

THE GOVERNMENT**THE SOCIALIST REPUBLIC OF VIETNAM**
Independence - Freedom - Happiness**No. 47/2014/ND-CP***Hanoi, May 15, 2014***DECREE****On compensation, support and resettlement upon land recovery by the State^(*)***Pursuant to the December 25, 2001 Law on Organization of the Government;**Pursuant to the November 29, 2013 Land Law;**At the proposal of the Minister of Natural Resources and Environment,**The Government promulgates the Decree on compensation, support and resettlement upon land recovery by the State.*

Chapter I

GENERAL PROVISIONS

Article 1. Scope of regulation

This Decree details a number of articles and clauses of the Land Law on compensation, support and resettlement upon land recovery by the State.

Article 2. Subjects of application

1. Agencies performing the state management of land; organizations in charge of compensation and ground clearance.
2. Land users defined in Article 5 of the Land Law whose land is recovered by the State.
3. Other related organizations and persons involved in compensation, support and resettlement upon land recovery by the State.

Chapter II

DETAILED PROVISIONS ON COMPENSATION, SUPPORT AND RESETTLEMENT
UPON LAND RECOVERY BY THE STATE

Article 3. Compensation for remaining investment costs on land when the State recovers land for national defense or security purposes; or for socio-economic development in the national or public interest

1. Eligible for compensation for remaining investment costs on land when the State recovers land for national defense or security purpose; or for socio-economic development in the national or public interest are the cases prescribed in Article 76 of the Land Law.

2. Remaining investment costs are costs which a land user has invested on the land in conformity with the land use purpose and which have not been fully retrieved by the time a competent state agency decides to recover the land. Remaining investment costs include the whole or part of the following costs:

^(*) Công Báo Nos 563-564 (05/6/2014)

- a/ Ground fill-up and leveling cost;
- b/ Costs of increasing soil fertility, reducing acidity and salinity and preventing soil erosion, for land used for agricultural production;
- c/ Costs of reinforcing bearing capacity and prevent vibration and subsidence, for land used as production and business ground;
- d/ Other related costs invested on land in conformity with the land use purpose.

3. Conditions for determination of remaining investment costs:

a/ Having dossiers and documents proving investments on land. For remaining investment costs without supporting dossiers and documents, provincial-level People's Committees shall, based on local practical conditions, prescribed the determination thereof;

b/ Investment costs on land, which are not originated from the state budget.

4. Remaining investment costs on land calculated must accord with the market price at the time of issuance of the land recovery decision and shall be determined according to the following formula:

$$P = \frac{P1 + P2 + P3 + P4}{T1} \times T2$$

In which:

P: Remaining investment cost;

P1: Ground fill-up and leveling cost;

P2: Costs of increasing soil fertility, reducing acidity and salinity and preventing soil erosion, for land used for agricultural production;

P3: Costs of reinforcing bearing capacity and prevent vibration and subsidence, for land used as production and business ground;

P4: Other related costs invested on land in conformity with the land use purpose;

T1: Land use term;

T2: Remaining land use term.

In case the time of investment on land is later than the time of land allocation or lease by the State, the land use term (T1) shall be counted from the time of investment on land.

Article 4. Compensation and support when the State recovers over-quota agricultural land resulting from acquisition of land use rights for households and individuals

Compensation and support when the State recovers over-quota agricultural land resulting from acquisition of land use rights for households and individuals prescribed at Point c, Clause 1, Article 77 of the Land Law must comply with the following provisions:

1. Households and individuals that are using agricultural land in excess of the quota for acquisition of land use rights through inheritance or donation or from others before July 1, 2014, in accordance with law, and are eligible for compensation are entitled to compensation and support according to the actual area recovered by the State.

2. Households and individuals that are using agricultural land prescribed in Clause 1 of this Article but have no certificate of land use rights or are ineligible for grant of a certificate of land use rights and ownership of houses and other land-attached assets under the Land

Law may be compensated only for the land area within the quota for allocation of agricultural land and are not entitled to compensation for the agricultural land area exceeding the quota for allocation of agricultural land but may be considered for support under Article 25 of this Decree.

3. The land use term used for calculating compensation for agricultural land currently used by households or individuals which is allocated by the State for use in agricultural production or with land use rights are recognized or acquired in accordance with the land law, is the same as for land allocated by the State for long and stable use.

Article 5. Compensation for land and remaining investment costs when the State recovers land currently used by communities and religious institutions

1. The compensation for land and remaining investment costs when the State recovers agricultural land from communities and religious institutions prescribed in Clause 3, Article 78 of the Land Law must comply with the following provisions:

a/ Agricultural land used before July 1, 2004 (the effective date of the 2003 Land Law) which is not allocated by the State without land use levy or leased with annual rental payment, and has certificates of land use rights or is eligible for grant of certificates of land use rights and ownership of houses and other land-attached assets under Articles 100 and 102 of the Land Law, is entitled to compensation for land under Clause 2, Article 74 of the Land Law;

b/ Agricultural land which is allocated by the State without land use levy or leased with annual rental payment is not entitled to compensation for land but is entitled for compensation for remaining investment costs (if any). Remaining investment costs to be compensated shall be calculated under Article 3 of this Decree.

2. The compensation for land and remaining investment costs when the State recovers non-agricultural land other than residential land of communities and religious institutions prescribed in Clause 5, Article 81 of the Land Law must comply with the following provisions:

a/ Non-agricultural land used before July 1, 2004, which is not allocated by the State without land use levy or leased with annual rental payment, and has certificates of land use rights or is eligible for grant of certificates of land use rights and ownership of houses and other land-attached assets under Articles 100 and 102 of the Land Law, is entitled to compensation for land under Clause 2, Article 74 of the Land Law;

Non-agricultural land of religious institutions used from July 1, 2004, to the time of notification of land recovery by a competent state agency, which is acquired or donated, is not entitled to compensation for land;

b/ Non-agricultural land which is allocated by the State without land use levy or leased with annual rental payment is not entitled to compensation for land but is entitled for compensation for remaining investment costs (if any). Remaining investment costs to be compensated shall be calculated under Article 3 of this Decree.

In case of recovery of the whole of the area or of part of the area with the remaining area ineligible for continued use, if communities or religious institutions still need to use land for the common purpose of the communities or religious institutions, they shall be allocated new land in other places by the State. The allocation of new land in other places must conform with land use master plans and plans approved by competent state agencies.

Article 6. Compensation for land when the State recovers residential land

The compensation for land when the State recovers residential land prescribed in Article 79 of the Land Law must comply with the following provisions:

1. The compensation for land upon land recovery by the State for households or individuals currently using residential land or overseas Vietnamese currently owning houses associated with land use rights in Vietnam that have certificates of land use rights or are eligible for grant of certificates of land use rights and ownership of houses and other land-attached assets in accordance with the land law is prescribed as follows:

a/ In case the entire area of residential land is recovered or the remaining area after recovery cannot be used for residence according to regulations of provincial-level People's Committees while households or individuals have no other residential land or houses in the commune, ward or township where the land is recovered, they are entitled to compensation in residential land or resettlement houses;

b/ In case the entire area of residential land is recovered or the remaining area after recovery cannot be used for residence according to regulations of provincial-level People's Committees while households or individuals have other residential land or houses in the commune, ward or township where the land is recovered, they are entitled to compensation in money. For localities having residential land funds, households or individuals shall be considered for compensation in residential land.

2. For households prescribed in Clause 1 of this Article which are composed of different generations and couples co-living on the same land parcel to be recovered, and are eligible to be split into smaller households under the residence law, or for households sharing land use rights over one (1) land parcel to be recovered, provincial-level People's Committees shall, based on local funds of residential land and resettlement houses and practical situations, decide on the level of residential land and resettlement houses compensated to each household.

3. Households, individuals and overseas Vietnamese specified in Clause 1 of this Article that do not need compensation in residential land or resettlement houses shall be compensated in money by the State.

4. Land-using households or individuals that have to relocate upon the State's recovery of land associated with houses, but are not eligible for compensation for residential land and have no other place of residence in the commune, ward or township where the land is recovered shall be sold, leased or lease-purchased houses or allocated residential land with land use levy by the State. The sale, lease and lease-purchase prices of houses and residential land prices for calculation of land use levy upon land allocation by the State shall be prescribed by provincial-level People's Committees.

5. In case the land parcel to be recovered includes an area of agricultural land not recognized as residential land, the household or person having the land to be recovered may change the use purpose of such area into residential land within the residential land allocation quota in the locality if that household or person so wishes and such change of land use purpose conforms with the approved land use master plan and plan. Households or individuals allowed to change the land use purpose shall fulfill financial obligations in accordance with the law on collection of land use levy and land and water surface rental.

6. Compensation upon land recovery by the State for economic organizations, overseas Vietnamese and foreign-invested enterprises currently using land for implementation of housing construction projects that are eligible for compensation under Article 75 of the Land Law must comply with the following provisions:

a/ In case part of the project's land area is recovered and the remaining area is eligible for continuing the project implementation, the recovered area is entitled to compensation in money;

b/ In case of recovery of the entire land area, or of part of the land area of the project with the remaining area ineligible for continuing the project implementation, compensation shall be paid in land for the project implementation or in money;

c/ Projects already put into commercial operation are entitled to compensation in money upon land recovery by the State.

Article 7. Compensation for land and remaining investment costs on land when the State recovers non-agricultural land other than residential land of households and individuals

The compensation for land and remaining investment costs on land for non-agricultural land other than residential land of households and individuals prescribed in Article 80 of the Land Law must comply with the following provisions:

1. Upon land recovery by the State, households or individuals currently using non-agricultural land other than residential land that are eligible for compensation under Article 75 of the Land Law are entitled to compensation for land, specifically as follows:

a/ For land with a definite use term, they are entitled to compensation in land with the same land use purpose of the recovered land. The use term of the compensated land is the remaining use term of the recovered land. If land for compensation is not available, they are entitled to compensation in money which shall be determined as follows:

$$Tbt = \frac{G \times S}{T1} \times T2$$

In which:

Tbt: Compensation amount;

G: Specific land price at the time of issuance of the land recovery decision; for land allocated by the State with land use levy, G is the specific land price for calculation of land use levy; for land leased by the State with full one-off rental payment for the entire lease period, G is the specific land price for calculation of land rental;

S: Recovered land area;

T1: Land use term;

T2: Remaining land use term.

b/ Households or individuals entitled to compensation in land that wish to use land with a term longer than the remaining use term of the recovered land may have the use term extended by competent state agencies but shall fulfill financial obligations for the extended term in accordance with the land law.

2. Households or individuals using non-agricultural land other than residential land which is leased by the State with annual rental payment or with full one-off rental payment

for the entire lease period but exempted from land rental, are not entitled to compensation for land, except the case prescribed in Clause 3 of this Article, but are entitled to compensation for remaining investment costs on land (if any) under Article 3 of this Decree.

3. Households or individuals currently using non-agricultural land other than residential land, which is leased by the State with full one-off rental payment for the entire lease period but exempted from land rental as a result of policies for persons with meritorious services to the revolution, are entitled to compensation for land. Based on practical conditions and local land areas, provincial-level People's Committees shall specify this compensation.

4. Households or individuals current using land for trading and services, land for non-agricultural production units or other non-agricultural land with long and stable use term and eligible for compensation as prescribed by law upon land recovery by the State, are entitled to compensation for land according to the residential land price.

5. Households and individuals currently using land with houses before July 1, 2004, originated from encroachment or occupation, that do have other places of residence upon land recovery by the State, shall be allocated new land by the State with land use levy or sold resettlement houses. The residential land price used for calculation of land use levy or sale prices of resettlement houses shall be set by provincial-level People's Committees.

Article 8. Compensation for land and remaining investment costs on land when the State recovers non-agricultural land other than residential land of economic organizations and joint-venture enterprises

1. The compensation for land when the State recovers land for cemeteries and graveyards of economic organizations prescribed in Clause 2, Article 81 of the Land Law must comply with the following provisions:

a/ In case of recovering the entire land area, or of part of the land area with the remaining area ineligible for continuing the project to build a cemetery or graveyard, the project owner is entitled to compensation from the State in the form of allocation of new land with the same land use purpose, if the project has transferred land use rights associated with infrastructure, or to compensation in money if the project is building infrastructure and has not transferred land use rights associated with such infrastructure;

b/ In case of recovering part of the land area with the remaining area eligible for continuing the project to build a cemetery or graveyard, the project owner is entitled to compensation in money for the recovered land area. If there are graves on the recovered area, those graves shall be relocated to the remaining area of the project. In case the remaining area of the project has been fully transferred, the project owner is entitled to compensation by the State in the form of allocation of new land in another place for building a cemetery or graveyard for relocation of graves in the land area to be recovered.

The allocation of land in other places for building cemeteries and graveyards under this Point must comply with land use master plans and plans approved by competent state agencies.

2. Upon land recovery by the State, joint-venture enterprises using non-agricultural land other than residential land from receipt of land use rights contributed as capital under Article 184 of the Land Law are entitled to compensation for land under Clause 2, Article 74 of the Land Law in the following cases:

a/ Land contributed as capital by economic organizations under Article 184 of the Land Law which is allocated by the State with land use levy or leased with full one-off rental payment for the entire lease period with the paid land use levy or land rental not originating from the state budget;

b/ Land allocated by the State to economic organizations without land use levy or with land use levy paid from the state budget, or leased with annual rental payment with the value of land use rights used as state budget funds allocated to enterprises without being recorded as debts and having to refund land rental under the land law, for capital contribution to joint ventures with foreign organizations or individuals;

c/ Land contributed as capital by economic organizations which is originated from acquisition of land use rights in accordance with law, with the money paid for such acquisition not originated from the state budget;

d/ Land allocated by the State to overseas Vietnamese with land use levy, or leased with full one-off rental payment for the entire lease period; joint-venture enterprises to which Vietnamese parties contribute capital with land use rights and which are now transformed into wholly foreign-owned enterprises.

Article 9. Compensation for houses and other construction works attached to land upon land recovery by the State

The compensation for houses and other construction works attached to land upon land recovery by the State prescribed in Clause 2, Article 89 of the Land Law must comply with the following provisions:

1. The level of compensation for houses and works equals the total of the current value of damaged houses and works and the amount calculated in percentage of the current value of those houses and works

The current value of damaged houses and works equals (=) the percentage of the residual quality of those houses and works multiplied by (x) the value of new construction of houses and works with equivalent technical standards promulgated by the line ministry.

The amount calculated in percentage of the current value of houses and works shall be prescribed by provincial-level People's Committees, but the level of compensation must not exceed 100% of the value of new construction of houses and works with technical standards equivalent to those of damaged houses and works.

2. The current value of a damaged house or work shall be determined according to the following formula:

$$Tgt = G1 - \frac{G1}{T} \times T1$$

In which:

Tgt: Current value of damaged house or work;

G1: Value of new construction of damaged house or work with equivalent technical standards promulgated by the line ministry;

T: Depreciation time applicable to damaged house or work;

T1: In-use duration of damaged house or work.

3. For a house or another construction work part of which is dismantled and the remaining part can no longer be used, compensation shall be made for the entire house or work. When part of a house or another construction work is dismantled and the remaining part still exists and can be used, compensation shall be made for the value of the dismantled part and for the cost of repair and completion of the remaining part up to the equivalent technical standards of the house or work prior to dismantlement.

4. For houses and construction works failing to meet technical standards prescribed by relevant line ministries, provincial-level People's Committees shall specify levels of compensation suitable to local practical conditions.

Article 10. Compensation for damage caused by limited land use and damage to land-attached assets for land within safety corridors upon construction of facilities with safety corridors

Compensation for damage caused by limited land use and damage to land-attached assets for land within safety corridors upon construction of works with safety corridors under Article 94 of the Land Law shall be paid as follows:

1. In case of causing change of land use purpose:

a/ For change from residential land to non-agricultural land other than residential land or from residential land to agricultural land, the level of compensation shall be determined as follows:

$$Tbt = (G1-G2) \times S$$

In which:

Tbt: Compensation money;

G1: Average price of a square meter of residential land;

G2: Average price of a square meter of non-agricultural land other than residential land or of agricultural land;

S: Land area subject to change of use purpose.

b/ For change from non-agricultural land other than residential land into agricultural land, the level of compensation shall be determined as follows:

$$Tbt = (G3-G4) \times S$$

In which:

Tbt: Compensation money;

G3: Average price of a square meter of non-agricultural land other than residential land;

G4: Average price of a square meter of agricultural land;

S: Land area subject to change of use purpose.

2. In case of not causing change in land use purpose but limiting land use capacity, the level of compensation shall be specified by provincial-level People's Committees based on local practical conditions.

3. Houses, other construction works and land-attached assets within safety corridors suffering damage due to clearance are entitled to compensation based on their level of damage according to regulations.

4. When the safety corridor of a work occupies a space accounting for over 70% of the area of the land parcel accommodating a house or construction work, the remaining area is also entitled to compensation according to Clauses 1 and 2 of this Article.

5. Households and individuals using residential land within safety corridors that have to relocate upon construction of public facilities with safety corridors and have no other places of residence in the commune, ward or township accommodating the land within the safety corridors are entitled to resettlement; compensation for relocation expenses and support for stabilization of livelihood and production.

Article 11. Compensation and support for land when the State recovers land allocated *ultra vires* before July 1, 2004, for which land use levy has been paid but certificates of land use rights have not been granted

For land allocated *ultra vires* before July 1, 2004, for which land users have paid land use levy in order to use land but have not be granted certificates of land use rights, compensation and support for land shall be made according to the following provisions:

1. If using land before October 15, 1993, land users are entitled to compensation for land for the area and type of land allocated.

2. If using land from October 15, 1993, to before July 1, 2004, land users are entitled to compensation and support as follows:

a/ Compensation and support for the area of allocated land being agricultural land, non-agricultural land other than residential land or residential land within the land allocation quota prescribed in Clause 2, Article 83, and Clause 5, Article 84, of the 2003 Land Law;

b/ Compensation for land for the area of allocated land being residential land in excess the land allocation quota prescribed in Clause 2, Article 83, and Clause 5, Article 84, of the 2003 Land Law, with deduction of the payable land use levy according to the prescribed level under the Government's regulations on land use levy collection.

3. Compensation for assets attached to land to be recovered must comply with the Land Law and this Decree.

Article 12. Compensation and support for land when the State recovers land in case the actually measured area is different from the area stated in documents on land use rights

For cases of land recovery in which the actually measured area is different from the area stated in documents on land use rights prescribed in Clauses 1, 2 and 3, Article 100 of the Land Law, and in Article 18 of the Government's Decree No. 43/2014/ND-CP of May 15, 2014, detailing a number of articles of the Land Law (below referred to as Decree No. 43/2014/ND-CP), compensation shall be made according to the following provisions:

1. If the actually measured area is smaller than the area stated in documents on land use rights, compensation shall be made according to the former.

2. If the actually measured area is larger than the area stated in documents on land use rights due to incorrect measurement or the land user's failure to fully declare the area upon registration declaration but the entire boundary of the land parcel has been determined to be unchanged, free from dispute with users of adjacent land areas and not originated from encroachment or occupation, compensation shall be made according to the actually measured area.

3. If the actually measured area is larger than the area stated in documents on land use rights, certified by the commune-level People's Committee of the locality where the land is located as resulting from reclaiming or acquisition of land use rights from the previous land user and as being stably used and dispute-free, compensation shall be made according to the actually measured area.

4. The area of land in excess of the area stated in documents on land use rights as a result of encroachment or occupation is not entitled to compensation for land.

5. Compensation for land-attached assets in case of land recovery prescribed in Clauses 2 and 3 of this Article must comply with the Land Law and this Decree.

Article 13. Compensation for land for land users without documents on land use rights

1. Upon land recovery by the State, land users that have no documents on land use rights prescribed in Clauses 1, 2 and 3, Article 100 of the Land Law, and Article 18 of Decree No. 43/2014/ND-CP, but are eligible for grant of certificates of land use rights and ownership of houses and other land-attached assets under Articles 101 and 102 of the Land Law, and Articles 20, 22, 23, 25, 27 and 28 of Decree No. 43/2014/ND-CP, are entitled to compensation for land.

2. Compensation amounts for persons having recovered land shall be deducted from payable financial obligations prescribed by the laws on collection of land use levy; and land and water surface rental.

Article 14. Compensation for houses and works for users of state-owned houses

1. Users of state-owned houses (rented or self-managed) subject to land recovery and dismantlement are not entitled to compensation for the area of state-owned houses and the unlawfully expanded area but are entitled to compensation for the cost of improvement, repair and upgrading. The level of compensation shall be set by provincial-level People's Committees.

2. Users of state-owned houses subject to dismantlement are entitled to rent of houses in resettlement places. The house rental rate is the one applicable to state-owned houses. Houses rented in resettlement places may be sold by the State to current tenants according to the Government's regulations on sale of state-owned houses to current tenants. In special cases where resettlement houses are unavailable, they are entitled to support in money to arrange new accommodation themselves, with the level equal to 60% of the land value and 60% of the value of rented houses.

Article 15. Compensation for land for persons sharing land use rights

1. Upon land recovery by the State, organizations, households and individuals that jointly use land and share land use rights are entitled to compensation according to the area of land under their use rights. If there is no paper determining the area of land under private use rights of organizations, households and individuals, common compensation shall be made for those sharing land use rights.

2. Provincial-level People's Committees shall guide the division of amounts of compensation for land to those sharing land use rights prescribed in Clause 1 of this Article.

Article 16. Compensation, support and resettlement in case of recovery of land in environmentally polluted areas bearing the risk of threatening human life; and residential land at risk of erosion or sinking or being affected by other natural disasters threatening human life

1. Compensation, support and resettlement in case of recovery of land in environmentally polluted areas bearing the risk of threatening human life; and land at risk of erosion or sinking or being affected by other natural disasters threatening human life prescribed in Clause 3, Article 87 of the Land Law must comply with Clause 1, Article 79 of the Land Law, and Articles 6 and 22 of this Decree.

2. Households and individuals having the whole area of residential land eroded or sunk or part of residential area eroded or sunk with the remaining area no longer usable are entitled to allocation of residential land for resettlement according to the following provisions:

a/ Areas of residential land for resettlement shall be prescribed by provincial-level People's Committees based on local specific conditions but must not exceed the land allocation quotas in their localities;

b/ The payment of land use levy, exemption from and reduction of land use levy, and other incentives must comply with the Decree on collection of land use levy.

3. Compensation and support money for recovered land areas for resettlement shall be:

a/ Paid by the state budget, in case of recovery of residential land caused by natural disasters;

b/ Paid by enterprises, in case of recovery of residential land in environmentally polluted areas bearing the risk of threatening human life caused by those enterprises; or paid by the state budget, in case those enterprises have been dissolved or bankrupt.

Article 17. Compensation and support when the State recovers land to implement investment projects whose investment is decided by the National Assembly or approved by the Prime Minister

Compensation and support when the State recovers land to implement investment projects whose investment is decided by the National Assembly or approved in principle by the Prime Minister and whose implementation requires relocation of the whole community, affecting the livelihood, socio-economic situation and cultural tradition of the community; or projects requiring land recovery involving different provinces and centrally run cities shall be made as follows:

1. Ministries and sectors having investment projects shall assume the prime responsibility for, and coordinate with provincial-level People's Committees of the localities having land to be recovered in, elaborating the framework policy on compensation, support and resettlement and submitting it to the Prime Minister for consideration and decision, and shall ensure funds for compensation, support and resettlement according to regulations.

The framework policy on compensation, support and resettlement covers the following major contents:

a/ Area of each type of land to be recovered;

b/ Number of land users in the area subject to land recovery;

c/ Estimated level of compensation and support for each target group subject to land recovery; estimated land price for compensation for each type of land and each location;

d/ Resettlement plan (estimated number of households to be resettled, place and form of resettlement);

dd/ Estimated total amount of compensation, support and resettlement and funding sources;

e/ Expected time and plan for relocation and handover of ground area.

2. The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with related agencies and organizations in, appraising the framework policy on compensation, support and resettlement before it is submitted to the Prime Minister for decision.

3. Based on the framework policy on compensation, support and resettlement approved by the Prime Minister, ministries or sectors having investment projects shall organize the elaboration, appraisal and approval of plans on compensation, support and resettlement for the entire projects.

Based on approved plans on compensation, support and resettlement, provincial-level People's Committees shall organize the elaboration, appraisal and approval of plans on compensation, support and resettlement for projects implemented in their localities after obtaining written approval of ministries or sectors having investment projects; and organize, and settle funds for, compensation, support and resettlement with ministries or sectors having investment projects.

Article 18. Compensation for relocation of graves

For relocation of graves other than the cases specified in Clause 1, Article 8 of this Decree, those having graves to be relocated are entitled to land arrangement and compensation for the costs of digging, exhumation, relocation and new construction and other directly related reasonable costs. Provincial-level People's Committees shall specify levels of compensation suitable to local customs and practical conditions.

Article 19. Support for stabilization of livelihood and production upon land recovery by the State

The support for stabilization of livelihood and production upon land recovery by the State under Point a, Clause 2, Article 83 of the Land Law must comply with the following provisions:

1. Entitled to support for stabilization of livelihood and production are:

a/ Households and individuals that were allocated agricultural land by the State under the Government's Decree No. 64/CP of September 27, 1993, promulgating the Regulation on allocation of agricultural land to households and individuals for long and stable use for agricultural production; Decree No. 85/1999/ND-CP of August 28, 1999, amending and supplementing a number of articles of the Regulation on allocation of agricultural land to households and individuals for long and stable use for agricultural production, and supplementing the allocation of land for salt production to households and individuals for long and stable use; allocation of forest land upon implementation of the Government's Decree No. 02/CP of January 15, 1994, promulgating the Regulation on allocation of forest land to organizations, households and individuals for long and stable use for forestry purpose; Decree No. 163/1999/ND-CP of November 16, 1999, on allocation and lease of forest land to organizations, households and individuals for long and stable use for forestry purpose; and Decree No. 181/2004/ND-CP of October 29, 2004, on implementation of the Land Law;

b/ Registered agricultural members of households prescribed at Point a of this Clause who are supplemented after the time of allocation of agricultural land to those households;

c/ Households and individuals eligible for agricultural land allocation under Point a of this Clause that have not been allocated agricultural land, are using agricultural land acquired, inherited, donated or reclaimed in accordance with law, and certified as directly engaged in production on such agricultural land by commune-level People's Committees of localities having the land to be recovered;

d/ Upon land recovery by the State, households and individuals currently using land received through contractual allocation for use for agricultural, forestry or aquaculture purposes (excluding land for special-use forests and protection forests) from state-owned agricultural or forest farms who are members of these farms currently working or having retired, stopped working due to loss of working capacity or been laid off on allowance and are directly engaged in agricultural production and earn stable incomes from agricultural production on such land;

dd/ Economic organizations, households and individuals engaged in production and business and foreign-invested enterprises having to stop production and business upon land recovery by the State are entitled to support for production stabilization.

2. Conditions for receiving support for stabilizing livelihood and production are prescribed as follows:

a/ Land-using households, individuals, economic organizations and foreign-invested enterprises specified in Clause 1 of this Article that have been granted certificates of land use rights or are eligible for grant of certificates of land use rights and ownership of houses and other land-attached assets prescribed in Articles 100, 101 and 102 of the Land Law, except the case prescribed at Point b of this Clause;

b/ For households and individuals currently using land through contractual allocation of land for use for agricultural, forestry or aquaculture purpose (excluding land for special-use and protection forests) of agricultural or forestry farms prescribed at Point d, Clause 1 of this Article, land allocation contracts are required.

3. The support for stabilizing livelihood of the subjects specified at Points a, b, c and d, Clause 1 of this Article must comply with the following provisions:

a/ If between 30% and 70% of the area of agricultural land is recovered, support shall be provided for 6 months in case relocation is not required, and for 12 months in case relocation is required. The period of support may be up to 24 months in case of relocation to localities with difficult or extremely difficult socio-economic conditions.

If over 70% of the area of agricultural land is recovered, support shall be provided for 12 months if relocation is not required and for 24 months if relocation is required. The period of support may be up to 36 months in case of relocation to localities with difficult or extremely difficult socio-economic conditions;

b/ The recovered land area prescribed at Point a of this Clause shall be determined based on each land recovery decision of a competent People's Committee;

c/ The level of support per registered household member prescribed at Points a and b of this Clause shall be calculated in money equivalent to 30 kilos of rice a month at the average local price at the time of support.

4. The support for stabilizing production must comply with the following provisions:

a/ Households and individuals that receive compensation in agricultural land are entitled to support for stabilizing production, covering support of plant varieties and animal breeds for agricultural production, agricultural and forestry extension services, plant protection and veterinary services, cultivation and animal breeding techniques and professional techniques for production, business and industrial and commercial services;

b/ Economic organizations, households and individuals engaged in production and business and foreign-invested enterprises specified at Point dd, Clause 1 of this Article are entitled to support in money for stabilizing production which does not exceed 30% of the after-tax income of one year being the average of the last three years.

The after-tax income shall be determined based on financial statements audited or accepted by tax agencies. In case financial statements have not been audited or accepted, the after-tax income shall be determined based on the after-tax income declared by units in their financial statements and year-end reports on production and business activities sent to tax agencies.

5. Households and individuals currently using land through contractual allocation for use for agricultural, forestry or aquaculture purposes from state-owned agricultural or forest farms prescribed at Point d, Clause 1 of this Article are entitled to support in money for stabilizing livelihood and production.

6. Employees hired under labor contracts by economic organizations, production and business households and individuals or foreign-invested enterprises specified at Point dd, Clause 1 of this Article are entitled to support of severance allowance in accordance with the labor law for 6 months at most.

7. Provincial-level People's Committees shall decide on the level and time of support and periodically pay support money suitable to local practical conditions.

Article 20. Support for training, occupation change and job seeking when the State recovers agricultural land of households and individuals directly engaged in agricultural production

1. Households and individuals directly engaged in agricultural production prescribed at Points a, b, c and d, Clause 1, Article 19 of this Decree (other than those being members of state-owned agricultural or forest farms who have retired, retired due to loss of working capacity or been laid off on allowance) that receive compensation in money upon agricultural land recovery by the State are additionally entitled to support for training, occupation change and job seeking according to the following provisions:

a/ Support in money which does not exceed 5 times the price of agricultural land of the same category in the local land price frame for the entire recovered agricultural land area. The area entitled to support must not exceed the agricultural land allocation quota in the locality;

b/ Provincial-level People's Committees shall specify the level of support based on local practical conditions.

2. The Ministry of Labor, War Invalids and Social Affairs shall assume the prime responsibility for, and coordinate with related ministries and sectors in, proposing the Prime Minister to decide on mechanisms and policies for job settlement and vocational training for persons whose agricultural land is recovered.

3. Based on mechanisms and policies on job settlement decided by the Prime Minister, provincial-level People's Committees shall direct the formulation and organize the implementation of plans on training, occupation change and job seeking for persons of working age in their localities. These plans shall be formulated and approved concurrently with plans on compensation, support and resettlement. Persons whose land is recovered must be consulted in the process of formulating plans on training, occupation change and job seeking.

Article 21. Support for training, occupation change and job seeking when the State recovers land for combined residential and trading and services purposes of households and individuals subject to relocation

1. Households and individuals that have to relocate when the State recovers land for combined residential and trading and services purposed are entitled to support for training, occupation change and job seeking according to Point b, Clause 2, Article 83 of the Land Law.

2. The Ministry of Labor, War Invalids and Social Affairs shall assume the prime responsibility for, and coordinate with related ministries and sectors in, proposing the Prime Minister to decide on mechanisms and policies on job settlement and vocational training for current members of working age of households and individuals whose land is recovered.

3. Based on mechanisms and policies on job settlement and vocational training decided by the Prime Minister and local practical conditions, provincial-level People's Committees shall specify the level of support suitable to each category of households and individuals whose land is recovered.

Article 22. Support for resettlement in case of recovery of residential land of households, individuals and overseas Vietnamese subject to relocation

The support for resettlement when the State recovers residential land of households, individuals and overseas Vietnamese that have to relocate under Point c, Clause 2, Article 83 of the Land Law must comply with the following provisions:

1. Households, individuals and overseas Vietnamese that receive residential land and resettlement houses with an amount of compensation for land lower than the value of the minimum resettlement lot prescribed in Article 27 of this Decree are entitled to support for the difference between the minimum resettlement lot value and the amount of compensation for land.

2. In addition to compensation for land, households, individuals and overseas Vietnamese that arrange accommodation on their own are entitled to a resettlement support amount. Provincial-level People's Committees shall, based on the area of recovered residential land, the number of household members and local practical conditions, prescribe appropriate levels of support.

Article 23. Support for tenants of non-state-owned houses

Households and individuals renting houses not owned by the State that have to relocate upon land recovery by the State are entitled to support for the cost of moving assets according to regulations of provincial-level People's Committees.

Article 24. Support upon recovery of public land of communes, wards and townships

Support shall be provided in case of recovery of land belonging to public land areas of communes, wards and townships. The highest level of support may equal the level of

compensation. Provincial-level People's Committees shall specify the level of support. Support amounts shall be paid into the state budget and included in annual budget estimates of communes, wards and townships. Support money may be used only for construction of infrastructure facilities and for public purposes of communes, wards and townships.

Article 25. Other support for land users upon land recovery by the State

In addition to the supports specified in Articles 19, 20, 21, 22, 23 and 24 of this Decree, based on local practical situations, chairpersons of provincial-level People's Committees shall decide on other supporting measures to ensure accommodation, stabilization of livelihood and production and fairness for persons whose land is recovered. For households and individuals directly engaged in agricultural production that are ineligible for compensation under Article 75 of the Land Law upon recovery of agricultural land by the State, provincial-level People's Committees shall consider supporting them suitable to local practical conditions and propose special cases to the Prime Minister for decision.

Article 26. Formulation and implementation of resettlement projects

The formulation and implementation of resettlement projects prescribed in Article 85 of the Land Law must comply with the following provisions:

1. Resettlement projects shall be formulated and approved independently from plans on compensation, support and resettlement but must ensure availability of residential land and resettlement houses before competent state agencies decide on land recovery.

2. The formulation of resettlement projects and selection of investors must comply with the law on development and management of resettlement houses and Clauses 2 and 3, Article 69 of the Land Law.

3. Resettlement areas shall be established for one or more than one project. Houses and residential land in resettlement areas shall be arranged in different grades and areas suitable to different levels of compensation and payment capacity of resettled persons.

4. For concentrated resettlement complex projects with construction phases under different component projects, the schedule for land recovery and completion of construction of houses or infrastructure facilities of resettlement complexes may follow the schedule of each component project but infrastructure facilities of each component project in resettlement complexes must ensure connection according to the detailed planning approved by competent state agencies.

5. Funds for resettlement projects shall be ensured under Article 32 of this Decree.

Article 27. Minimum resettlement plots

1. The minimum resettlement plot prescribed in Clause 4, Article 86 of the Land Law shall be determined in residential land and houses, in houses or in money in order to suit the needs of resettled persons.

2. In case the minimum resettlement plot is determined in residential land and houses, the area of residential land for resettlement must not be smaller than the minimum area permitted for land parcel split in the locality and the area of the resettlement house must not be smaller than the minimum apartment area prescribed by the housing law.

In case the minimum resettlement plot is determined in houses, the area of the resettlement house must not be smaller than the minimum apartment area prescribed by the housing law.

In case the minimum resettlement plot is determined in money, the amount for the minimum resettlement plot is equivalent to the value of the minimum resettlement plot in residential land and houses in the resettlement place.

3. Pursuant to Clauses 1 and 2 of this Article and based on local practical conditions, provincial-level People's Committees shall determine minimum resettlement plots in residential land and houses, in houses and in money.

Article 28. Plans on compensation, support and resettlement when the State recovers land for implementation of projects other than the cases specified in Article 17 of this Decree

1. A plan on compensation, support and resettlement when the State recovers land for national defense or security purposes; or for socio-economic development in the national or public interest other than the cases specified in Article 17 of this Decree must cover the following major contents:

a/ Full names and addresses of persons whose land is recovered;

b/ Areas, types, locations and origin of land to be recovered; quantity and current value of damaged land-attached assets;

c/ Grounds for calculation of compensation and support money such as land price, prices of houses and works for compensation calculation, numbers of household members, numbers of working-age persons, numbers of persons on social allowance;

d/ Compensation and support amounts;

dd/ Costs of planning and organization of compensation and ground clearance;

e/ Resettlement arrangement;

g/ Relocation of works of the State, organizations, religious institutions and communities;

h/ Relocation of graves.

2. Consultation on plans on compensation, support and resettlement prescribed in Clause 1 of this Article shall be conducted according to Clause 2, Article 69 of the Land Law and these plans shall be posted up for opinions of inhabitants in areas having land to recovered for at least 20 days from the starting date of posting.

Article 29. Separation of compensation, support and resettlement into a sub-project and responsibilities for organization of compensation, support and resettlement for investment projects of ministries and sectors

1. Based on the scale of land recovery for implementation of investment projects, agencies competent to approve investment projects may decide to separate compensation, support and resettlement into a sub-project and organize their implementation separately.

2. Provincial-level People's Committees shall direct the organization of land recovery, compensation, support and resettlement for investment projects subject to land recovery by the State of ministries, ministerial-level agencies, government-attached agencies, economic groups, corporations or central non-business units.

3. Ministries and sectors having investment projects shall coordinate with provincial-level People's Committees and organizations in charge of compensation and ground clearance in the course of implementation and ensure funds for compensation, support and resettlement according to regulations.

Article 30. Payment of compensation, support and resettlement money

1. The deduction of the amount of unfulfilled land-related financial obligations from the compensation amount prescribed in Clause 4, Article 93 of the Land Law must comply with the following provisions:

a/ The amount of unfulfilled land-related financial obligations includes land use levy and land rental payable to the State which have not been paid by the time of land recovery;

b/ The amount of unfulfilled financial obligations prescribed at Point a of this Clause shall be determined in accordance with the law on collection of land use levy and land and water surface rental.

In case the amount of unfulfilled financial obligations by the time of issuance of the land recovery decision is larger than the compensation and support amount, the household or individual concerned may owe such difference. After having the compensation amount deducted from the amount for receiving residential land or for buying a house in the resettlement area, if the remaining amount is smaller than the amount of unfulfilled financial obligations, the household or individual that gets resettlement arrangement may owe such difference;

c/ The compensation money from which the amount of unfulfilled financial obligations shall be deducted includes the amounts of compensation for land and compensation for remaining investment costs on land (if any). Amounts of compensation for the relocation cost, for assets and for suspended production and business and support amounts shall not be deducted to pay the amount of unfulfilled land-related financial obligations.

2. In case of compensation by allocation of new land, residential land and resettlement houses, or resettlement houses, any arising difference in value shall be paid in money according to the following provisions:

a/ If the amount of compensation for land is larger than the amount of residential land and houses or of houses in the resettlement area, the resettled person is entitled to receive such difference;

b/ If the amount of compensation for land is smaller than the amount of residential land and houses or of resettlement houses, the person entitled to resettlement arrangement shall pay such difference, except the case prescribed in Clause 1, Article 22 of this Decree.

3. In case the recovered land area is involved in a dispute over land use rights which has not been completely settled, the compensation and support money for the disputing land area shall be transferred to the State Treasury and paid to the person having land use rights after the dispute is settled by competent state agencies.

4. The advance of capital for compensation, support and resettlement must comply with the following provisions:

a/ The land development fund shall advance capital for organizations in charge of compensation and ground clearance to create clean land funds for allocation and lease in accordance with the model regulation on management and use of the land development fund;

b/ Persons who are allocated land by the State with land use levy or leased land in accordance with the land law and voluntarily advance money for compensation, support and resettlement under approved plans shall be refunded such money from the state budget by deduction from payable land use levy or land rental. The refunded amount must not exceed

the payable land use levy or land rental; the rest (if any) shall be included in the project's investment capital.

Persons who are allocated land by the State without land use levy or allocated land with land use levy or leased land in accordance with the land law but entitled to land use levy or land rental exemption who voluntarily advance money for compensation, support and resettlement under approved plans may have such money included in the project's investment capital.

Article 31. Funds for organization of compensation, support and resettlement

1. An organization in charge of compensation and ground clearance shall estimate costs for organization of compensation, support and resettlement for each project according to the following provisions:

a/ Expenditures for which norms, criteria and unit prices have been prescribed by competent state agencies must comply with current regulations;

b/ For expenditures for which norms, criteria and unit prices have not been prescribed, costs shall be estimated based on the characteristics of each project and local practical conditions;

c/ Expenses for document printing, stationery, petrol, logistics and the managerial apparatus shall be estimated according to the actual demand of each project.

2. Funds for organization of compensation and ground clearance to be set aside must not exceed 2% of the total fund for compensation and support of a project. For projects implemented in areas with difficult or extremely difficult socio-economic conditions, projects to build infrastructure facilities in line or for inventory enforcement, organizations assigned with compensation, support and resettlement work may estimate costs for compensation, support and resettlement of projects based on actual work volume without be subjected to this 2% limit.

Agencies competent to approve plans on compensation, support and resettlement shall decide on funds for organization of compensation, support and resettlement for each project in accordance with law.

3. In case of land recovery enforcement, organizations in charge of compensation and ground clearance shall estimate costs for organization of land recovery enforcement for submission to state agencies competent to approve plans on compensation, support and resettlement, for decision. Funds for organization of land recovery enforcement shall be arranged as follows:

a/ For land allocation without land use levy and land allocation or lease with land use levy or land rental exemption, these funds shall be arranged and included in the project's investment capital;

b/ For land recovery by the State for formation of clean land fund for allocation and lease through auction, these funds shall be advanced from the land development fund;

c/ In case investors voluntarily advance compensation, support and resettlement money (including funds for land recovery enforcement), these funds shall be deducted from payable land use levy or land rental.

4. The Ministry of Finance shall guide the estimation, use, payment and settlement of funds for organization of compensation, support and resettlement.

Article 32. Funds for compensation, support and resettlement

1. The funds for compensation, support and resettlement include compensation, support and resettlement money for land to be recovered for implementation of investment projects, expenses for organization of compensation, support and resettlement and other expenses.

The determination of compensation, support and resettlement money must conform with plans on compensation, support and resettlement approved by competent authorities.

2. Funds for compensation, support and resettlement upon land recovery by the State for project implementation must comply with the following provisions:

a/ Funds for compensation, support and resettlement shall be included in funds for implementation of investment projects;

b/ Ministries and sectors shall ensure funds for compensation, support and resettlement for investment projects whose investment is decided by the National Assembly or approved and decided by the Prime Minister and which are implemented by ministries and sectors, and for projects for which they acts as investors;

c/ Provincial-level People's Committees shall ensure funds for compensation, support and resettlement for projects decided by provincial-level People's Councils;

d/ Investors that voluntarily advance compensation, support and resettlement money shall ensure funds for implementation of projects other than those specified at Points b and c of this Clause.

Chapter III**ORGANIZATION OF IMPLEMENTATION**

Article 33. Responsibilities for organization of compensation, support and resettlement of central agencies and units and provincial-level People's Committees

1. Ministries, ministerial-level agencies, government-attached agencies, economic groups, corporations and centrally run public non-business units having investment projects with land to be recovered shall direct, examine and inspect compensation, support and resettlement work; coordinate with provincial-level People's Committees and organizations in charge of compensation and ground clearance in the course of implementation; and ensure funds for compensation, support and resettlement under this Decree.

2. Provincial-level People's Committees shall direct the organization of land recovery, compensation, support and resettlement in accordance with this Decree and report on the results of land recovery, compensation, support and resettlement in their localities to the Ministry of Natural Resources and Environment before December 1 every year.

3. The Ministry of Natural Resources and Environment shall direct, organize, guide, examine and inspect the compensation, support and resettlement prescribed in this Decree and solve arising problems at the proposal of provincial-level People's Committees.

Article 34. Handling of issues arising from the promulgation of this Decree

1. For land of projects eligible for land recovery by the State which investors have acquired land use rights under permission of provincial-level People's Committees before July 1, 2014, the amounts already paid by investors for such acquisition may be deducted from the

land use levy or land rental prescribed by law before July 1, 2014.

2. For land of projects before July 1, 2014, to be recovered by the State due to improper use or inefficient use or failure to put land to use for 12 consecutive months or the land use late more than 24 months compared with the schedule stated in investment projects and for which land recovery decisions have been issued by competent People's Committees of localities where the land is located, land use levy or land rental and assets invested on land shall be handled in accordance with the land law before July 1, 2014. In case land recovery decisions have not been issued, Point i, Clause 1, Article 64 of the Land Law must be complied with.

3. In case land recovery decisions have been issued and plans on compensation, support and resettlement have been approved in accordance with the land law before July 1, 2014, approved plans shall be implemented.

4. In case land recovery decisions have been issued but there is no plan on compensation, support and resettlement approved before July 1, 2014, the settlement must comply with the following provisions:

a/ For projects subject to land recovery under Articles 61 and 62 of the Land Law and investors meeting the conditions prescribed in Clause 3, Article 58 of the Land Law, provincial-level People's Committees shall permit the formulation, appraisal and approval of plans on compensation, support and resettlement in accordance with the 2013 Land Law;

b/ For projects failing to meet the conditions specified at Point a of this Clause, competent People's Committees shall issue land recovery decisions and direct related organizations and individuals to stop the project implementation;

c/ For projects permitted by competent state agencies for land recovery according to schedule, the State shall continue to recover the remaining land area and plans on compensation, support and resettlement shall be formulated, appraised and approved in accordance with the 2013 Land Law.

5. For land used before July 1, 2014, which is leased by the State with full one-off rental payment for the entire lease period, persons whose land is recovered are not entitled to compensation for land but are entitled to compensation for remaining investment costs on land in accordance with the Government's Decree No. 197/2004/ND-CP of December 3, 2004, on compensation, support and resettlement upon land recovery by the State.

Article 35. Effect

1. This Decree takes effect on July 1, 2014.

2. This Decree replaces the Government's Decree No. 197/2004/ND-CP of December 3, 2004, on compensation, support and resettlement upon land recovery by the State.

Article 36. Implementation responsibility

Ministers, heads of ministerial-level and government-attached agencies, chairpersons of People's Committees at all levels and related organizations and persons shall implement this Decree.-

On behalf of the Government
Prime Minister
NGUYEN TAN DUNG