b. The forest owner fails to carry out forest protection and development activities for 12 consecutive months after being allocated or leased the forest, except in a force majeure circumstance as certified by a State competent agency;
  - c. The forest owner voluntarily returns the forest;
  - d. The term of forest allocation or lease by the State expires without any extension;
  - dd. The forest is allocated or leased ultra vires or to an ineligible subject;
  - e. The forest owner being an individual dies without any inheritor as prescribed in legal provisions;
  - g. Other cases of forest land revocation as prescribed in the Law on Land.
2. The forest owner shall be entitled to compensation and support in accordance with legal provisions when the State revoke the forest for reason of national defense or security, socio-economic development or in the national or public interest or when the forest is allocated or leased ultra vices or to an improper subject.

**Article 23. Authority in forest allocation, forest lease, forest conversion, forest revocation**

1. The authority of the provincial people's committee is stipulated as follows:

- a. To allocate, lease, convert and revoke forests as for organizations;
  - b. To lease land to foreign-invested enterprises in Viet Nam for planting production forests.
2. The authority of the district people's committee is stipulated as follows:
    - a. To allocate, lease, convert and revoke forests as for households and individuals;
    - b. To allocate, convert and revoke forests as for residential communities.
  3. In case the forest to be revoked involves the organizations, households, individuals and residential communities referred to at Point a, Clause 1, and in Clause 2, of this Article, the provincial level people's committee shall make decision on the revocation or authorize the district level people's committee to do so.
  4. The Government shall stipulate in detail the forest allocation, forest lease, forest re-categorization, forest conversion, and forest revocation.

## **Part 2**

### **ORGANIZATION FOR FOREST MANAGEMENT**

#### ***Article 24. Principles in organization for forest management***

1. The State shall allocate or lease forests, organize forest management and protection, and ensure that all forests have their owners.
2. Forest owners shall manage forests in a sustainable manner; and manage, protect, develop and use forests in accordance with the Regulation on Forest Management.

#### ***Article 25. Authority in establishment of special-use forests and protection forests***

1. The Prime Minister shall decide to establish special-use forests and protection forests of national importance or are located on more than one province.
2. Provincial level people's committee chairpersons shall decide to establish special-use forests and protection forests in their localities which do not fall into the case specified in Clause 1 of this Article.
3. The establishment of special-use forests and protection forests must comply with the Regulation on Forest Management.

#### ***Article 26. Organization of management of special-use forests and protection forests***

1. Organization of management of special-use forests is stipulated as follows:
  - a. A special-use forest management board shall be established as for national park, nature reserve, habitat/species management area, protected landscape covering an undivided area of at least 3,000 hectares;

In case a provincial level locality accommodates one or more

than one nature reserve, habitat/species management area, protected landscape each having an area of under 3,000 hectares, one special-use forest management board shall be established in the locality.

- b. An organization that is allocated a forest for scientific research and experimentation, or a national botanic garden or a national seeding forest shall organize by itself the management of such forest.
2. Organization of management of protection forest is stipulated as follows:
    - a. A protection forest management board shall be established as for a watershed protection forest or border protection forest having an undivided area of at least 5,000 hectares, or a wind-shielding protection forest, sand-shielding protection forest, wave-shielding protection forest, sea encroachment-preventing protection forest of at least 3,000 hectares;
    - b. Protection forests not falling into the case specified at Point a of this Clause shall be allocated to economic organizations, households, individuals, residential communities or armed units for management.
  3. The organization of management of special-use forests and protection forests must comply with the Regulation on Forest Management.

### **Part 3**

## **SUSTAINABLE FOREST MANAGEMENT**

### ***Article 27. Sustainable forest management plan***

1. The responsibility to make and implement a sustainable forest management plan is stipulated as follows:
  - a. Forest owners being organizations shall make and implement sustainable forest management plans;
  - b. Forest owners being households, individuals, residential communities or groups of households or individuals are encouraged to make and implement sustainable forest management plans.
2. The key contents of a sustainable forest management plan as for special-use forests:
  - a. Assessment of natural, socio-economic, national defense and security conditions; status quo of the forest ecosystem, biodiversity, biological genetic resources, historical and cultural relics and landscapes;
  - b. Objectives and scope of sustainable forest management;
  - c. Degraded forest areas in functional zones to be restored and conserved;
  - d. Forest management, protection, conservation, development and use activities;
  - dd. Solutions and organization of implementation.
3. Key contents in the sustainable forest management plan as for protection forest:
  - a. Assessment of natural, socio-economic, national defense and security conditions; status quo of forest resources;

- b. Objectives and scope of sustainable forest management;
  - c. The protection function of the forest;
  - d. Forest management, protection, development and use activities;
  - dd. Solutions and organization for implementation.
4. Key contents of sustainable forest management plan as for production forests:
- a. Assessment of natural and socio-economic conditions; status quo of forest resources, production and trading results; market impacts on the forest owner's activities;
  - b. Objectives and scope of sustainable forest management;
  - c. Forest management, protection, development, use and forest products trade;
  - d. Solutions and organization of implementation.
5. The Minister of Agriculture and Rural Development shall prescribe in detail the contents of a sustainable forest management plan, and the order and procedures for formulating and giving approval on sustainable forest management plans.

**Article 28. Certificate of sustainable forest management**

1. Certificates of sustainable forest management may be granted to the forest owner on a voluntary basis.
2. Domestic or international certificates of sustainable forest management may be granted to forest owners that have a sustainable forest management plan and satisfy sustainable forest management criteria.
3. Sustainable forest management auditing, certification organizations working in Viet Nam shall observe Vietnamese legal provisions.
4. The Minister of Agriculture and Rural Development shall stipulate criteria of sustainable forest management.

**Part 4**

**CLOSING AND RE-OPENING OF NATURAL FORESTS**

**Article 29. Principles of closing and re-opening of natural forest**

1. To ensure sustainable forest management, conservation of forest resources and biodiversity.
2. To ensure publicity and transparency.
3. To ensure the legitimate rights and interests of related parties when closing or re-opening forests.

**Article 30. Cases of closing and re-opening of natural forests**

1. A natural forests shall be closed in the following cases:
  - a. The forest is illegally destroyed or harvested in a complicated manner, posing a threat of serious degradation of its resources;
  - b. The forest is poor and needs to be restored; its biodiversity and protection function are seriously degrading.
2. A natural forest shall be re-opened when the situation referred to in Clause 1 of this Article is over.
3. Natural forest closing and re-opening must comply with the Regulation on Forest Management.

**Article 31. Authority, order and procedure in announcement of decision on natural forest closing or re-opening**

1. The Prime Minister shall make decision on closing and re-opening of natural forests nationwide and in many provinces and centrally administered cities.
2. Provincial people's committee chairpersons shall make decision on the closing and re-opening of natural forests located in their localities after provincial level people councils approve natural

forest closing or re-opening plans.

3. Decisions on closing or re-opening of natural forests shall be publicly announced and posted up.
4. The order and procedures for announcing decisions on closing or re-opening of natural forests must comply with the Regulation on Forest Management.

**Article 32. Responsibilities of the State when closing natural forests**

1. The State shall provide funds for the protection and development of natural production forests in the period of their closure.
2. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Finance in submitting to the Prime Minister for consideration and decision proposals on supports for owners of natural forests which are closed under decisions of the Prime Minister.
3. Provincial level people's committees shall submit to provincial level people's councils for consideration and decision proposals on supports for owners of natural forests which are closed under decisions of provincial level people's committee chairpersons.

**Part 5**  
**FOREST INVENTORY, UPDATE OF FOREST**  
**STATISTICS, MONITORING OF FOREST RESOURCE**  
**CHANGE AND FOREST DATABASE**

**Article 33. Forest inventory**

1. Forest inventory covers the following contents
  - a. Forest inventory, categorization of forests; grading the critical levels of protection forests;
  - b. Inventory and assessment of the forest quality and development potential;
  - c. Inventory and assessment of forest loss and degradation;
  - d. Inventory and assessment of biodiversity in the forest;
  - dd. Establishment and maintenance of the forest resources changes monitoring system;
  - e. Assessment of greenhouse gas emission reduction owing to the implementation of measures to limit forest loss and degradation, sustainable forest management and conserve and preservation and increase of the forest carbon stock.
2. Organization for forest inventory is stipulated as follows:
  - a. The Ministry of Agriculture and Rural Development shall conduct national forest inventory and announce the results once every 5 years and according to thematic contents; and direct the organization of provincial level forest inventories;
  - b. Provincial people's committees shall organize forest inventories in their localities and announce the results.
3. The Minister of Agriculture and Rural Development shall stipulate in detail the contents, method and process of forest inventory.

#### **Article 34. Update of statistics on forest**

1. Update of forest related statistics is conducted at the local administration levels by specific forest owners nationwide in order to determine actual forest areas, forest reserves, unforested land areas planned for forestry and add data to the database on forests and unforested land.
2. Update of statistics on forest covers the key contents as follows:
  - a. Collecting and processing of information on forest resources;
  - b. Update of the statistics on area, reserve of each forest plot;
  - c. Update of the statistics on area, reserve of forests by forest owners;
  - d. Update of the statistics on total area, reserve of forests by administration levels;
  - dd. Preparation of dossiers for forest management of forest plots, sub-compartments, compartments, and of administration levels;
  - e. Announcement of the updated statistics on forests.
3. Update of statistics on forests shall be conducted once every 10 years, coinciding with the time of update of statistics on land.
4. Forest owners shall be responsible for update of statistics of their forests and Update of statistics on forest by forests owners being organizations shall be subjected to inspection by provincial level specialized forestry agencies; update of statistics on forest by forest owners being households, individuals, and residential communities shall be subjected to inspection by district level specialized forestry agencies; forest owners shall fill the updated statistics on forest in prescribed forms and take responsibility for these data.
5. Specialized forestry agencies shall provide technical instructions and support as well as inspect and supervise the update of statistics on forest; and provide financial support for the update of statistics

on forest conducted by forest owners being households, individuals and residential communities.

6. The Minister of Agriculture and Rural Development shall stipulate in detail contents, method and process of update of statistics on forest.

#### **Article 35. Monitoring of forest resources change**

1. Monitoring of forest resources change shall be conducted annually to collect specific information on actual areas of different forest categories, unforested land, changes in areas of different forest categories to serve forest management, protection and development.
2. Forest plot will serve as a basic unit for monitoring of forest resources change, which shall be gathered by sub-compartment and compartment of each forest owner and summed up by commune, district, province and for the whole country.
3. The Minister of Agriculture and Rural Development shall stipulate in detail this Article.

#### **Article 36. Forest database**

1. A forest database is a collection of forest information and data, which shall be established, updated and maintained to meet the demand for information to serve forest management, protection and development and other management requirements. Forest database constitutes part of the forestry information system.
2. A forest database covers the information as follows:
  - a. Database on legal documents concerning forests;
  - b. Database on the management, protection, development and use of forest; nature conservation, endangered, precious and rare species, and forest related scientific research;
  - c. Database related to forest inventory, updated forest statistics,

forest resource change monitoring, forest related green house gas reduction result;

- d. Other forest related database.
3. The Ministry of Agriculture and Rural Development shall organize uniformly the establishment and management of forest databases nationwide.

## **Chapter IV FOREST PROTECTION**

### ***Article 37. Protection of forest ecosystem***

State administration agencies, organizations, households, individuals and residential communities that carry out activities directly affecting forest ecosystems or the growth and development of forest organisms must observe to provisions of this Law, the laws on environmental protection, biodiversity, plant protection and quarantine, and animal health care, and other relevant legal provisions.

### ***Article 38. Protection of forest plants and animals***

1. Endangered, precious and rare species of forest plants and animals shall be listed for appropriate management and protection.
2. The Government shall prescribe the list of and regimes for management and protection of endangered, precious and rare species of forest plants and animals; the order and procedures for harvesting endangered, precious and rare species of forest plants and animals and wild forest animals and plants in the Appendices to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
3. The Minister of Agriculture and Rural Development shall stipulate in detail the order and procedures for harvesting timber, non-timber forest products and forest animals, excluding those referred to in Clause 2 of this Article.

### ***Article 39. Forest fire prevention and combating***

1. Forest owners shall formulate and implement forest fire prevention and extinguishment plans and follow the guidance and inspection by State competent agencies.
2. All cases of fire use including building a fire in or close to forests to clear off hills and fields to prepare land for afforestation, or to build a fire before the dry season or to use fire for other purposes must take fire prevention and combating measures.

3. Organizations, households and individuals that carry out activities or build works in or near forests must comply with regulations on fire prevention and combating and take fire prevention and combating measures required by forest owners.
4. In case of outbreak of a forest fire, forest owners shall promptly extinguish the fire and immediately inform it to related agencies, organizations and individuals; overcome consequences caused by the fire and report it to State competent agencies. Related State competent agencies, organizations and individuals shall join in extinguishing forest fires in a timely manner.
5. In case a forest fire spreads across a vast area, threatening to cause a catastrophe regarded as a state of emergency, the forest fire combating must comply with legal provisions on states of emergency.
6. Public forest protection force assumes the prime responsibility for, and coordinate with the forest fire prevention and combating, rescue and salvage forces in, guiding forest owners how to prepare forest fire prevention and combating plans.
7. The Government shall stipulate in detail this Article.

**Article 40. Control of forest pests and diseases**

1. Control of forest pests and diseases; raising or tending, grazing animals in forests must comply with this Law and the legislation on biodiversity, plant protection and quarantine, and animal health care.
2. Forest owners shall implement measures to control forest pests and diseases; upon detecting such pests and diseases in the forest areas allocated or leased to them, they shall immediately notify it to the nearest plant protection and quarantine and/or animal health care agencies for guidance and support in implementing control measures; and shall strengthen the application of silvicultural and biological measures in the control of forest pests and diseases.
3. The Ministry of Agriculture and Rural Development shall organize the forecast of forest pests, diseases and epidemics and provide instructions on the implementation of measures to control forest

pest and diseases.

4. The people's committees at all levels shall organize and direct the control of forest pests and diseases in their localities and prevent their spread to other localities.

**Article 41. Forest owner's forest protection force**

1. The special-use forest or protection forest management boards in the places where there is no public forest protection force; State owned enterprises and organizations not belonging to armed forces which are allocated or leased forests and forestland may organize their own forest protection force.
2. Tasks and powers of the forest owner's forest protection force is stipulated as follows:
  - a. Patrolling, and checking the protection of forests and forestland planned for forestry;
  - b. Implementing measures to prevent and combat forest fires;
  - c. Implementing measures to prevent and stop violations against the Regulations on Forest Management, protection and development; using supporting tools in accordance with legal provisions.
3. Forest owners shall directly manage and direct activities of the forest owner's forest protection force and ensure their benefits in accordance with legal provisions.
4. The Government shall stipulate in detail this Article.

**Article 42. Verification of forest products origins**

1. Verification of the origin of forest products covers examining forest product dossiers, checking forest products during their harvest, transportation, processing, trading, import, export, farming, plantation and storage in accordance with legal provisions.



2. Verification of the origin of forest products shall be performed regularly according to plan or unexpectedly upon detecting signs of violation.
3. Public forest protection force at all levels who are forest rangers shall, within the ambit of their tasks and powers, assume the prime responsibility for, and coordinate with the people's public security, people's army, militia, market surveillance and customs forces and related agencies and organizations in, preventing, inspecting, detecting and handling violations in accordance with legal provisions.
4. Within the ambit of their tasks and powers, the people's public security, people's army, militia, market surveillance and customs forces, justice agency and related agencies and organizations shall coordinate with forest rangers in performing their functions, tasks and powers in accordance with legal provisions.
5. The Minister of Agriculture and Rural Development shall stipulate in detail forest product legality dossiers and the order and procedures for management of the origin of forest products.

**Article 43. Responsibility in forest protection of the entire people**

1. State agencies, organizations, households, individuals and residential communities shall protect forests in accordance with this Law, the legislation on fire prevention and fighting, environmental protection, biodiversity, plant protection and quarantine, and animal health care, and other relevant legal provisions.
2. Organizations, households, individuals and residential communities shall promptly notify competent state agencies or forest owners of forest fires, forest pests and diseases and violations against forest management and protection regulations; and observe to the orders on mobilization of manpower and equipment of State competent agencies upon occurrence of forest fires.

## **Chapter V FOREST DEVELOPMENT**

**Article 44. Development of forest trees varieties**

1. To establish a system of national forest seed orchards to preserve genetic resources and supply sustainable high-quality seed sources.
2. To develop and improve forest seed orchards and seed nurseries and clone nurseries; as for major trees, to put into production and trading only recognized varieties, seed sources and seed materials.
3. To enhance hereditary qualities, select and create new varieties of high yield, quality and tolerance that satisfy requirements to trade of forest products and are adaptable to climate change.
4. To study and apply scientific and technical advancements in the selection, creation and propagation of forest tree varieties of high yield and quality; to increase the capacity of management and administration of varieties production and supply; to raise awareness of forest tree varieties among people, agencies and organizations.
5. The Minister of Agriculture and Rural Development shall stipulate the list of major trees and the order and procedures for recognizing varieties, varieties sources and varieties materials.

**Article 45. Silviculture measures**

1. Silviculture measures include:
  - a. Zoning off forest tending for naturally assisted regeneration of forests or regeneration of forests with supplementary planting;
  - b. Forest tending, improvement;
  - c. Natural forest improvement;

- d. Afforestation, reforestation, tending planted forest.
2. The Minister of Agriculture and Rural Development shall stipulate in detail this Article.

**Article 46. Development of special-use forest**

1. As for national parks, natural reserves, habitats/species management areas, the following activities shall be carried out:
  - a. Perpetuating the structure of natural forests, ensuring the natural growth of special-use forests in their strictly protected sub-zones;
  - b. Restoring the structure of natural forests; applying the measure of natural regeneration combined with improvement of forests, planting indigenous trees in the ecological restoration zones and service and administrative zones of special-use forests;
  - c. Rescuing, conserving and developing organisms.
2. As for protected landscapes, the following activities shall be carried out:
  - a. Maintaining existing forest areas;
  - b. Applying technical measures of afforestation, zoning off for naturally assisted forest regeneration and improving forests in order to improve the quality of forests.
3. As for forests for scientific research and experimentation, protecting and developing forests according to scientific research tasks decided by forest owners or State competent agencies.
4. As for national seeding forests, maintaining and developing forests according to plans approved by State competent agencies.
5. As for national botanic gardens, collecting, selecting, storing and propagating indigenous tree species in association with scientific research, environmental protection training and education, sightseeing, and tourism.

**Article 47. Development of protection forest**

1. As for the watershed protection forest and border protection forest, undivided forest areas shall be formed, the forest structure that ensure protection function shall be formed and maintained.
2. As for watershed protection forests, border protection forests and forests for protection of water resources of residential communities, the following activities shall be carried out:
  - a. Protecting, zoning off for naturally forest regeneration combined with forest improvement;
  - b. Afforestation in barren land, where naturally forest regeneration is impossible; planting various indigenous tree species, multi-purpose tree species and non-timber forest trees.
3. As for wind-shielding protection forests, sand-shielding protection forests, wave-shielding protection forests, sea encroachment-preventing protection forests, the following activities shall be carried out:
  - a. Establishing forest belts suitable to the natural conditions in each area;
  - b. Afforestation with deep, firm rooting plants species, prioritizing highly resilient, indigenous trees that can grow in harsh conditions; planting additional trees in areas where forest criteria are not fully met.

**Article 48. Development of production forest**

1. To maintain the existing area of natural production forests; to restore natural forests which have been previously harvested and still fail to meet the criteria of an established forest; to improve only natural production forests that cannot naturally regenerated on their own.
2. To form undivided planted forests areas, to apply modern bio-

technologies and intensive afforestation techniques to increase the yield of planted forests and supply materials for the forest product processing industry.

3. To encourage afforestation using a mix of species, and non-timber plants species; to combine the afforesting of fast-growing small-timber trees and perennial large-timber trees; to transform small-timber forests into large-timber ones in areas with conditions suitable to such transformation.

**Article 49. Cultivating forest plants, propagating and raising forest animals**

1. Organizations and individuals that artificially propagate and raise endangered, precious and rare species of forest trees and animals, and species of forest plants and animals listed in the Appendices to the Convention on International Trade in Endangered Species of Wild Fauna and Flora; and raise ordinary species of forest animals must ensure conditions on legal seeding sources, safe raising facilities to ensure safety to people and raised animals; environmental sanitation and disease and epidemic prevention without exerting negative impacts on the conservation of the populations of these species in the natural environment.
2. The Government shall stipulate in detail conditions, order, procedures and authority to license the artificial propagation and raising of endangered, precious and rare species of forest trees and animals; species of forest plants and animals listed in the Appendices to the Convention on International Trade in Endangered Species of Wild Fauna and Flora; and ordinary species of forest animals.

**Article 50. Planting of scattered trees**

1. Planting of scattered trees is planting trees outside forests in order to increase the green tree coverage, create landscapes, and protect the environment in combination with supplying timber, firewood and tourism services.
2. Central and local agencies and organizations shall advocate, mobilize the entire people to plant scattered trees; and shall

organize the planting, management and protection of scattered trees in urban centers, rural areas and industrial parks.

3. The State shall adopt policies on support of varieties and technical guideline on planting scattered trees.

**Article 51. Infrastructure to serve forest protection and development**

1. System of forestry roads, including skidding trails, paths for forest products transportation, patrolling paths, forest products storehouses and storage yards.
2. Facilities for prevention and elimination of forest pests and diseases, rescue, protection and development of forest animals and plants.
3. Forest fire prevention and combating works including fire breaking belts, forest fire watch towers, forest fire surveillance and forecast stations; water canals, ditches, tanks, dams and reservoirs for forest fire prevention and combating.
4. Forest protection stations; signboards, warning signs and boundary landmarks for forests, forest compartments, sub-compartments and plots.
5. Other infrastructures facilities necessary to serve forest protection and development.

## Chapter VI FOREST USE

### Part 1 USE OF SPECIAL-USE FOREST

#### **Article 52. Harvest of forest products in special-use forests**

1. As for national parks, natural reserves, habitats/ species management areas:
  - a. Not to exploit forest products in the strictly prohibited zones in special-use forests; not to salvage dead trees, fallen trees in the ecological restoration zone of special-use forests;
  - b. It is allowed to salvage dead trees or fallen trees, fungi in the service-administrative zones of special-use forests;
  - c. It is allowed to salvage timber, firewood, non-timber forest plants, fungi in the areas to be cleared for construction of works after obtaining an approval from State competent agencies;
  - d. It is allowed to collecting specimens of forest plants, animals, fungi, and biological genetic sources for scientific and technological tasks after obtaining approval from State competent agencies.
2. As for protected landscapes:
  - a. It is allowed to salvage wood, firewood, non-timber forest plants, fungi during the implementation of silviculture measures for the purpose of forest conservation, improvement, restoration of ecosystems, natural and cultural, historical landscapes and in the areas to be cleared for construction of works after obtaining approval from State competent agencies;
  - b. It is allowed to collect specimens of forest plants, animals, fungi, and biological genetic sources for science and technology tasks after obtaining an approval from State competent agencies;

- c. As for the sacred forests, it is allowed to salvage dead and fallen trees, forest plants, fungi, non-timber forest products; to harvest timber for residential community communal use after obtaining an approval from State competent agencies.
3. As for forest for scientific research and experimentation:
  - a. It is allowed to harvest forest products for science and technology tasks after obtaining an approval from State competent agencies;
  - b. It is allowed to salvage timber, firewood, non-timber forest plants, fungi during the course of forest composition adjustment, forest tending and application of other silviculture measures; to salvage wood, firewood, forest plants in the areas to be cleared for construction of works after being approved by State competent agencies;
  - c. It is allowed to harvest, collect forest plants, animals, fungi, specimens of forest plants, animals, genetic sources for scientific research and technological development.
4. As for national botanic gardens and national seeding forests:
  - a. It is allowed to harvest seeding materials;
  - b. It is allowed to salvage wood, firewood, non-timber forest plants, fungi during the course of forest composition adjustment, tending, and application of other silviculture measures; salvage wood, firewood, timber, forest plants, fungi in the areas to be cleared for construction of works after obtaining an approval by State competent agencies; to salvage dead, fallen trees.
5. The harvest of forest products in special-use forests must comply with this Law and the Regulation on Forest Management.

#### **Article 53. Scientific research, education, practice, ecotourism; leisure, recreation activities in special-use forest**

1. Scientific research, teaching, practicing, eco-tourism, leisure and recreation activities in special-use forests must comply with the Regulation on Forest Management and relevant laws. Leisure and recreation activities are not allowed in the strictly protected zone of special-use forests.
2. Forest owners shall prepare schemes on eco-tourism, leisure and recreation activities in their special-use forests and submit them to State competent agencies for approval.
3. Organizations and individuals that invest in eco-tourism, leisure and recreation activities in special-use forests shall formulate projects in accordance with relevant laws and schemes on eco-tourism, leisure and recreation services.
4. Forest owners may organize by themselves, cooperate with and join others in doing business in eco-tourism, leisure and recreation in special-use forests or lease the forest environment to organizations and individuals for doing such business, provided that such business does not affect the conservation of the natural ecosystems, biodiversity, landscapes and environment and other functions of the forests.
5. The order and procedures for preparing, appraising and approving schemes on eco-tourism, leisure and recreation and managing the construction of works for eco-tourism, leisure and recreation purposes in special-use forests must comply with the Regulation on Forest Management and other relevant laws.

**Article 54. Stabilization of life of people living in special-use forests and their buffer zone**

1. It is prohibited to relocate people from other areas to settle in special-use forests.
2. Special-use forest management boards may contract the protection and development of special-use forests to households, individuals and residential communities living in such forests. Based on specific conditions, special-use forest management boards shall coordinate with local administrations in elaborating relocation and resettlement

projects and submit them to State competent agencies for approval so as to relocate people out of strictly protected zones of special-use forests.

3. For eco-restoration sub-zones of special-use forests, special-use forest management boards may contract the protection and development of the forests to households, individuals and residential communities living therein or cooperate and associate with them in protection and development of these forests.
4. For residential land and production land of households, individuals and residential communities located within special-use forests but not included in the master plans on such forests, these households, individuals and residential communities may continue using such land under land use plans approved by a State competent agency and in conformity with forest owners' sustainable forest management plans.
5. Special-use forest management boards shall elaborate investment programs and projects on development of buffer zones; organize the implementation thereof with the involvement of local residential communities; coordinate with local administrations in reviewing and planning the management of residential land and production land located within special-use forests and submit these plans to State competent agencies for approval.
6. Organizations, households, individuals, local residential communities or organizations that carry out activities in buffer zones are entitled to supervise, participate in the implementation of and coordinate in the management of investment programs and projects for buffer zones in accordance with legal provisions.
7. The stabilization of life of people living in special-use forests and their buffer zones must comply with the Regulation on Forest Management.

## **Part 2**

### **USE OF PROTECTION FOREST**

#### ***Article 55. Harvest of forest products in protection forests***

1. For natural protection forests, dead timber trees, fallen trees, diseased trees and trees in areas with a density higher than the prescribed level may be harvested.
2. For natural protection forests, the harvest of non-timber forest products is prescribed as follows:
  - a. Bamboo shoots, bamboo trees and fungi may be harvested in case protection requirements are met;  
  
Other non-timber forest products may be harvested without affecting the protection function of the forests.
3. For planted protection forests:
  - a. Auxiliary trees may be harvested or pruned when the forests reach a density higher than the prescribed level;
  - b. Major trees may be harvested when they reach the standards for harvest by the method of selective logging or band- or strip-based clear cutting;
  - c. After harvest, forest owners shall regenerate or replant forests right in the immediate subsequent afforestation season and continue managing and protecting them.
4. The harvest of forest products in protection forests must comply with this Law and the Regulation on Forest Management.

#### ***Article 56. Scientific research, education, practicing activities, eco-tourism, leisure, recreation activities in protection forest***

1. Scientific research, teaching and practicing activities in protection forests must comply with the Regulation on Forest Management and other relevant laws.

2. Forest owners shall prepare schemes on eco-tourism, leisure and recreation activities in their protection forests and submit them to a State competent agency for approval.
3. Organizations and individuals that invest in eco-tourism, leisure and recreation activities shall prepare projects in accordance with relevant laws and schemes on eco-tourism, hospitality and recreation.
4. Forest owners may organize by themselves, cooperate with and join other partners in doing business in eco-tourism, leisure and recreation in protection forests or lease the forest environment to organizations and individuals to do such business, provided that such business does not affect the conservation of the natural ecosystems, biodiversity, landscapes and environment and other functions of the forests.
5. The order and procedures for preparing, appraising and approving schemes on eco-tourism, leisure and recreation and forest areas that are allowed to be used for the construction of works for eco-tourism, leisure and recreation in protection forests must comply with the Regulation on Forest Management and other relevant laws.

#### ***Article 57. Combined agro-forestry and fishery production in protection forest***

1. Agricultural crops and non-timber forest trees may be planted and animal husbandry and aquaculture may be carried out in protection forests provided that they do not affect the protection function of these forests.
2. Unforested land areas may be used for carrying out agro-forestry and fishery practice without affecting the protection function of these forests.
3. Agro-forestry and fishery practice in protection forests must comply with the Regulation on Forest Management and other relevant laws.

### **Part 3**

## **USE OF PRODUCTION FORESTS**

#### ***Article 58. Harvest of forest products in natural production forests***

1. Conditions for harvest of forest products in natural production forests are prescribed as follows:
  - a. Forest owners being organizations must have a sustainable forest management plan approved by a competent state agency;
  - b. Forest owners being households, individuals or residential communities that wish to harvest timber shall send a request to and have it approved by the district-level people's committee.
2. The harvest of forest products in natural production forests must comply with this Law and the Regulation on Forest Management.

#### ***Article 59. Harvest of forest products in planted production forest***

1. Forest owners may decide on harvest of planted forests under their ownership.
2. For forests planted with state budget funds, forest owners shall prepare a dossier for forest product harvest and submit it to a State competent agency having the competence in giving approval on fund for its decision.
3. The harvest of forest products in planted production forests must comply with this Law and the Regulation on Forest Management.

#### ***Article 60. Agro-forestry and fishery practice, scientific research, teaching, practicing, eco-tourism, leisure and recreation activities in production forests***

1. Alley cropping agricultural crops and non-timber forest trees and animal husbandry and aquaculture may be carried out in production forests provided that these activities do not affect the quality of these forests.

2. Unforested land areas may be used for carrying out agro-forestry and fishery practice without degrading and polluting the soil and without converting these forests.
3. Eco-tourism, leisure and recreation business and scientific research, teaching and practicing activities may be carried out.
4. Forest owners may organize by themselves, cooperate with and join other partners in doing business in eco-tourism, leisure and recreation or lease the forests or forest environment according to their rights to other organizations and individuals to do such business.
5. Works serving eco-tourism, leisure and recreation activities may be constructed.
6. The activities specified in this Article must comply with the Regulation on Forest Management and other relevant laws.

**Part 4**  
**FOREST ENVIRONMENTAL SERVICES**

**Article 61. Types of forest environmental services**

1. Protection of soil, and restriction of erosion and sedimentation in reservoirs, rivers and streams.
2. Regulation and maintenance of water sources for production and everyday life.
3. Sequestration and storage of forest carbon; reduction of greenhouse gas emissions by reduction of forest loss and degradation, sustainable forest management and promoting green growth.
4. Protection and preservation of the beauty of natural landscapes and conservation of biodiversity and forest eco-systems for provision of tourism services.
5. Provision of spawning grounds, food sources and natural breeders, water sources from forests and factors from the forest environment and eco-systems for aquaculture.

**Article 62. Principle of payment for forest environmental services**

1. Environment services provided by a forest shall be paid for when the forest satisfies the criteria specified in Clause 3, Article 2 of this Law, and one or more than one of the services referred to in Article 61 of this Law is or are provided.
2. Users of forest environment services shall pay for these services to providers of such services.
3. Payment for forest environment services may be made directly or indirectly.
4. Payment for forest environment services serves as a constituent of the prices of products, goods and services of users of forest environment services.

5. Ensuring publicity, democracy, objectivity and fairness; observing the Vietnamese law and treaties to which the Socialist Republic of Viet Nam is a contracting party.

**Article 63. Applicable entities, forms of payment and use and management of fund from payment for forest environmental services**

1. Payees of money for forest environment services include:
  - a. Forest owners defined in Article 8 of this Law;
  - b. Organizations, households, individuals and residential communities that have signed forest protection and development contracts with forest owners being organizations established by the State;
  - c. Commune-level People's Committees and other organizations assigned by the State to manage forests in accordance with law.
2. Payers of money for forest environment services are prescribed as follows:
  - a. Hydropower generation establishments shall pay for the service of soil protection, restriction of erosion and sedimentation in reservoirs, rivers and streams and regulation and maintenance of water sources for hydropower generation
  - b. Clean water production and supply establishments shall pay for the service of regulation and maintenance of water sources for clean water production;
  - c. Industrial production establishments shall pay for the service of regulation and maintenance of water sources for industrial production;
  - d. Eco-tourism, leisure and recreation service providers shall pay for the service of protection and preservation of the beauty of natural landscapes and conservation of biodiversity of forest



eco-systems;

- dd. Organizations and individuals carrying out production and trading activities which cause lots of greenhouse gas emissions shall pay for the service of forest carbon sequestration and retention;
  - e. Aquaculture establishments shall pay for the service of supply of breeding grounds, sources of feeds and natural seeds, water sources and other elements from the forest environment and eco-systems for aquaculture;
  - g. Other payers as prescribed by law.
3. Methods of payment for forest environment services are prescribed as follows:
- a. Users of forest environment services shall pay money directly to providers of these services;
  - b. Users of forest environment services shall pay money to providers of these services through the forest protection and development fund;
  - c. The State shall encourage direct payment in all cases if the providers and users of forest environment services so agree on the basis of the service payment levels set by the Government.
4. The management of the use of money paid for forest environment services is prescribed as follows:
- a. Identifying the total money collected from forest environment services;
  - b. Identifying payment levels for forest environment services;
  - c. Identifying payees of money for forest environment services;
  - d. Identifying methods of payment for forest environment services;

- dd. Planning the collection and payment of money for forest environment services;
  - e. Identifying cases of exemption from and reduction of money payable for forest environment services;
  - g. Organizing the payment for forest environment services;
  - h. Inspecting and supervising the management of the use of money paid for forest environment services.
5. The Government shall promulgate detailed regulations on payers and payees, methods of payment and payment levels for forest environment services, adjustment, exemption from and reduction of payment levels; and management of the use of money paid for such services.

**Article 64. Rights and obligations of forest environment services users**

1. Users of forest environmental services have the following rights:
- a. To be informed about the implementation situation and results of forest protection and development within the forest areas providing forest environment services; of the forest area, quality and status in the area providing forest environmental services;
  - b. To be informed by the forest protection and development fund about the results of trusted payment for forest environment services to the environmental service providers;
  - c. To be involved in the process of planning, organizing the implementation, inspection, supervision and evaluation for acceptance of the forest protection and development results in the forest areas providing forest environment services;
  - d. To request the State competent agencies to consider the adjustment of payments for forest environment services in cases environmental service providers fail to ensure the

areas or degrade the forest quality or status to which the forest users have paid an amount in proportion.

2. The forest environment services users have the following obligations:
  - a. To sign contracts and declare the amounts of forest environment services to be entrusted to the forest protection and development fund;
  - b. Make payment of forest environment services in full and on time according to forest owners in case of direct payment form or to the forest protection and development fund in case of indirect payment form.

**Article 65. Rights and obligation of forest environmental service providers**

1. Providers of forest environment services have the following rights:
  - a. To request payment for forest environment services in accordance with Clause 3, Article 63 of this Law;
  - b. To be provided with information on the values of forest environment services;
  - c. To participate in the planning and preparation of payment documents and in the examination of the payment for forest environment services by state management agencies and the forest protection and development funds.
2. Providers of forest environment services have the following obligations:
  - a. To ensure that the forests where forest environment services are provided are protected and developed in conformity with master plans and management plans for each type of forest as approved by competent state agencies;
  - b. Organizations, households, individuals and residential communities contracted to protect and develop forests shall

ensure that the forests where forest environment services are provided are protected and developed in accordance with the contracts signed with forest owners;

- c. Providers of forest environment services that are organizations established by the State shall manage and use amounts of money paid for forest environment services in accordance with law.

## Chapter VII PROCESSING AND TRADE OF FOREST PRODUCTS

### Part 1 PROCESSING AND TRADE OF FOREST PRODUCTS

#### **Article 66. Policies on development of forest products**

1. Policies on development of forest products processing is stipulated as follows:
  - a. Providing support for enterprises to enter into cooperation, joint ventures and partnerships with forest owners to form raw-material zones, manage forests sustainably, sell products, apply sciences and high, advanced and new technologies and solutions to promoting green growth and increasing added value;
  - b. Prioritizing the development of supporting industries for forest product processing;
  - c. Providing support for the training of human resources for forest product processing.
2. Policies on the development of forest product processing prescribed in Clause 1 of this Article must comply with the Government's regulations.

#### **Article 67. Processing of specimens of forest plants and animals**

1. Processing establishments and the processing of specimens of forest plants and animals shall comply with this Law and the laws on investment, enterprises, environmental protection, plant protection and quarantine, animal health, product and goods quality, and food safety and conform with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
2. The processing of specimens of endangered, precious and rare species of forest plants and animals and specimens of wild forest

plants and animals listed in the Appendices to the Convention on International Trade in Endangered Species of Wild Fauna and Flora must satisfy the following conditions:

- a. Specimens are lawfully originated from artificial propagation or raising establishments;
  - b. Specimens are lawfully harvested from nature;
  - c. Specimens are confiscated in accordance with law.
3. The processing of specimens of ordinary forest plant and animal species must ensure that such specimens are from lawful origins.

#### **Article 68. Rights and obligations of forest product processing establishments**

1. Forest product processing establishments have the following rights:
  - a. To produce forest products which are not banned by the State;
  - b. To have their lawful rights and interests guaranteed by the State; to be supported in forming production and processing chains; to enjoy the policies prescribed in Article 66 of this Law and the laws on investment and enterprises in rural areas, especially remote and deep-lying areas.
2. Forest product processing establishments have the following obligations:
  - a. To observe the laws on investment, enterprises, environmental protection, labor, and finance; and regulations on forest product legality dossiers and examination of the origins of forest products;
  - b. To process specimens of species of forest plants and animals in accordance with Article 67 of this Law;
  - c. To submit to the management, examination and inspection by

State competent agencies in the course of production.

**Article 69. Timber legality assurance system of Viet Nam**

1. The State shall develop and operate the timber legality assurance system of Viet Nam; promulgate regulations on criteria and competence, processes and procedures for classifying enterprises engaged in timber and timber product harvest, transportation, sale, processing and export.
2. The Government shall detail this Article.

**Part 2**  
**TRADE OF FOREST PRODUCTS**

**Article 70. Policies on development of forest products markets**

1. Policies on development of forest product markets are stipulated as follows:
  - a. Organizations and individuals that enter into cooperation and partnerships to purchase and sell forest products shall be provided with preferential credit in accordance with legal provisions;
  - b. The State shall support the branding, trade promotion and market development for forest products and provision of information about domestic and international forest product markets.
2. Policies on the development of forest product markets prescribed in Clause 1 of this Article must comply with the Government's regulations.

**Article 71. Rights and obligations of forest product trading establishments**

1. Forest product trading establishments have the following rights:
  - a. To trade in forest products which are not banned by the State;
  - b. To have their lawful rights and interests guaranteed by the State; to be supported in forming forest product trading chains; to enjoy the policies prescribed in Article 70 of this Law and the laws on investment and enterprises in rural areas, especially remote and deep-lying areas.
2. Forest product trading establishments have the following obligations:
  - a. To observe the laws on investment, enterprises, environmental protection, labor, and finance; and regulations on forest

product legality dossiers and examination of the origins of forest products;

- b. To submit to the management, examination and inspection by competent state agencies in the course of trading.

**Article 72. Management of trade of forest products and specimens of species of forest plants and animals**

1. Management of trade of forest products is prescribed as follows:
  - a. Making market forecasts and setting orientations for the development of forest product processing in each period;
  - b. Negotiating treaties on trade of forest products and opening of forest product markets, mutual recognition of timber legality and criteria for sustainable forest management;
  - c. Grant of licenses and certificates for imported and exported forest products in conformity with treaties to which the Socialist Republic of Viet Nam is a contracting party;
  - d. The import, export, temporary import for re-export, temporary export for re-import, and transit of specimens of species of forest plants and animals for commercial purposes must comply with Vietnamese law and the Convention on International Trade in Endangered Species of Wild Fauna and Flora;
  - dd. Domestic trade of forest products must comply with regulations on forest product legality dossiers and examination of the origins of forest products;
  - e. The Government shall detail this Clause.
2. Trading in specimens of species of forest plants and animals is prescribed as follows:
  - a. Trading in specimens of endangered, precious and rare species of forest plants and animals and species of wild forest plants and animals listed in the Appendices to the Convention on

International Trade in Endangered Species of Wild Fauna and Flora must ensure traceability and chain-based management from harvest, propagation, raising to processing and consumption;

- b. Specimens of the species prescribed at Point a of this Clause shall be marked to show their lawful origin suitable to the characteristics and types of each specimen, preventing forgery and erasure;
- c. The Minister of Agriculture and Rural Development shall prescribe the order, procedures and dossiers for traceability and marking of specimens of the species prescribed at Points a and b of this Clause.

## **Chapter VIII RIGHTS AND OBLIGATIONS OF FOREST OWNERS**

### **Part 1 COMMON RIGHTS AND OBLIGATIONS OF FOREST OWNERS**

#### ***Article 73. Common rights of forest owners***

1. To have their rights to use forests and the rights to own planted production forests recognized by competent state agencies in accordance with law.
2. To enjoy forest products increased as a result of their investments in natural forests or planted special-use or protection forests.
3. To use forests within the forest allocation or lease terms and the land allocation or lease terms for afforestation in accordance with this Law and the legislation on land.
4. To be provided with forest environment services and benefit from such services.
5. To be provided with technical guidance and other supports under regulations to protect and develop forests and conserve biodiversity; to benefit from state-invested infrastructure facilities serving forest protection and development.
6. To be compensated by the State for the values of forests and assets which they have lawfully invested in or built by the time of issuance of decisions to recover their forests.
7. To be provided with financial support by the State when their production forests are damaged due to a natural disaster.
8. To enter into cooperation and partnerships with organizations and individuals at home and abroad to protect and develop their forests.

9. To have other lawful rights and interests guaranteed.

#### ***Article 74. Common obligations of forest owners***

1. To manage, protect, develop and use forests in a sustainable manner under the Regulation on Forest Management, this Law and other relevant laws.
2. To implement regulations on forest changes monitoring.
3. To return their forests when the State recovers them in accordance with this Law.
4. To conserve forest biodiversity, plants and animals.
5. To prevent and combat forest fires; to prevent and eliminate forest pests.
6. To submit to the management, inspection, examination and handling of violations by competent state agencies.
7. To fulfill their financial and other obligations in accordance with law.

**Part 2**  
**RIGHTS AND OBLIGATIONS OF FOREST OWNERS BEING**  
**SPECIAL-USE FOREST OR PROTECTION FOREST**  
**MANAGEMENT BOARDS**

***Article 75. Rights and obligations of special-use forest management board***

1. Special-use forest management boards have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To enjoy the policies on investment in the protection and development of special-use forests prescribed in Article 94 of this Law;
  - c. To harvest forest products in special-use forests under Article 52, in natural production forests under Article 58, and in planted production forests under Article 59, of this Law;
  - d. To lease the forest environment; to enter into cooperation and partnerships in providing eco-tourism, leisure and recreation services outside strictly protected sub-zones of special-use forests according to sustainable forest management plans approved by competent state agencies;
  - dd. To carry out scientific, technological, training, practicing and international cooperation activities.
2. Special-use forest management boards have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;
  - b. To elaborate and submit to competent state agencies for approval sustainable forest management plans and implement the approved plans;
  - c. To support residential communities living in buffer zones to stabilize their livelihoods and develop socio-economic activities under Article 54 of this Law;

- d. To contract the protection and development of forests to households, individuals and residential communities in these forests under the Government's regulations.

***Article 76. Rights and obligations of protection forest management boards***

1. Protection forest management boards have the following rights:
  - a. The rights prescribed in Article 73, and at Point dd, Clause 1, Article 75, of this Law;
  - b. To lease the forest environment; to enter into cooperation and partnerships in providing eco-tourism, leisure and recreation services according to sustainable forest management plans approved by competent state agencies;
  - c. To enjoy the policies on investment in the protection and development of protection forests or special-use forests prescribed in Article 94 of this Law;
  - d. To harvest forest products in special-use forests being landscape protection zones under Article 52, in protection forests under Article 55, in natural production forests under Article 58, and in planted production forests under Article 59, of this Law.
2. Protection forest management boards have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;
  - b. To make sustainable forest management plans and submit them to a competent state agency for approval and implement the approved plans;
  - c. To contract the protection and development of forests to households, individuals and residential communities in these forests under the Government's regulations.

### Part 3

## RIGHTS AND OBLIGATIONS OF FOREST OWNERS BEING ECONOMIC ORGANIZATIONS

#### ***Article 77. Rights and obligations of economic organizations that are allocated by the State national seeding forests located within allocated forests areas***

1. Economic organizations that are allocated by the State national seeding forests located within allocated forests areas have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To be provided by the State investment funds for preserving and developing seeding forests according to plans approved by competent state agencies;
  - c. To harvest forest products in national seeding forests under Article 52 of this Law;
  - d. To sell products for creating a source of revenue and manage and use such revenue in accordance with the finance law.
2. Economic organizations that are allocated by the State national seeding forests located within allocated forests areas have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;
  - b. To make plans on preservation and development of seeding forests and implement them after they are approved by a State competent agency.

#### ***Article 78. Rights and obligations of economic organizations that are allocated by the State protection forests or special-use forests being landscape protection zones***

1. Economic organizations that are allocated by the State protection forests or special-use forests being landscape protection zones have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To enjoy the policies on investment in the preservation and development of special-use forests and protection forests prescribed in Article 94 of this Law;
  - c. To harvest forest products in special-use forests being protected landscape under Article 52 and in protection forests under Article 55 of this Law;
  - d. To lease the forest environment; to enter into cooperation and partnerships in investment in developing eco-tourism, leisure and recreation services and combined agro-forestry and fishery production according to sustainable forest management plans approved by State competent agencies.
2. Economic organizations that are allocated by the State protection forests or special-use forests being protected landscape have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;
  - b. To make sustainable forest management plans and submit them to a competent state agency for approval and implement the approved plans;
  - c. To contract the protection and development of forests to households, individuals and residential communities in these forests under the Government's regulations.

#### ***Article 79. Rights and obligations of economic organizations that are leased by the State production forests***

1. Economic organizations that are leased by the State production forests have the following rights:



- a. The rights prescribed in Article 73 of this Law;
  - b. To be shared benefits from the forests under forest lease contracts;
  - c. To own trees, animals and other assets associated with the forests in which they have invested;
  - d. To harvest forest products in natural production forests under Article 58 and in planted production forests under Article 59 of this Law.
2. Economic organizations that are leased by the State production forests have the following obligations:
- a. The obligations prescribed in Article 74 of this Law;
  - b. To make sustainable forest management plans and submit them to a State competent agency for approval and implement the approved plans.

***Article 80. Rights and obligations of economic organizations that are allocated or leased by the State land for afforestation***

1. Economic organizations that are allocated land by the State to plant protection forests with state budget funds have the following rights and obligations:
- a. The rights and obligations prescribed in Articles 73 and 74 of this Law;
  - b. To organize afforestation according to cost estimates and designs approved by the agency that manages the funds;
  - c. To harvest forest products in protection forests under Article 55 of this Law and be shared benefits from the forests under the State's policies.
2. Economic organizations that are allocated land by the State to plant protection forests with their own funds have the following rights and obligations:

- a. The rights and obligations prescribed in Articles 73 and 74 of this Law;
  - b. To own trees, animals and other assets on the land on which they have planted protection forests;
  - c. To harvest forest products in their protection forests under Article 55 of this Law.
3. Economic organizations that are leased land by the State to plant production forests with their own funds have the following rights and obligations:
- a. The rights and obligations prescribed in Articles 73 and 74 of this Law;
  - b. To own trees, animals and other assets on the land on which they have planted production forests;
  - c. To harvest forest products in their planted production forests under Article 59 of this Law;
  - d. To transfer or lease out their planted production forests; to mortgage or contribute as capital the value of their planted production forests.

**Part 4**  
**RIGHTS AND OBLIGATIONS OF FOREST OWNERS BEING**  
**HOUSEHOLDS, INDIVIDUALS AND RESIDENTIAL**  
**COMMUNITIES**

***Article 81. Rights and obligations of households and individuals that are allocated by the State protection forests***

1. Households and individuals that are allocated by the State protection forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To be provided by the State with funds for the protection and development of forests;
  - c. To harvest forest products in their protection forests under Article 55 of this Law and be shared benefits from the forests under the State's policies;
  - d. To transfer the allocated forest areas to other households or individuals in the same communes, wards or townships; individuals may bequeath their forest use rights in accordance with law.
2. Households and individuals that are allocated by the State protection forests have the obligations prescribed in Article 74 of this Law.

***Article 82. Rights and obligations of households and individuals that are allocated by the State production forests***

1. Households and individuals that are allocated by the State production forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. For natural production forests, to harvest them under Article 58 of this Law and to be shared benefits from the forests under the State's policies;

- c. For planted production forests, to harvest them under Article 59 of this Law; to be shared benefits from the forests under the State's policies; to own trees, animals and other assets associated with the forests in which they have invested;
  - d. To transfer the allocated forest areas with other households or individuals in the same communes, wards or townships; individuals may bequeath their forest use rights in accordance with law.

2. Households and individuals that are allocated by the State production forests have the obligations prescribed in Article 74 of this Law.

***Article 83. Rights and obligations of households and individuals that are leased by the State production forests***

1. Households and individuals that are leased by the State production forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To be shared benefits from the forests under forest lease contracts; to own trees, animals and other assets associated with the forests in which they have invested;
  - c. To harvest forest products in natural production forests under Article 58 and in planted production forests under Article 59 of this Law;
  - d. Individuals may bequeath their forest use rights in accordance with law.
2. Households and individuals that are leased by the State production forests have the obligations prescribed in Article 74 of this Law.

***Article 84. Rights and obligations of households and individuals that are allocated land by the State to plant production forests or protection forests***

1. Households and individuals that are allocated by the State land to plant production forests or protection forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To own forest trees, animals and other assets on the land on which they have planted production forests with their own funds;
  - c. To own forest trees, animals and other assets on the land on which they have planted protection forests with their own funds;
  - d. To harvest forest products in protection forests under Article 55 and in planted production forests under Article 59 of this Law;
  - dd. To be shared benefits from the forests planted with state budget funds;
  - e. To transfer, donate or lease planted production forests; to mortgage or contribute as capital the value of planted production forests;
  - g. Individuals may bequeath their rights to own planted production forests or the forest use rights in accordance with law.
2. Households and individuals that are allocated land by the State to plant production forests or protection forests have the obligations prescribed in Article 74 of this Law.

**Article 85. Rights and obligations of households and individuals that are leased land by the State to plant production forests**

1. Households and individuals that are leased land by the State to plant production forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To own trees, animals and other assets on the land with their planted production forests; to harvest forest products in planted production forests under Article 59 of this Law;

- c. To transfer, donate or sublease planted production forests; to mortgage or contribute as capital the value of planted production forests during the land lease term; individuals may bequeath their forest ownership rights in accordance with law.

2. Households and individuals that are leased land by the State to plant production forests have the obligations prescribed in Article 74 of this Law.

**Article 86. Rights and obligations of residential communities that are allocated by the State belief forests, protection forests or production forests**

1. Residential communities that are allocated belief forests, protection forests or production forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To be provided by the State funds for the protection and development of allocated special-use forests or protection forests;
  - c. To receive guidance on combined agro-forestry and fishery production and cultivation under forest canopy and cattle raising under the Regulation on Forest Management; to be supported in the development of forest economy and restoration of forests using indigenous forest trees;
  - d. To harvest forest products in special-use forests being belief forests under Article 52, in protection forests under Article 55, in natural production forests under Article 58, or in planted production forests under Article 59, of this Law; to be shared benefits from forests under the State's policies; to own trees animals and other assets on the land on which they have planted forests with their own funds.
2. Population communities that are allocated belief forests, protection forests or production forests have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;

- b. To prepare and implement village conventions on forest protection and development in accordance with this Law and other relevant laws;
- c. To preserve the allocated forest areas;
- d. To refrain from dividing forests to community members;
- dd. To refrain from transferring, leasing or donating forest use rights, or mortgaging and contributing as capital the value of forest use rights.

**Part 5**  
**RIGHTS AND OBLIGATIONS OF FOREST OWNERS**  
**BEING ARMED UNITS; SCIENCE AND TECHNOLOGY**  
**ORGANIZATIONS; TRAINING AND VOCATIONAL**  
**EDUCATION INSTITUTIONS; AND FOREIGN-INVESTED**  
**ENTERPRISES**

***Article 87. Rights and obligations of forest owners being armed units that are allocated by the State special-use forests being protected landscape, protection forests or production forests***

1. Armed units that are allocated by the State special-use forests being landscape protection zones, protection forests or production forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To be provided by the State with funds for the protection and development of special-use forests or protection forests;
  - c. To harvest forest products in special-use forests being landscape protection zones under Article 52, in protection forests under Article 55, in natural production forests under Article 58, and in planted production forests under Article 59, of this Law.
2. Armed units that are allocated by the State special-use forests being landscape protection zones, protection forests or production forests have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;
  - b. To preserve the allocated forest areas;
  - c. To refrain from transferring, donating or leasing forest use rights, or mortgaging or contributing as capital the value of forest use rights.

***Article 88. Rights and obligations of forestry-related science and technology organizations and training and vocational education***

***institutions that are allocated by the State scientific research and experimentation forests, national botanic gardens or national forest seed orchards.***

1. Forestry-related science and technology organizations and training and vocational education institutions that are allocated by the State scientific research and experimentation forests, national botanic gardens or national seedling forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To harvest forest products in scientific research and experimentation forests, national botanic gardens or national seedling forests under Article 52 of this Law;
  - c. To enter into cooperation and partnerships with domestic and foreign organizations and individuals in performing science and technology tasks;
  - d. To sell products of planted forests, forest seedlings and other forest products under the Regulation on Forest Management.
2. Forestry-related science and technology organizations and training and vocational education institutions that are allocated by the State scientific research and experimentation forests, national botanic gardens or national seedling forests have the following obligations:
  - a. The obligations prescribed in Article 74 of this Law;
  - b. To refrain from transferring, donating or leasing forest use rights, or mortgaging or contributing as capital the value of forest use rights;
  - c. To perform forestry-related science and technology, training or vocational education tasks.

***Article 89. Rights and obligations of foreign-invested enterprises that are leased by the State land to plant production forests***

1. Foreign-invested enterprises that are leased by the State land to plant production forests have the following rights:
  - a. The rights prescribed in Article 73 of this Law;
  - b. To own trees, animals and other assets on the leased land in which they have invested in accordance with law;
  - c. To harvest forest products in planted production forests under Article 59 of this Law.
2. Foreign-invested enterprises that are leased by the State land to plant production forests have the obligations prescribed in Article 74 of this Law.

## **Chapter IX**

# **FOREST VALUATION, INVESTMENT AND FINANCE IN FORESTRY**

### **Part 1**

## **FOREST VALUATION IN FORESTRY**

#### ***Article 90. Forest valuation***

1. Forest valuation means activities to determine the total economic value of forests.
2. The principles of forest valuation are prescribed as follows:
  - a. Conforming to the values of forest products and forest environment services currently traded on the market at the time of valuation;
  - b. Suiting each type of forest and conforming with regulations on forest use rights and forest profitability and forest-derived incomes;
  - c. Ensuring publicity, transparency, objectivity and scientific soundness.
3. The Minister of Agriculture and Rural Development shall prescribe the forest valuation methods, and price frames of production forests, protection forests and special-use forests under all-people ownership.
4. Provincial level People's Committees shall decide on price frames of forests in the localities under their management.

#### ***Article 91. Cases of forest valuation***

1. When the State allocates forests, organizes auction of forest use rights or leases forests; or calculates the value of forests for payment for forest environment services.

2. When the State recovers or liquidates forests; determines the value of capital contributions; equitizes state enterprises or withdraws state capital.
3. Determining the value to be compensated due to violations that cause damage to forests; the damage caused by a natural disaster or forest fire or another damage to forests; determining the value of forests to serve the settlement of forest-related disputes.
4. Determining forest-related taxes, charges and fees.
5. Other cases at the request of competent state agencies.

## **Part 2**

### **INVESTMENT AND FINANCE IN FORESTRY**

#### ***Article 92. Financial sources in forestry***

1. The state budget.
2. Investments, contributions, donations and financial aid from organizations and individuals at home and abroad.
3. Revenues from harvest of forest products and lease of forests and forestland.
4. Revenues from payment for planting replacement forests when converting forests.
5. Revenues from forest environment services and lease.
6. Credit capital from domestic and foreign financial institutions.
7. Other financial sources as prescribed by law.

#### ***Article 93. Forestry activities to be funded by the State***

1. The Government shall prescribe forestry activities to be funded by the State based on forestry management and development requirements and state budget capacity in each period.
2. The estimation, observance, audit, finalization and supervision of state budget funds for forestry must comply with the law on the state budget.

#### ***Article 94. Policies on investment in forest protection and development***

1. The State shall adopt policies on investment in the following activities:
  - a. Protecting and developing special-use forests and protection forests;

- b. Protecting and rescuing endangered, precious and rare species of forest plants and animals;
  - c. Conducting scientific research and applying scientific research outcomes, developing technologies and training human resources for state management of forestry;
  - d. Building research and development centers and hi-tech parks;
  - dd. Procuring vehicles and equipment for protecting forests ; monitoring and warning forest fire risks; building forest fire prevention and combating facilities; preventing and eliminating forest pests;
  - e. Building, upgrading and renovating infrastructure facilities to serve the protection and development of special-use forests and protection forests.
2. The State shall adopt policies on support of investment in the following activities:
  - a. Transferring high, advanced and new technologies, forestry extension, and granting sustainable forest management certificates;
  - b. Developing infrastructure facilities in connection with investment in the development and trading of production forests according to value chains;
  - c. Cooperation and partnership in forest protection and development among ethnic minority people and residential communities in connection with socio-economic development and new-countryside building programs;
  - d. Training and developing human resources for forest owners;
  - dd. Promoting investment, developing markets and trade in forestry activities; expanding and promoting international cooperation on forestry.

3. The State shall adopt policies on investment incentives for the following activities:
  - a. Developing production forests on bare land areas, hills and mountains;
  - b. Planting large-timber forests and transforming small-timber forests into large-timber ones; developing non-timber forest products;
  - c. Restoring natural forests;
  - d. Developing hi-tech forest tree seedlings.
4. The Government shall detail this Article.

**Article 95. The Fund for Forest Protection and Development**

1. The Fund for Forest protection and Development are extra-budgetary state financial funds; shall be organized and operate as public non-business units, and established by competent state agencies.
2. Operation principles of a forest protection and development fund are prescribed as follows:
  - a. Operating not for profit;
  - b. Providing support only for programs and projects or non-project activities related to forest protection and development which do not receive or are ineligible for state budget investments;
  - c. Ensuring publicity, transparency and efficiency; being managed and used for proper purposes in accordance with law.
3. The organization of forest protection and development funds is prescribed as follows:
  - a. The Viet Nam Fund for Forest Protection and Development shall be established at the central level by the Minister of Agriculture and Rural Development;

- b. Provincial level Fund for Forest Protection and Development shall be established by provincial level People's Committee chairpersons.
4. Financial sources of forest protection and development funds include:
  - a. Financial assistance, voluntary contributions and entrusted funds of domestic and foreign organizations and individuals;
  - b. Payments for forest environment services;
  - c. Payments for planting replacement forests when converting forests;
  - d. Other lawful financial sources outside the state budget.
5. Annually, the Minister of Agriculture and Rural Development shall report on the management and use of the Viet Nam Fund for Forest Protection and Development to the Prime Minister; provincial level People's Committee chairpersons shall report on the management and use of provincial level forest protection and development funds to the Minister of Agriculture and Rural Development.
6. The Government shall promulgate detailed regulations on tasks, organizational structure, financial sources and finance management and use mechanisms of forest protection and development funds.



## **Chapter X**

# **SCIENCE AND TECHNOLOGY, INTERNATIONAL COOPERATION ON FORESTRY**

### ***Article 96. Forestry-related scientific and technological activities***

1. Applying high, advanced and new technologies in the following activities:
  - a. Surveying and inventorying forests and monitoring forest changes;
  - b. Preventing and combating forest fires; preventing and eliminating forest pests;
  - c. Selecting, creating and propagating timber and non-timber forest trees;
  - d. Performing intensive planting of forests to supply large timber, plant indigenous trees and plant mixed forests; modernizing the process of planting, caring for, protecting and harvesting forests;
  - dd. Restoring forests and improving the quality of poor natural forests;
  - e. Harvesting, transporting, processing and preserving forest products;
  - g. Supporting industries for forest product processing.
2. Studying forest ecosystems and values of forest environment services.
3. Studying solutions to protecting forest biodiversity and responding to climate change.
4. Studying and renovating organizational models of forestry production according to value chains in association with sustainable forest development; models of sustainable combined agro-forestry and fishery.

5. Transferring forestry-related technologies and research outcomes to forestry production, trading and management.
6. Developing and improving forestry-related national standards and technical regulations.

### ***Article 97. Policies on forestry-related science and technology***

1. The State shall adopt mechanisms and policies to prioritize scientific research and technology development suitable to the growth and development cycles of forests and application of scientific and technological advances to forestry.
2. The State shall prioritize investment in scientific and technological activities prescribed at Points a, b, c and dd, Clause 1, and in Clauses 2, 3 and 6, Article 96 of this Law.
3. The State shall encourage and facilitate scientific and technological activities prescribed at Points d, e and g, Clause 1, and in Clauses 4 and 5, Article 96 of this Law.

### ***Article 98. International cooperation on forestry***

1. The State of the Socialist Republic of Viet Nam shall enter into international cooperation on forestry with other countries, territories and international organizations on the basis of equality, mutual benefit, and respect for independence, sovereignty and law of each party and international law.
2. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with other ministries and ministerial-level agencies in proposing the conclusion of treaties and international agreements on forestry, and act as the focal point and representative of Viet Nam in exercising the rights and performing the obligations of a member of the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the United Nations Convention to Combat desertification and other treaties and international agreements concerning forestry.

**Article 99. Policies on international cooperation on forestry**

1. To encourage the expansion of cooperation on forestry with other countries, territories and foreign organizations and individuals to support the achievement of the sustainable development goals and realization of commitments on environmental protection and response to climate change and other international commitments to which the Socialist Republic of Viet Nam is a contracting party.
2. To encourage Vietnamese organizations and individuals to cooperate with foreign organizations and individuals in forest protection and development, forest product processing and trade, building of capacity and increase of effectiveness of the state management of forestry in accordance with Vietnamese and international laws.
3. To create favorable conditions for foreign organizations and individuals and overseas Vietnamese to invest in and support the training of human resources, scientific research and transfer of technologies on forest protection and development, nature conservation and processing and trade of forest products in Viet Nam; to develop and rationally and efficiently utilize international cooperation resources for forestry and response to climate change.
4. To promote cooperation with bordering countries in order to effectively settle issues related to forest fires, transboundary haze pollution, prevention and combat of illegal trading in timber and specimens of species of wild plants and animals, and conservation of nature.
5. The Government shall promulgate policies on international cooperation on forestry suitable to specific conditions in each period.

**Chapter XI  
STATE MANAGEMENT OF FORESTRY AND  
FOREST PROTECTION**

**Part 1  
STATE MANAGEMENT OF FORESTRY**

**Article 100. Principles of organization of the system of state management agencies in charge of forestry**

1. The system of state management agencies in charge of forestry shall be organized uniformly to meet the requirements and tasks of state management of forestry.
2. Specialized forestry management agencies shall be organized at central and provincial levels; specialized forestry management at the district level shall be organized under the Government's regulations.
3. Tasks and powers shall be defined clearly, avoiding overlapping functions; publicity and transparency shall be ensured.

**Article 101. State management responsibilities of the Government, ministries and ministerial-level agencies for forestry**

1. The Government shall perform the unified state management of forestry nationwide.
2. The Ministry of Agriculture and Rural Development shall act as the focal point to assist the Government in performing the state management of forestry, having the following responsibilities:
  - a. To promulgate strategies, master plans and plans, policies and legal documents on forestry according to its competence or submit them to competent state agencies for promulgation and organize the implementation thereof;
  - b. To formulate national standards and promulgate national technical regulations and economic-technical norms on forestry;

- c. To direct, guide and examine the implementation of the Regulation on Forest Management and regulations on management and protection of endangered, precious and rare species of forest plants and animals;
- d. To propose to the Prime Minister the establishment of protection forests and special-use forests of national importance or located in many provinces;
- dd. To provide uniform professional and operational directions to forest rangers;
- e. To assume the prime responsibility for, and coordinate with related ministries and ministerial-level agencies in, managing and protecting forests, and protecting forest eco-systems and biodiversity in different types of forests;
- g. To guide and examine forest surveys and inventory, forest changes monitoring and compilation of forest management dossiers; to build and manage forest databases;
- h. To organize forest fire prevention and combating; to prevent and eliminate forest pests;
- i. To build the systems of national parks and national botanic gardens;
- k. To manage and organize the payment for forest environment services;
- l. To manage the grant of sustainable forest management certificates and forest valuation;
- m. To manage forest product processing and trade activities in accordance with law;
- n. To organize scientific research and application of forestry-related high, advanced and new technologies; to organize the training of human resources for forestry;

- o. To organize information, communication and education activities to raise public awareness about forestry; to organize the forestry law dissemination and education;
- p. To act as the focal point in international cooperation on forestry;
- q. To inspect, examine, and handle violations, and settle forestry-related complaints and denunciations in accordance with law.

3. The Ministry of National Defense, Ministry of Public Security, Ministry of Natural Resources and Environment and other ministries and ministerial-level agencies shall, within the ambit of their respective tasks and powers, coordinate with the Ministry of Agriculture and Rural Development in performing the state management of forestry.

**Article 102. State management responsibilities of People's Committees at all levels for forestry**

- 1. Provincial level People's Committees have the following responsibilities:
  - a. To promulgate legal documents on forestry according to their competence or submit them to competent state agencies for promulgation; to decide on sustainable forestry development programs and projects in their localities;
  - b. To organize the implementation of legal documents on forestry, national forestry development strategies and forestry master plans and local forestry development programs, projects and plans;
  - c. To organize the classification of forests and demarcation of forests of all categories according to their competence;
  - d. To allocate, lease, convert and recover forests, with regard to organize the offset planting of forests;
  - dd. To organize the forest survey and inventory and forest

changes monitoring in their localities;

- e. To update databases on and compile management dossiers for local forests;
  - g. To organize the forest protection; conservation of forest biodiversity; prevention and combating of forest fires; prevention and elimination of forest pests; forest development; forest utilization; and forest product processing and markets in their localities;
  - h. To decide on local forest price frames;
  - i. To organize forestry-related scientific research and application of forestry-related sciences and advanced technologies in their localities;
  - k. To organize the forestry law dissemination and education in their localities;
  - l. To mobilize forces, supplies, vehicles and equipment of organizations, households and individuals in their localities to combat forest fires in emergency cases according to their competence;
  - m. To inspect, examine, handle violations, and settle forestry-related disputes, complaints and denunciations in accordance with law.
2. District level People's Committees have the following responsibilities:
- a. To promulgate legal documents on forestry according to their competence or submit them to competent state agencies for promulgation; to decide on sustainable forestry development programs and projects in their localities;
  - b. To organize the implementation of legal documents on forestry and sustainable forestry development programs and projects in their localities;
  - c. To organize the classification of forests and demarcation of

forests of all types in localities in accordance with law;

- d. To allocate, lease, convert and recover forests, with regard to households, individuals and residential communities; to compile forest management dossiers; to organize the planting of replacement forests;
  - dd. To organize the forest survey and inventory and forest changes monitoring in their localities;
  - e. To organize the protection of forests; conservation of forest biodiversity; and prevention and combating of forest fires;
  - g. To organize the forestry law dissemination and education in their localities;
  - h. To direct commune-level People's Committees to formulate land and forest allocation projects for unallocated and unleased forest areas in accordance with law;
  - i. To inspect, examine, handle violations, and settle forestry-related disputes, complaints and denunciations in their localities in accordance with law.
3. Commune-level people's committees have the following responsibilities:
- a. To promulgate legal documents on forestry according to their competence or submit them to competent state agencies for promulgation; to decide on programs and projects on sustainable forestry development, combined agro-forestry and fishery production, and cultivation, and organize their implementation in their localities;
  - b. To manage forest areas and boundaries; to certify dossiers of request for forest allocation or lease for organizations, households, individuals and residential communities in accordance with law;
  - c. To organize the management and protection of forest areas

not yet allocated or leased by the State;

- d. To organize the inventory of local forests;
  - dd. To guide residential communities how to formulate and implement village conventions on forest protection and development in accordance with law;
  - e. To organize the prevention and combating of forest fires and combat of violations of the forestry law in their localities; to handle violations and settle forestry-related disputes, complaints and denunciations in their localities in accordance with law.
4. Chairpersons of People's Committees at all levels shall assume the prime responsibility for forest fires, destruction and loss due to violations in forest management and protection within the fields and localities under their respective management.

## **Part 2**

### **PUBLIC FOREST PROTECTION FORCE**

#### ***Article 103. Functions of the public forest protection force***

The public forest protection force is an organization functioning to manage and protect forests, ensuring observance of the forestry law; and a force specializing in forest fire prevention and combating.

#### ***Article 104. Tasks and powers of forest rangers in the public forest protection force***

1. Tasks of forest rangers are prescribed as follows:
  - a. To work out forest protection programs and plans and plans on prevention and combat of violations of the laws on forestry and forest fire prevention and combating;
  - b. To protect special-use forests and protection forests; to coordinate with related agencies in organizing protection of unallocated or unleased forests under all-people ownership;
  - c. To organize the forecast and warning of forest fire dangers; to organize a specialized forest fire prevention and combating force, and monitor forest changes on an annual basis;
  - d. To prevent, inspect, control, and handle violations of the laws on forest protection, harvest and use and forest product transportation, trading, storage and processing in accordance with law;
  - dd. To guide forest owners how to make and implement forest fire prevention and combating plans; to provide training in forest protection and forest fire prevention and combating for forest owners;
  - e. To advocate and mobilize people to join forest protection and development; to organize grassroots-level mass forces for forest protection;

- g. To perform other tasks as assigned by competent state agencies in accordance with law.
2. Powers of forest rangers are prescribed as follows:
    - a. When on duty, to request related agencies, organizations and individuals to provide information and documents in accordance with law;
    - b. To impose sanctions against administrative violations and apply measures to prevent administrative violations; to initiate criminal cases against and investigate violations of the forestry law in accordance with law;
    - c. To use specialized equipment and vehicles, weapons and supportive tools and uniforms in accordance with law.
  3. The Government shall detail this Article.

**Article 105. Organization of the public forest protection force**

1. The public forest protection force including forest rangers shall be organized at central and provincial levels
2. The public forest protection force may be organized at district level according to requirements and tasks of forest management and protection, assurance of observance of the forestry law, forest fire prevention and fighting, forest development and utilization, and processing and trade of forest products in each locality.
3. Forest rangers in national parks; nature reserves, species-habitat reserves, watershed protection forests, wind- and sand-shielding protection forests, and tidal wave-shielding and sea encroachment-preventing protection forests which belong to the central or provincial level public forest protection force shall be organized according to forest management and protection requirements and tasks.
4. The Government shall detail this Article.

**Article 106. Equipment to ensure the operation of and entitlements and policies toward public forest protection force**

1. Equipment to ensure the operation of forest rangers is prescribed as follows:
  - a. Weapons, supportive tools, professional and technical equipment and specialized equipment and vehicles shall be supplied for forest protection patrols and forest fire prevention and combating;
  - b. Forest ranger uniforms, badges, stripes, pennants and certificates shall be supplied.
2. Entitlements and policies toward forest rangers are prescribed as follows:
  - a. Forest rangers are entitled to rank- and grade-based salaries, seniority allowances, occupation-based preferential allowances and other allowances as prescribe by law;
  - b. Forest rangers who are injured or sacrifice their lives while on duty shall be recognized as war invalids or martyrs respectively and enjoy entitlements and policies in accordance with the law on preferential treatment toward people with meritorious services to the revolution.
3. The Government shall detail this Article.

## **Chapter XII IMPLEMENTATION PROVISIONS**

*This Law was passed on November 15<sup>th</sup>, 2017, by the XIV<sup>th</sup> National Assembly of the Socialist Republic of Viet Nam at its 4<sup>th</sup> session.*

### ***Article 107. Effect***

1. This Law takes effect on January 1, 2019.
2. Law No. 29/2004/QH11 on Forest Protection and Development ceases to be effective on the date this Law takes effect.

### ***Article 108. Transitional provisions***

1. Forest owners that are allocated or leased forests by the State before the effective date of this Law will be further allocated or leased such forests until the expiration of the allocation or lease term, and have the rights and obligations prescribed in this Law, except the case referred to in Clause 2 of this Article.
2. Forest owners being economic organizations which are allocated production forests before the effective date of this Law will be further allocated such forests until the expiration of the allocation term, and have the rights and obligations prescribed at Points a, c and d, Clause 1, and in Clause 2, Article 79 of this Law.
3. For projects involving conversion of forests which have been approved but ground clearance has not yet been carried out by the effective date of this Law, replacement forests shall be planted in accordance with Article 21 of this Law.
4. Provincial level People's Committees shall review existing natural forests for counting their areas into special-use forest, protection forest or production forest master plans within 12 months since the effective date of this Law.

Chairwoman of the National Assembly  
NGUYEN THI KIM NGAN  
Signed

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