

**THE GOVERNMENT**

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No. 140/2024/ND-CP

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom – Happiness**

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*Hanoi, October 25, 2024*

## **DECREE**

### **ON THE LIQUIDATION OF PLANTED FORESTS**

*Pursuant to the Law on Government Organization dated June 19, 2015; the Law on amendments to the Law on Government Organization and the Law on Local Government Organization dated November 22, 2019;*

*Pursuant to the Law on Public Investment dated June 13, 2019;*

*Pursuant to the Law on Management and Use of Public Assets dated June 21, 2017;*

*Pursuant to the Law on Forestry dated November 15, 2017;*

*At the proposal of the Minister of Agriculture and Rural Development;*

*The Government promulgates a Decree on the liquidation of planted forests.*

## **Chapter I**

### **GENERAL PROVISIONS**

#### **Article 1. Scope**

1. This Decree stipulates the procedures for liquidation and the management and use of funds obtained from the liquidation of planted forests under public ownership.
2. In cases where international treaties to which Vietnam is a signatory provide specific regulations, the liquidation of planted forests shall be conducted in accordance with the provisions of such treaties.

#### **Article 2. Regulated entities**

1. This Decree applies to regulatory agencies, organizations, households, individuals, and communities involved in the liquidation of planted forests as stipulated in Clause 1, Article 1 of this Decree.

2. The application of regulations on the liquidation of planted forests in this Decree is encouraged for planted forests owned by organizations, households, individuals, and communities as specified in Clause 2, Article 7 of the Law on Forestry.

### **Article 3. Interpretation of terms**

For the purposes of this Decree, the following terms are defined as follows:

1. “Planted forests under public ownership” refers to planted forests that are fully funded by the State through programs, projects, or scientific and technological missions (hereinafter referred to as “projects”); planted forests of forest owners who are state organizations that are funded by reforestation expenses allocated when forest land is converted for other purposes; and planted forests reclaimed by the State, donated, or transferred in ownership as regulated by law.
2. “Liquidation of planted forests” means the financial and asset management of planted forests that have been damaged due to one of the causes specified in Article 4 of this Decree.

### **Article 4. Causes for planted forest liquidation**

1. Natural disasters as defined by the law on disaster prevention and control, including: storms, tropical depressions, strong winds at sea, whirlwinds, lightning, heavy rains, floods, flash floods, inundation; landslides, land subsidence caused by rain or water flow or drought; tidal surges, saltwater intrusion, heatwaves, droughts, wildfires from natural causes, cold spells, hail, fog, frost, earthquakes, tsunamis, and other types of natural disasters, incidents, or catastrophes.
2. Pest outbreaks, diseases, and harmful forest organisms.

### **Article 5. Principles of planted forest liquidation**

1. Comply with the laws on forestry, public investment management, and the management and use of public assets.
2. Conduct the liquidation of planted forests promptly to prevent financial and asset loss or waste.
3. Liquidate only the areas of planted forests that have been damaged and ensure complete legal documentation as required by law.
4. Restore the forest after liquidation in accordance with forestry laws.

## **Chapter II**

## **LIQUIDATION OF PLANTED FORESTS AND MANAGEMENT, USE OF FUNDS FROM PLANTED FOREST LIQUIDATION**

### **Article 6. Authority to decide on planted forest liquidation**

1. Ministers and heads of central agencies have the authority to decide on the liquidation of planted forests under the management of their respective ministries or central agencies.
2. The Province-level People's Council has the authority to decide on the liquidation of planted forests under local management.

### **Article 7. Cases for planted forests being liquidated**

1. Planted forests in the investment phase that have been damaged due to any of the causes specified in Article 4 of this Decree and do not meet the acceptance criteria after afforestation as per the law on forestry investment projects.
2. Planted forests post investment phase that have been damaged due to any of the causes specified in Article 4 of this Decree and do not meet national standards for planted forests. Only salvage harvesting or felling is permitted for trees that cannot recover; trees with recovery potential are to be documented, counted, and included in the proposed restoration solutions outlined in the Planted forest liquidation plan, following Form No. 04 in the Appendix attached to this Decree.

### **Article 8. Methods of planted forest liquidation**

1. Clearing and forest sanitation for planted forests with commercial forest product value;
2. Sale of salvage-harvested forest products from planted forests with commercial forest product value.
3. Based on each forest type and specific cases outlined in Article 7 of this Decree, the competent authority responsible for deciding on forest liquidation selects an appropriate liquidation method suited to local conditions and conducts harvesting in compliance with forestry laws.

### **Article 9. Documentation for planted forest liquidation**

1. For planted forests in the investment phase, the required documents include:
  - a) A written request for planted forest liquidation, as specified in Appendix No. 03 of this Decree;
  - b) A Planted forest liquidation plan, as specified in Appendix No. 04 of this Decree;

c) A field inspection report detailing the causes and extent of forest damage, as specified in Appendix No. 02 of this Decree. In cases where a field inspection report was prepared in accordance with legal regulations before the effective date of this Decree, the organization with the planted forest proposed for liquidation may use that report to carry out the forest liquidation procedures;

d) A copy of the afforestation design and budget estimate documentation;

dd) A copy of the approval decision (project, research topic, etc.) from the competent authority;

e) A copy of the annual volume acceptance report;

g) A copy of the annual financial statement;

h) Other relevant documents (if applicable).

2. For planted forests post the investment phase, the required documents include:

a) The documents specified in points a, b, c, d, and dd of clause 1 of this Article;

b) A copy of the final project settlement report;

c) Other relevant documents (if applicable).

3. Receiving agencies for documentation

a) The forestry authority under the Ministry of Agriculture and Rural Development as assigned by the Minister of Agriculture and Rural Development;

b) Specialized agencies under ministries and central bodies as assigned by the respective ministers or heads of central bodies;

c) The forestry authority at the local level as assigned by the President of the Province-level People's Committee.

## **Article 10. Procedures for the liquidation of planted forests**

1. Field inspection report

a) Within 3 working days from the end of a natural disaster or disease outbreak, organizations with planted forests damaged by causes specified in Article 4 of this Decree must submit a written request for verification using Form No. 01 in the Appendix attached to this Decree, to the district-level forest ranger agency or district-level specialized authority (hereafter referred to as the district-level specialized authority).

b) Within 5 working days of receiving the request, the district-level specialized authority shall organize a field inspection to determine the cause and extent of the forest damage.

The inspection team includes representatives from: the district-level specialized authority; the commune-level People's Committee where the damaged forest is located; the forest owner or the project owner with the damaged forest; the specialized agency for cause determination (natural disaster prevention agency for causes specified in clause 1, Article 4, or the plant protection agency for causes specified in clause 2, Article 4); other relevant agencies or organizations (if applicable).

c) The results of the field inspection are documented using Form No. 02 in the Appendix attached to this Decree.

2. Organizations requesting planted forest liquidation must submit one set of documents as specified in clause 1, Article 9 for forests in the investment phase, or clause 2, Article 9 for post investment phase, in person or via postal service or electronic means to the designated receiving authority as outlined in clause 3, Article 9.

a) Direct submission: The receiving authority shall check the documents and immediately informs the organization of the completeness and validity within 1 working day;

b) Postal submission: Within 3 working days of receipt, the receiving authority shall review the documents for completeness and validity. If the documents are incomplete or invalid, the authority must notify the organization in writing, specifying the reasons;

c) Electronic submission: Conducted according to Decree No. 45/2020/ND-CP on administrative procedures in the electronic environment: within 1 working day of receipt, the receiving authority shall review the documents for completeness and validity. If the documents are incomplete or invalid, the authority must notify the organization in writing, specifying the reasons.

3. Within 30 days of receiving complete and valid documents, the receiving authority shall carry out the tasks in clause 4 and submit the request to the competent authority for a liquidation decision using Form No. 08 in the Appendix. If the planted forest does not meet the conditions for liquidation, the competent authority must provide a written explanation to the organization.

4. After receiving complete and valid documents, the receiving authority shall perform the following:

a) Propose the establishment of a Council for evaluation of planted forest liquidation (hereinafter referred to as Evaluation Council) to the competent authority. The Council is chaired by a Council President from the receiving authority and includes members who are representatives from the overseeing agency of the forest owner (if applicable), the finance department, experts, scientists (if needed), and other relevant agencies (if any).

The Council operates on an ad hoc basis and dissolves upon completing its tasks. The Council for evaluation of planted forest liquidation may perform the following:

If necessary, the Council President may organize additional field verifications, involving: Participants include: Representatives of Evaluation Council; local forestry management authority; the commune-level People's Committee where the forest is located; the organization requesting planted forest liquidation; other relevant agencies (if any).

The results of verification and field inspection are documented using Form No. 05 in the Appendix attached to this Decree.

Hold Evaluation Council meetings: Based on the acceptance criteria following afforestation (for planted forests in the investment phase) or the national standards for planted forests (for planted forests post investment phase), the Evaluation Council shall convene to review the documentation and contents of the forest liquidation plan. Before the Council meeting, the Council members shall send their written opinions, endorsed by their workplace. The meeting results are documented using Form No. 06 in the Appendix.

b) After receiving the minutes of the meeting of the Evaluation Council, the receiving authority shall prepare a report on the results of the evaluation of the liquidation of planted forests according to Form No. 07 in the Appendix and submit it to the competent authority for the decision on liquidation of planted forests. The submission includes:

The documents specified in clause 1 Article 9 of this Decree for planted forests in the investment phase or Clause 2, Article 9 of this Decree for planted forests post the investment phase;

Minutes of verification, field inspection, determination of the extent of forest damage according to Form No. 05 in the Appendix issued with this Decree (in case the Evaluation Council organizes verification, field inspection);

Meeting minutes of the Evaluation Council, as specified in Appendix No. 06 of this Decree;

Report on the results of the evaluation of the liquidation of planted forests as specified in Appendix No. 07 of this Decree;

Draft decision on liquidation of planted forests as specified in Appendix No. 08 of this Decree;

##### 5. Liquidation of planted forests before the effective date of this Decree

a) Documentation for planted forest liquidation already prepared includes: A proposal for liquidation of failed forest plantations; a copy of design and budget estimate for forest plantation documents; a copy of the project approval decision; a field verification report endorsed by the district-level People's Committee where the failed forest plantation is located and a planted forest liquidation plan.

b) The procedures for planted forest liquidation in these cases are carried out in accordance with clauses 2, 3, and 4 of this Article.

### **Article 11. Implementation of planted forest liquidation**

1. Organizations with planted forests approved for liquidation must conduct planted forest liquidation as per the liquidation decision issued by the competent authority.

2. Savage harvesting must be carried out according to forestry laws. If forest products from savage harvesting are to be sold, it must comply with asset auction regulations.

3. After completing planted forest liquidation, organizations with liquidated forest must submit a request to the competent authority to:

a) For planted forests in the investment phase: Adjust the investment project, or modify capital plans, designs, and afforestation budgets in accordance with public investment and forestry project regulations;

b) For planted forests post investment phase: Adjust the asset value and funding sources as per accounting laws and report asset changes in accordance with Articles 126 and 127 of Decree No. 151/2017/ND-CP, as amended by Clause 64 Article 1 of Decree No. 114/2024/ND-CP.

4. Organizations with liquidated planted forests must report the results of the planted forest liquidation to the authority that approved the liquidation immediately after completion.

### **Article 12. Management and use of revenue from planted forest liquidation**

1. Expenditure description and spending limits

Expenditure description: preparation of liquidation documents, surveys, measurements, volume calculations, valuation (if necessary), logging, loading, transportation of savage-harvested forest products from the liquidated forest and other expenditures as per clause 4, Article 36 of Decree No. 151/2017/ND-CP, as amended by Article 29(1) of Decree No. 114/2024/ND-CP;

b) Spending limits: Follow the provisions in clause 5, Article 36 of Decree No. 151/2017/ND-CP.

2. Revenue from the sale of savage-harvested forest products (if any) can be used for planted forest liquidation activities as outlined in clause 1. Any remaining funds, after deducting liquidation costs, must be managed according to Decree No. 151/2017/ND-CP and Decree No. 114/2024/ND-CP.

3. Planted forest liquidation costs should be budgeted in the Planted forest liquidation plan. Budget preparation, compliance, and liquidation expense reporting must adhere to state budget regulations. In cases where there is no revenue from the sale of forest products or the revenue from the sale of forest products is less than the costs of implementing the forest plantation liquidation, the following applies:

- a) The Province-level People's Council may allocate local funds for planted forests under local management;
- b) Ministries or central agencies may allocate annual funds for planted forests under their management.

### **Chapter III**

## **IMPLEMENTATION**

### **Article 13. Responsibilities of Ministries, central agencies, and Province-level People's Committees**

- 1. The Ministry of Agriculture and Rural Development shall provide guidance and oversee the implementation of planted forest liquidation in accordance with this Decree.
- 2. Ministries and central agencies entrusted by the State to manage planted forests must:
  - a) Direct relevant subordinate agencies to execute planted forest liquidation as stipulated in this Decree;
  - b) Manage forest land after liquidation in compliance with land and forestry laws, and organize reforestation in the next planting season;
  - c) Inspect and handle any violations or address complaints and denunciations related to planted forest liquidation within their authority.
- 3. Province-level People's Committees are responsible for:
  - a) Directing agricultural, financial, and environmental agencies, district-level People's Committees, and other relevant agencies to carry out planted forest liquidation per the provisions of this Decree;
  - b) Managing forest land after liquidation in compliance with land and forestry laws, and organize reforestation in the next planting season;
  - c) Inspecting and resolving violations or addressing complaints and denunciations in accordance with the law.

4. Ministries, central agencies, and Province-level People’s Committees assigned forest management duties must report on planted forest liquidation activities to the Ministry of Agriculture and Rural Development and the Ministry of Finance by March 15 each year, as outlined in Article 130 of Decree No. 151/2017/ND-CP, amended by Article 65(1) of Decree No. 114/2024/ND-CP.

## **Chapter IV**

### **IMPLEMENTATION**

#### **Article 14. Entry in force**

This Decree comes into force as of October 25, 2024.

In cases where the legal documents referenced in this Decree are amended, supplemented, or replaced, the new documents shall prevail.

#### **Article 15. Responsibilities for enforcement**

The Ministers, Heads of ministerial agencies, Heads of Governmental agencies, and Presidents of Province-level People’s Committees and relevant organizations and individuals shall implement this Decree./.

**ON BEHALF OF THE  
GOVERNMENT  
PP. THE PRIME MINISTER  
DEPUTY PRIME MINISTER**

**Tran Hong Ha**

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