

**THE GOVERNMENT****THE SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

No. 94/2014/ND-CP

*Hanoi, October 17, 2014***DECREE****On the setting up and management of natural disaster prevention  
and control funds<sup>(\*)</sup>**

*Pursuant to the December 25, 2001 Law on Organization of the Government;*  
*Pursuant to the June 19, 2013 Law on Natural Disaster Prevention and Control;*  
*At the proposal of the Minister of Agriculture and Rural Development,*  
*The Government promulgates the Decree on the setting up and management of natural  
disaster prevention and control funds.*

## Chapter I

## GENERAL PROVISIONS

**Article 1.** Scope of regulation

This Decree provides for the setting up; contributors and contribution levels; and management and use of natural disaster prevention and control funds (below referred to as funds).

**Article 2.** Subjects of application

This Decree applies to Vietnamese agencies, organizations, households and individuals; foreign organizations and individuals and international organizations that currently reside or operate or are engaged in natural disaster prevention and control in Vietnam.

**Article 3.** Operation principles of funds

1. Funds shall be managed and used in a timely, public, transparent, equal and effective manner for proper purposes.
2. Funds shall operate for not-for-profit purposes.

**Article 4.** Setting up of funds

1. Funds shall be set up at the provincial level and managed by provincial-level People's Committees. The year-end balance of funds may be carried forward to the subsequent year.
2. Chairpersons of provincial-level People's Committees shall decide on the setting up of fund management agencies. Fund management agencies shall be located at provincial-level Agricultural and Rural Development Departments, have seals and may open accounts at state treasuries. Directors of funds shall be appointed, relieved from duty or dismissed by chairpersons of provincial-level People's Committees.

<sup>(\*)</sup> *Công Báo Nos 965-966 (01/11/2014)*

3. Chairpersons of provincial-level People's Committees shall promulgate Regulations on organization and operation of funds; and authorize district- and commune-level People's Committees to organize the collection of contributions to funds.

## Chapter II

### CONTRIBUTORS AND CONTRIBUTION LEVELS

#### **Article 5.** Contributors and contribution levels

##### 1. Independent accounting-practicing economic organizations:

The annual compulsory contribution level is 0.02% of the total value of current assets in Vietnam according to annual financial statements, which, however, must be at least VND 500,000 and at most VND 100 million, and may be accounted as production and business cost.

2. Vietnamese citizens aged between full 18 years and the retirement age prescribed by the labor law shall make contributions as follows:

a/ Salaried cadres, civil servants and public employees working in agencies, organizations and armed forces and managers of state enterprises shall contribute one day's salary/person/year calculated based on their base salary after deducting payable taxes and insurance premiums;

b/ Workers in enterprises shall contribute one day's wage/person/year calculated based on the region-based minimum wage;

c/ Other workers, other than those specified at Points a and b of this Clause shall contribute VND 15,000/person/year.

3. Organizations and individuals are encouraged to make voluntary contributions to funds.

**Article 6.** Subjects eligible for exemption from or reduction or suspension of payment of, contributions

##### 1. Subjects eligible for exemption from contributions:

a/ War invalids and diseased soldiers and persons eligible for the policy applicable to war invalids;

b/ Natural parents and spouses of fallen soldiers;

c/ Persons who are performing their military service duty in the armed forces, and non-commissioned officers and soldiers serving for a given term in the People's Public Security Forces and enjoying cost-of-living allowance;

d/ Students studying under long-term formal training programs at universities, colleges, intermediate and vocational training schools;

dd/ Persons with disabilities or persons who have lost 21% or more of their working capacity and people suffering from dangerous diseases certified by district- or higher-level health establishments;

e/ Persons who are unemployed or do not have any job for 6 months or more in a year;

g/ Members of poor households or households living just above the poverty line; members of households in mountainous, remote and deep-lying areas; members of households suffering from damage caused by natural disasters, epidemics, fires, explosions or accidents;

h/ Cooperatives that have no source of revenues.

i/ Independent accounting-practicing economic organizations that have spent more than 0.02% of their total asset value on repairing and purchasing assets, workshops and equipment or postponed production and business for 5 days or more in a year due to damage caused by natural disasters.

2. Subjects eligible for reduction or suspension of payment of contributions:

Independent accounting-practicing economic organizations eligible for enterprise income tax exemption or reduction shall be considered for reduction or suspension of payment of contributions to funds.

**Article 7.** Competence to decide on exemption from, or reduction or suspension of payment of, contributions

1. Provincial-level People's Committees are competent to decide on exemption from, or reduction or suspension of payment of, contributions, for the subjects specified in Article 6 of this Decree.

2. The exemption from, reduction and suspension of payment of, contributions to local funds shall be considered once a year at the time of assignment of collection quotas for funds. Organizations and individuals eligible for exemption from, reduction and suspension of payment of, contributions due to damage caused by natural disasters shall report the damage to local administrations for summarization and sending to competent agencies for exemption, reduction and payment suspension consideration. For those that have made contributions to funds before they are considered for contribution exemption, reduction or payment suspension, the paid sums of money may be subtracted from the subsequent year's contributions.

### Chapter III

#### MANAGEMENT AND USE OF FUNDS

**Article 8.** Management of collection and plans on collection for funds

1. Heads of independent accounting-practicing economic organizations shall pay contributions to funds according to the levels specified in Clause 1, Article 5 of this Decree, and transfer them into fund management agencies' accounts or district-level accounts authorized by provincial-level People's Committees.

2. Heads of agencies and organizations shall collect the contributions of their cadres, civil servants, public employees, workers, officers and public employees of the armed forces under their management, and transfer them into fund management agencies' accounts or district-level accounts authorized by provincial-level People's Committees.

3. Commune-level People's Committees shall collect the contributions of other workers in their localities (except those specified in Clause 2 of Article) and transfer them into district-level accounts authorized by provincial-level People's Committees. The collection of contributions in cash must use receipts issued by the Ministry of Finance.

4. Deadlines for payment of contributions: Individuals shall pay their contributions once a year before May 30; independent accounting-practicing economic organizations shall pay at least 50% of their contributions before May 30 and the remainder before October 30 every year.

5. Heads of agencies, organizations and commune-level People's Committees shall,

based on contributors and contribution levels under their management and subjects eligible for exemption from or reduction or suspension of payment of, contributions, prepare collection plans of their agencies, organizations or localities.

6. Chairpersons of provincial-level People's Committees shall guide the making of collection plans by, and approve and notify to, each related agency or unit.

**Article 9.** Spending contents of funds

1. Supporting natural disaster prevention and control activities specified in Clause 3, Article 10 of the Law on Natural Disaster Prevention and Control, including:

a/ Relieving and supporting the remediation of natural disaster consequences: Providing emergency relief in food, drinking water, curative medicines and other essentials to those suffering from damage caused by natural disasters; supporting the repair of houses, health establishments and schools, and for dealing with environmental sanitation issues in natural disaster-hit areas, repair of evacuation houses serving natural disaster prevention and control or urgent repair of natural disaster prevention and control facilities with a value of under VND 1 billion/facility;

b/ Supporting natural disaster response activities: Evacuating people out of dangerous areas; health care; providing food and drinking water to those in evacuation places; supporting observation, information, announcement, warning and alert of natural disasters at community;

c/ Supporting prevention activities: Disseminating the law on natural disaster prevention and control, making plans on and organizing drills of natural disaster prevention and control at the commune level.

2. Supporting at most 5% of the actually collected amounts annually to pay remuneration to collectors and other administrative expenses for collection work at the communal level.

3. Transferring funds to support other localities suffering from damage caused by natural disasters in case the remediation exceeds the capacity of these localities.

**Article 10.** Competence to decide on funds' spending

1. Chairpersons of provincial-level People's Committees may decide on spending levels and contents for eligible subjects at the request of provincial-level commanding committees for natural disaster prevention and control and search and rescue.

2. Provincial-level commanding committees for natural disaster prevention and control and search and rescue shall summarize the damage and support needs of district-level People's Committees and related agencies and units, and make proposals to chairpersons of provincial-level People's Committees.

3. Based on the actually collected amounts, chairpersons of provincial-level People's Committees shall decide on the use of their funds to support other localities.

4. The Prime Minister may decide to transfer local funds for supporting other localities as follows:

a/ For urgent transfer to support localities seriously affected by natural disasters, the Chairperson of the Central Steering Committee for Natural Disaster Prevention and Control shall coordinate with the chairpersons of related provincial-level People's Committees in

reporting and making proposals to the Prime Minister for decision;

b/ Based on annual revenue and expenditure finalization reports of local funds, the Central Steering Committee for Natural Disaster Prevention and Control shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development and the Ministry of Finance in, elaborating a plan on the use of the balance of local funds to maintain the balance of funds and transfer funds to support other localities seriously affected by natural disasters; and submitting it to the Prime Minister for decision.

**Article 11.** Reporting and approval of finalization reports

1. Fund management agencies shall make annual revenue and expenditure finalization reports and send them to provincial-level People's Committees in the first quarter of the subsequent year. Chairpersons of provincial-level People's Committees shall direct related agencies to verify and approve finalization reports under regulations.

2. Provincial-level People's Committees shall report on funds' revenue and expenditure finalization to the Central Steering Committee for Natural Disaster Prevention and Control, the Ministry of Agriculture and Rural Development and the Ministry of Finance.

**Article 12.** Inspection, audit and supervision of funds' operation

1. Natural disaster prevention and control funds are subject to examination, inspection and audit by state agencies under regulations.

2. Chairpersons of provincial-level People's Committees shall direct related agencies and units to examine and supervise funds' operations. They shall take measures to urge agencies, organization and individual to fully contribute to funds in according with law.

3. Provincial-level Fatherland Front Committees and associations related to funds may request provision of information on funds, and exercise their oversight power through giving opinions, proposals and criticisms.

**Article 13.** Publicity of funds' revenues and expenditures

1. Agencies, units and organizations shall publicize lists of cadres, civil servants, public employees and workers who make contributions to funds. The forms of publicity include written notification and public display at units; and notification at meetings of cadres, civil servants, public employees and workers at units. The publicization shall be made within 30 days after completion of collection.

2. Commune-level People's Committees shall publicize collected amounts and lists of workers who have made contributions in their communes, and the total funds allocated for natural disaster prevention and control and spending contents. The forms of publicity include reporting at year-end review meetings; public display at head offices of People's Committees and cultural centers of villages, and announcement via communes' public addressing systems.

3. Fund management agencies shall publicize collected amounts, lists and contribution levels of agencies, organizations, units and districts; revenue and expenditure finalization reports; and spending contents in district-level localities. The forms of publicity include public display at the head offices of the funds; written notification to contributing agencies and organizations; and posting on their websites.

## Chapter IV

RESPONSIBILITIES AND OBLIGATIONS OF AGENCIES,  
ORGANIZATIONS AND INDIVIDUALS

**Article 14.** Responsibilities of People's Committees at all levels, the Central Steering Committee for Natural Disaster Prevention and Control and related ministries, ministerial-level agencies and government-attached agencies

1. Provincial-level People's Committees shall organize funds' collection and spending; direct the inspection, examination and supervision of funds' operations; and direct publicity of funds according to this Decree and relevant regulations.

2. Chairpersons of district- and commune-level People's Committees and heads of agencies and organizations shall organize collection and payment of contributions to funds according to Article 8, Chapter III of this Decree.

3. The Central Steering Committee for Natural Disaster Prevention and Control shall assume the prime responsibility for, and coordinate with the Ministry of Finance, the Ministry of Agriculture and Rural Development and related ministries, ministerial-level agencies and government-attached agencies in, inspecting and urging the implementation of this Decree; and annually summarize implementation results and report them to the Prime Minister.

**Article 15.** Obligations of independent accounting-practicing economic organizations and individuals obliged to make contributions to funds

Independent accounting-practicing economic organizations and individuals specified in Article 5, Chapter II of this Decree shall contribute to funds under regulations.

## Chapter V

## IMPLEMENTATION PROVISIONS

**Article 16.** Effect

1. This Decree takes effect on December 8, 2014.

2. This Decree replaces the Government's Decree No. 50/CP of May 10, 1997, issuing the Regulation on the setting up and operation of local funds for flood and storm prevention and control.

3. Organizations and individuals that have made contributions to funds for flood and storm prevention and control for 2014 in accordance with the Government's Decree No. 50/CP of May 10, 1997, before the effective date of this Decree, are exempted from contribution to natural disaster prevention and control funds for 2014. The balance of flood and storm prevention and control funds shall be transferred to natural disaster prevention and control fund management agencies for management and use under this Decree.

**Article 17.** Implementation responsibility

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

*On behalf of the Government*

Prime Minister

NGUYEN TAN DUNG