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DECREE

MANAGEMENT, USE, AND UTILIZATION OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Pursuant to the Law on Government Organization dated June 19, 2015;

Pursuant to Law on amendments to Law on Government Organization and Law on Local Governmental Organization dated November 22, 2019;

Pursuant to Law on Management and Use of Public Property dated June 21, 2017;

At request of Minister of Finance;

The Government promulgates Decree on management, use, and utilization of clean water supply infrastructure assets.

Chapter I

GENERAL PROVISIONS

Article 1. Scope

1. This Decree prescribes the management, use, and utilization of clean water supply infrastructure assets invested and managed by the State, including:

- a) Centralized clean water supply infrastructure assets in rural areas.
- b) Clean water supply infrastructure assets in urban areas.

2. This Decree does not apply to:

- a) Clean water supply infrastructure assets invested and managed by entities other than the State.
- b) Clean water supply infrastructure assets located in industrial parks, export-processing zones, hi-tech zones (including industrial parks, export-processing zones, hi-tech zones in economic zones).

c) Individual clean water supply infrastructure assets, including those for extracting and processing water for one or multiple households such as: household water collection and storage, water wells (dug wells, groundwater wells in unconfined aquifers), small-diameter drilled wells.

Article 2. Regulated entities

1. Authorities in charge of clean water supply infrastructure assets.
2. Public service providers.
3. People's Committees of communes, wards, and commune-level towns (hereinafter referred to as "commune-level People's Committees").
4. Enterprises.
5. Other organizations and individuals related to management, use, and utilization of clean water supply infrastructure assets.

Article 3. Definition

In this Decree, terms below are construed as follows:

1. "clean water supply infrastructure assets" (including land attached to clean water supply infrastructure assets) include: water extraction work items, water processing work items, clean water supply pipeline network, and related auxiliary work items.
2. "relevant auxiliary work items" refer to auxiliary work items that assist the management, operation, maintenance, and repair of water supply system such as: administration buildings, management and coordination buildings, material and equipment storage, yards, roads, fences, electrical substations, valve pits, meters, hydrants, and other relevant work items as per the law.
3. "clean water supply infrastructure assets invested and managed by the State" include: assets partially or wholly invested from the state budget; assets established under general public ownership as per the law; assets transferred to the government by project developers of urban, residential area projects as per the law.
4. "authorities in charge of clean water supply infrastructure assets" include:
 - a) Central authorities in charge of clean water supply infrastructure assets are Ministry of Agriculture and Rural Development and Ministry of Construction under assignment of the Government.

b) Local authorities in charge of clean water supply infrastructure assets are People's Committees of provinces and central-affiliated cities (hereinafter referred to "provincial People's Committees").

Clean water supply authorities affiliated to provincial People's Committees shall assist provincial People's Committees to perform state management regarding clean water supply in the provinces and cities are: Departments of Agriculture and Rural Development and Departments of Construction.

5. "self operation and utilization of clean water supply infrastructure assets" refers to a situation when an entity assigned to manage assets entirely carry out or partially carry out and assign other entities to partially carry out operation and utilization of the assets.

6. "leasing the right to utilize clean water supply infrastructure assets" refers to a situation when the Government leases the right to utilize clean water supply infrastructure assets to an organization/organizations in order to produce and sell clean water for a definite period of time as per contract for a payment.

7. "temporary transfer of the right to utilize clean water supply infrastructure assets" refers to a situation where the Government temporarily transfers the right to utilize available clean water supply infrastructure assets together with investment in upgrade and expansion of available assets according to projects approved by competent authority to an organization/organizations in order to produce, sell clean water for a definite period of time for a payment.

8. "sale of clean water supply infrastructure assets" refers to a situation where the Government transfers clean water supply infrastructure assets on land (excluding land use right) to organizations for management, use, and utilization in production and sale of clean water for a payment. Organizations that purchase the assets are not allowed to repurpose the assets; must manage and use land in accordance with land laws.

Article 4. Rules in management, use, and utilization of clean water supply infrastructure assets

1. All clean water supply infrastructure assets invested and managed by the State shall be handed over to managing entities by the State as per the law.

The handover of clean water supply infrastructure assets to managing entities must rely on specific conditions regarding scale of water supply and treatment work items, technology, socio-economic characteristics of each administrative division, and other conditions according to this Decree.

Land allocation, land lease, land levy collection, land levy exemption and reduction, and management, use of land attached to clean water supply infrastructure assets shall conform to land laws.

2. Provincial People’s Committees shall decide to hand state management responsibilities for clean water supply infrastructure assets in the provinces and cities over to clean water supply authorities affiliated to provincial People’s Committees (hereinafter referred to as “clean water supply authorities”) in a manner that guarantees consistency, specifies entitlement and responsibilities of each clean water supply authority, responsibilities for cooperation between clean water supply authorities, and adheres to asset scales and socio-economic characteristics of the provinces and cities.

3. The Government shall encourage private sector involvement in order to mobilize and diversify resources for maintenance, development, and utilization of clean water supply infrastructure assets.

4. Clean water supply infrastructure assets shall be recorded and accounted in full in terms of both value and tangible assets; subject to asset depreciation and maintenance regulations as per the law. Agencies, entities, and enterprises assigned to manage clean water supply infrastructure assets and relevant organizations shall keep accurate accounts as per applicable laws.

5. The management, use, and utilization of clean water supply infrastructure assets must be public and transparent; serving the improvement of lives and health of the general public and social security; supervised, investigated, inspected, and audited and all violations of the law regarding management, use, and utilization of clean water supply infrastructure assets must be promptly and strictly penalized.

6. Regarding clean water supply infrastructure assets that are no longer capable of providing water or no longer conforming to planning approved by competent authorities, the expropriation of land attached to assets shall conform to land laws and relevant law provisions.

Chapter II

MANAGEMENT, USE, AND UTILIZATION OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Section 1. HANDOVER OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 5. Recipients and methods of clean water supply infrastructure asset handover

1. Entities receiving centralized clean water supply infrastructure assets in rural areas include:

- a) Public service providers that also provide clean water.
- b) Commune-level People’s Committees.

c) State-owned enterprises, state-invested joint-stock companies (hereinafter referred to as “state-owned enterprises”) that produce and sell clean water in accordance with regulations and law on investment, enterprises, clean water production and sale.

d) Clean water supply authorities.

2. Entities receiving clean water supply infrastructure assets in urban areas include:

a) Public service providers that also provide clean water.

b) State-invested enterprises that produce, sell clean water in accordance with regulations and law on investment, enterprises, and clean water production and sale.

c) Clean water supply authorities.

3. Methods of handing over clean water supply infrastructure assets

a) Record clean water supply infrastructure assets as an increase in assets of public service providers in accordance with Point a Clause 1, Point a Clause 2 of this Article (hereinafter referred to as “entities”), commune-level People’s Committees in accordance with Point b Clause 1 of this Article (hereinafter referred to as “agencies”).

b) Record clean water supply infrastructure assets as an increase in state budget for state-invested enterprises in accordance with Point c Clause 1, Point b Clause 2 of this Article in order to produce and sell clean water in accordance with regulations and law on management and use of state capital to invest in production and sale at enterprises, regulations and law on enterprises and relevant law provisions.

c) Hand clean water supply infrastructure assets to water supply authorities in order to produce utilization plans by:

Selling assets to organizations via auctions to manage, use, and utilize assets for clean water production and sale in case the handover mentioned under Points a and b of this Clause cannot be implemented;

Leasing the right to utilize or temporarily transfer the right to utilize clean water supply infrastructure assets if the assets have been transferred to commune-level People’s Committees resulting in ineffective management, use, and utilization.

Article 6. Entitlement, procedures for handing over clean water supply infrastructure assets to commune-level People’s Committees, public service providers, and state-invested enterprises

1. Provincial People’s Committees shall consider and issue decisions handing over clean water supply infrastructure assets to agencies, entities, and state-invested enterprises in accordance with Points a, b, and c Clause 1 and Points a and b Clause 2 Article 5 hereof.

2. Procedures for handing over clean water supply infrastructure assets

a) Project developers (for clean water supply infrastructure assets newly built or procured); agencies and entities assigned to receive assets from project developers of urban, residential area projects; entities in charge of asset settlement (for clean water supply infrastructure assets established under public ownership) shall send documents and asset dossiers to clean water supply authorities. The asset dossiers include:

List of assets requested for handover (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy;

Record of asset inspection (for assets newly built or procured; assets received from project developers of projects in urban areas, residential areas): 1 authentic copy;

Decision on establishment of public ownership (for assets established under public ownership): 1 authentic copy;

Other relevant documents (if any): 1 copy.

b) Within 60 days from the date on which adequate documents under Point a of this Clause are received, clean water supply authorities shall attach the documents and request financial authorities of the same levels and relevant authorities to provide remarks. Request for remarks consists of:

Written request for remarks and draft solutions for handing over assets to managing entities; which specifies receiving entities, handover methods, reasons of handover; list of assets requested for handover (name of asset; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy;

Written remarks of agencies, entities, and entities expected to receive assets: 1 authentic copy;

Written remarks of state investment representative agencies (in case expected receiving entities are state-invested enterprises): 1 authentic copy;

Written remarks of superiors (if expected receiving entities are agencies, entities) (if any): 1 authentic copy;

Documents mentioned under Point a of this Clause: 1 copy;

Other relevant documents (if any): 1 copy.

c) Within 15 days from the date on which written request of clean water authorities is received; financial authorities of the same level and relevant authorities are responsible

for providing written remarks about asset handover solutions within their functions and tasks.

d) Within 15 days from the date on which written remarks of authorities under Point c of this Clause are received, clean water authorities shall finalize and submit the solutions to provincial People's Committees. The documents include:

Written request for remarks and draft solutions for handing over assets to managing entities; which specifies receiving entities, handover methods, reasons of handover; list of assets requested for handover (name of asset; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy;

Remarks of relevant authorities: 1 copy;

Documents mentioned under Point b of this Clause: 1 copy;

Other relevant documents (if any): 1 copy.

dd) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review and decide to hand over assets to agencies, entities, or enterprises or provide written response in case of inadequate request for asset handover.

e) Decision on asset handover consists of:

Name of agencies, entities, and enterprises receiving the assets;

Form of handing over assets (recording as an increase in assets/recording an increase in state capital in enterprises);

List of assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions);

Responsibilities for implementation.

3. Based on Decision on handover of clean water supply infrastructure assets of provincial People's Committees, clean water authorities shall take charge and cooperate with financial authorities of the same levels, handing parties, and receiving parties in organizing asset handover. The handover of assets must be recorded in writing.

4. After receiving clean water supply infrastructure assets:

a) Receiving entities, agencies are responsible for recording an increase in assets, managing, using, and utilizing assets in accordance with this Decree, regulations and law on production, sale of clean water, and relevant law provisions.

b) State-invested enterprises are responsible for reporting to competent agencies, individuals in order to record an increase in state capital in enterprises in accordance with regulations and law on management and use of state capital in production and sale at enterprises; manage, use, and utilize assets in accordance with regulations and law on production and sale of clean water, regulations on management and utilization of state capital in production and sale at enterprises, regulations on enterprises, and relevant law provisions; report to competent agencies and individuals in accordance with Article 24 hereof.

c) The management and use of land attached to clean water supply infrastructure assets shall be implemented in accordance with regulations and law on land, production and sale of clean water, and relevant law provisions.

Article 7. Entitlement, procedures for handing over clean water supply infrastructure assets to clean water authorities and approving utilization solutions to clean water authorities

1. Provincial People's Committees shall review and decide to hand over clean water supply infrastructure assets to clean water authorities and approve solutions for handing assets to clean water authorities according to Point d Clause 1 and Point c Clause 2 Article 5 hereof.

2. Procedures for handing over and approving asset utilization solutions by leasing the right to utilize or temporarily transferring the right to utilize assets.

a) Commune-level People's Committees shall produce request for handing assets over to clean water authorities for utilization. The request includes:

Request for asset handover, which clarifies reason for handover and list of assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy;

Other relevant documents (if any): 1 copy.

b) Within 30 days from the date on which adequate documents are received, clean water authorities shall send documents and copies of documents under Point a of this Clause to financial authorities of the same levels and relevant authorities to request feedback.

Request for remarks consists of:

Written request for feedback and draft solutions for handing over and utilizing assets (solutions for utilizing assets using Form No. 04A and Form No. 04B under Appendix attached hereto): 1 authentic copy;

Documents mentioned under Point a of this Clause: 1 copy;

Other relevant documents (if any): 1 copy.

c) Within 15 days from the date on which written request of clean water authorities is received; financial authorities of the same level and relevant authorities are responsible for providing written remarks about draft asset handover and utilization solutions within their functions and tasks.

d) Within 15 days from the date on which written remarks of authorities under Point c of this Clause are received, clean water authorities shall finalize and submit the solutions to provincial People's Committees. The request includes:

Written request and asset handover and utilization solutions (asset utilization plans using Form No. 04A, Form No. 04B under Appendix attached hereto) on the basis of explanation and feedback of relevant authorities: 1 authentic copy;

Remarks of relevant authorities: 1 copy;

Documents mentioned under Point b of this Clause: 1 copy;

Other relevant documents (if any): 1 copy.

dd) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review, decide to hand over and approve asset utilization plans or provide written response in case of inadequate request.

e) Decision on handover and approval of asset utilization solutions containing:

Name of agencies requesting asset handover;

Name of clean water authorities receiving and utilizing assets;

Forms of utilizing the assets (leasing the right to utilize assets/temporarily transfer the right to utilize assets);

List of assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions);

Responsibilities for implementation.

g) Based on Decision on handover and approval of asset utilization solutions of provincial People's Committees, clean water authorities shall take charge and cooperate with relevant authorities in utilizing the assets (leasing the right to utilize assets in accordance with Clauses 6, 7, 8, 9, and 10 Article 14 hereof/temporarily leasing the right to utilize assets in accordance with Clauses 6, 7, 8, 9, 10, and 11 Article 15 hereof).

h) Once organizations that carry out asset utilization solutions are selected under Point b Clause 6 Article 14, Point b Clause 6 Article 15 hereof, clean water authorities shall hand

over and receive assets from commune-level People's Committees to carry out tasks under Clauses 6, 7, 8, 9, and 10 Article 14; Clauses 6, 7, 8, 9, 10, and 11 Article 15 hereof.

i) During the period from the date on which clean water authorities request provincial People's Committees to issue Decision approving asset handover and utilization solutions to the date on which the handover and receipt of assets mentioned under Point h of this Clause take place, commune-level People's Committees are responsible for managing, using, and utilizing clean water supply infrastructure assets in accordance with this Decree, regulations and law on clean water production and sale, and relevant law provisions.

3. Procedures for handing over and approving asset utilization solutions in form of selling.

a) Project developers (for clean water supply infrastructure assets newly built or procured); agencies and entities assigned to receive assets from project developers of urban, residential area projects; entities in charge of asset settlement (for clean water supply infrastructure assets established under public ownership) shall send documents and asset dossiers to clean water supply authorities.

Document compositions shall conform to Point a Clause 2 Article 6 hereof.

b) Within 30 days from the date on which adequate documents under Point a of this Clause are received, clean water authorities shall draft asset handover and utilization solutions and send written request for remarks and copies of the documents to financial authorities of the same levels, relevant authorities, including commune-level People's Committees where the assets, public service providers that provide clean water, state-invested enterprises that produce, sell clean water. Request for remarks consists of:

Written request for feedback and draft solutions for handing over and utilizing assets (solutions for utilizing assets using Form No. 04C under Appendix attached hereto): 1 authentic copy;

Documents mentioned under Point a of this Clause: 1 copy;

Other relevant documents (if any): 1 copy.

c) Within 15 days from the date on which written request of clean water authorities is received; financial authorities of the same level and relevant authorities are responsible for providing written remarks about draft asset handover and utilization solutions within their functions and tasks.

d) Within 15 days from the date on which written remarks of authorities under Point c of this Clause are received, clean water authorities shall finalize and submit the solutions to provincial People's Committees. The documents include:

Written request, asset handover and utilization solutions which specify list of assets handed over and utilized (name of asset; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions); method of utilization (auction): 1 authentic copy;

Remarks of relevant authorities: 1 copy;

Documents mentioned under Point b of this Clause: 1 copy;

Other relevant documents (if any): 1 copy.

dd) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review, decide to hand over and approve asset utilization plans or provide written response in case of inadequate request.

e) Decision on handover and approval of asset utilization solutions shall contain:

Name of agencies receiving the assets;

Form of utilizing assets (auction);

List of assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions);

Responsibilities for implementation.

g) Based on Decision on handover and approval of asset utilization solutions of provincial People's Committees, clean water authorities shall take charge and cooperate with handing parties and financial authorities of the same levels in handing over and receiving assets. The handover and receipt of assets must be recorded in writing.

h) After receiving clean water supply infrastructure assets, clean water supply authorities are responsible for cooperating with relevant authorities in auctioning assets in accordance with Article 8 hereof.

i) During implementation of asset auctioning, clean water authorities are responsible for managing, using, and utilizing clean water supply infrastructure assets in accordance with this Decree, regulations and law on clean water production and sale, and relevant law provisions.

Article 8. Sale of clean water supply infrastructure assets

1. The sale of clean water supply infrastructure assets shall be implemented via auctions as per the law.

a) Organizations participating in auctions for procurement of clean water supply infrastructure assets must engage in the production and sale of clean water in accordance with regulations and law on investment, sale and production of clean water; be financially capable; be capable of managing, operating, and utilizing clean water supply infrastructure assets.

b) Organizations that procure clean water supply infrastructure assets shall manage and use the assets for the production and sale of clean water (without repurposing the assets) in accordance with regulations and law on enterprises, clean water production and sale and relevant law provisions.

c) Organizations that procure clean water supply infrastructure assets shall manage and use land attached to procured assets in accordance with regulations and law on land, clean water production and sale, and relevant law provisions applicable to business structures of the procuring organizations.

2. Determine the opening bid of clean water supply infrastructure assets

a) The opening bid of clean water supply infrastructure assets must conform to market price of equivalent assets or assets with similar technical standards without being lower than the revalued amount of the assets as per the law and without including VAT.

b) Clean water authorities shall hire organizations eligible for valuation operation or take charge, cooperate with Departments of Finance and relevant authorities in establishing Council for valuation in order to determine opening bid and request Departments of Finance to appraise; clean water authorities shall then consolidate and request provincial People's Committees to decide to approve opening bid of assets.

3. Clean water authorities are responsible for hiring auctioning organizations to organize auctions of clean water supply infrastructure assets. The selection of auctioning organizations shall conform to regulations and law.

Procedures for auctioning clean water supply infrastructure assets shall conform to regulations and law on asset auction. Auctions of clean water supply infrastructure assets via the Electronic trading system for public assets. Information on auctions shall be publicly posted and announced in accordance with regulations and law on auctions and uploaded on the Electronic trading system for public assets or Website on public assets.

4. Successful bidders for clean water supply infrastructure assets are responsible for making payments within 180 days from the date on which they sign the Contract for asset procurement in 2 installments where the first installment must cover at least 50% of the contract's value and must be made within 90 days from the date on which they sign the Contract for asset procurement.

If the successful bidders fail to make adequate payments past the aforementioned deadline (specified under the Contract for asset procurement), the successful bidders must

incur a late payment penalty according to tax administration laws. Clean water authorities shall submit written request, copy of the Contract for asset procurement, and proof of payment of procuring organizations to Departments of Taxation in order to enable Departments of Taxation to determine and issue Notice on late payment penalty (if any) in accordance with tax administration laws.

5. Clean water authorities are responsible for issuing invoice on sale of public assets to procuring organizations in accordance with regulations and law on management and use of public assets as soon as the procuring organizations complete the payments and hand over the assets; the handover and receipt of assets must be recorded in writing.

6. Deadline for making purchase payments; deadline for handing over assets; resolution of responsibilities of the parties in case of default of Contract for procurement; effective period of asset expropriation measures without refund in case payments have not been fully made past the payment deadline must be specified in the Regulations on asset auction and Contract for asset procurement.

Based on effective period of asset expropriation measures specified under Regulations on asset auction and Contract for asset procurement, provincial People's Committees shall consider and issue decisions on asset expropriation without refunding the made payments to the procuring organizations at request of clean water authorities.

7. Handling an unsuccessful auction of clean water supply infrastructure assets:

a) Organize the second auction in case of unsuccessful first auction.

b) If the second auction is also unsuccessful, clean water supply authorities shall report to provincial People's Committees in order to change methods of selling clean water supply infrastructure assets in accordance with Clause 8 of this Article.

8. Procedures for changing methods of selling clean water supply infrastructure assets:

a) Within 7 working days from the date on which an auction is deemed unsuccessful, clean water authorities are responsible for submitting written request to the provincial People's Committee for review and annulment of decision on asset auction. The written request consists of:

Written request for annulment of decision on asset auction of clean water authorities (which specifies the reasons for unsuccessful auction and full description of organization process): 1 authentic copy;

Decision on asset auction of provincial People's Committee: 1 authentic copy;

Record of asset auction (if any) and documents related to organization process: 1 copy.

b) Within 7 working days from the date on which adequate documents are received, provincial People's Committee shall review and issue decision on annulment of decision on asset auction or request another auction to be organized in writing.

In case the provincial People's Committee issues Decision on annulment of asset auction, clean water authorities shall request competent agencies, individuals in writing to hand over assets in accordance with Points a, b, and c Clause 1 and Points and b Clause 2 Article 5 hereof.

9. Revenues generated by the auction of clean water supply infrastructure assets shall be managed and used in accordance with Article 22 hereof.

Section 2. MANAGEMENT DOSSIERS AND ACCOUNTING OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 9. Management dossiers of clean water supply infrastructure assets

1. Management dossiers of clean water supply infrastructure assets consist of:

a) Documents relating to the creation and changes of assets:

Decision on handover, transfer of assets issued by competent agencies, individuals; record of asset handover and receipt;

Legal documents on land (Decision on land allocation, land leasing; Contract for land rental; Certificate of use right of land and asset attached to land);

Other relevant documents.

b) Initial reports on implementation, subsequent reports on implementation conforming to Article 24 hereof (using Forms No. 01A, 01B, 01C, and 01D under appendix attached hereto).

c) Report on management, use, and utilization of asset according to Article 24 hereof (using Forms No. 02A, 02B, 02C, 02D, 02D, 03A, 03B, 03C, 03D, 03DD, and 03E under Appendix attached hereto).

d) Information in the database on clean water supply infrastructure assets according to Article 25 hereof.

2. Agencies, entities, and clean water authorities assigned to manage clean water supply infrastructure assets are responsible for producing documents, managing, and storing asset dossiers as per the law and producing reports in accordance with this Decree.

Article 10. Accounting of clean water supply infrastructure assets

1. Clean water supply infrastructure assets that are a stand-alone structure or a system consisting of multiple asset parts that connect with one another to perform certain functions shall be a single subject in the accounting book.

If clean water supply infrastructure assets are a system handed over to multiple managing agencies and entities, the assets assigned to each managing agency, entity shall be recorded in accounting book following the aforementioned principles.

2. Agencies and entities assigned to manage clean water supply infrastructure assets are responsible for:

a) logging and accounting assets in accordance with regulations and law on accounting and this Decree.

b) submitting reports on increase, decrease, distribution of depreciation, calculation of depreciation of assets as per the law.

3. Rules of bookkeeping in some cases:

a) Book value of clean water supply infrastructure assets used before the effective date hereof which have been recorded shall remain unchanged.

b) For clean water supply infrastructure assets used before the effective date hereof which have not been monitored and logged, revalued amount or investment of structures with equivalent class, grade, capacity (whose value has been logged in accounting book) shall prevail after deducting the time necessary for bookkeeping.

c) For clean water supply infrastructure assets procured, invested, brought into use from the effective date hereof, the procured and recorded value shall be book value.

If finalization of assets invested, completed, and brought into use has not been approved by competent authorities or individuals, provisional input value shall be book value; provisional input value shall be determined following the order of priority: value requested for finalization; value determined under Record of commissioning AB; estimate value of approved projects. Once finalization has been approved, accountants shall adjust book values in accordance with accounting laws.

d) If clean water supply infrastructure assets are upgraded or expanded under projects approved by authorities and individuals during management and use, when finalization of projects is approved by competent authorities and individuals, accountants shall record an increase in asset value based on the approved finalization value.

Section 3. MAINTENANCE OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 11. Maintenance of clean water supply infrastructure assets

1. Clean water supply infrastructure assets must be maintained following procedures, plans, standards, and norms in order to maintain technical conditions of the assets, ensure normal operation and safety during use and utilization.

2. Determination of maintenance costs for clean water supply infrastructure assets shall be implemented in accordance with regulations and law on construction maintenance costs.

3. Maintenance costs for clean water supply infrastructure assets shall be included in clean water production and sale costs in the accounting period of water suppliers in accordance with regulations and law on accounting, clean water production and sale, and relevant law provisions.

If clean water supply infrastructure assets are handed over to commune-level People's Committees under Point b Clause 1 Article 5 hereof in communes where state authorities are entitled to set tap water price lower than the production costs in order to encourage the general public to use clean water, provincial People's Committees shall rely on specific conditions to review and decide on allocation of asset maintenance costs from state budget. The allocation, management, and use of asset maintenance costs shall conform to regulations and law on state budget.

4. If organizations that are holding the right to utilize assets (either by renting or receiving transferred right to utilize assets) have the obligations to carry out maintenance as per the contract, they must perform maintenance of clean water supply infrastructure assets in accordance with regulations and law on clean water production and sale and relevant law provisions.

5. Regarding assets handed over to state-invested enterprises according to Point c Clause 1 and Point b Clause 2 Article 5 hereof, the maintenance of these assets shall conform to regulations and law on management and use of state capital invested in production and trade in enterprises, regulations on enterprises, clean water production and sale, and relevant law provisions.

Article 12. Organizing maintenance of clean water supply infrastructure assets

1. Procedures for producing and approving plans and estimates of maintenance costs of clean water supply infrastructure assets shall conform to regulations and law on state budget:

a) Based on technical regulations, norms, unit price, and workload of maintenance tasks, agencies, entities, and clean water authorities assigned to manage the assets shall produce plans and estimates of asset maintenance costs (except for cases of maintenance under Clause 5 Article 11 hereof), submit reports to superiors (if any) and provincial People's Committees for consideration and inclusion in the annual state budget estimates as per state budget laws.

b) On the basis of decision on allocation of state budget estimates of competent agencies and individuals, provincial People's Committees shall allocate state budget estimates for maintenance of clean water supply infrastructure assets to agencies, entities, and clean water authorities assigned to manage the assets.

c) Agencies, entities, and clean water authorities assigned to manage clean water supply infrastructure assets shall organize implementation of state budget estimates for maintenance of clean water supply infrastructure assets as per the law.

2. Procedures for producing and approving medium-term plans, estimates for asset maintenance for 3 years and 5 years in the 3-year state budget financial plan and 5-year state budget financial plan shall conform to regulations and law on state budget.

3. Selection of entities in charge of maintaining clean water supply infrastructure assets shall be implemented in accordance with bidding laws and relevant law provisions; except for cases where the Government places order or assigns tasks in accordance with regulations of the Government on production and provision of public products, services or assigns contractors to carry out maintenance as per the law.

4. Payment and finalization of maintenance costs of clean water supply infrastructure assets shall conform to state budget laws and relevant law provisions.

Section 4. UTILIZATION OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 13. Operation and asset utilization of agencies and entities assigned to manage clean water supply infrastructure assets

1. Based on functions and operation of clean water supply infrastructure assets:

a) Agencies and entities assigned to manage assets shall directly carry out tasks of asset operation and utilization.

b) Agencies and entities assigned to manage assets shall assign other organizations, entities, and individuals to handle the following tasks of asset operation and utilization:

Asset operation;

Asset maintenance;

Collection of water bill;

Other tasks relating to asset operation and maintenance.

Regulations on assignment of one or several tasks of asset operation and utilization under this Point do not apply to clean water supply infrastructure assets in urban areas.

2. The assignment of operation and utilization of clean water supply infrastructure assets under Point b Clause 1 of this Article shall be implemented as follows:

a) Heads of agencies, entities shall decide tasks to be assigned, unit price of assigned tasks during asset operation and utilization mentioned under Point b Clause 1 of this Article.

b) Agencies and entities assigned to manage assets are responsible for:

Selecting organizations, entities, and individuals to receive the assigned tasks in accordance with bidding laws;

Signing assignment contract as per the law;

Inspecting and supervising the implementation of Contract and commissioning, paying assignment costs as per signed contract.

Article 14. Leasing the right to utilize clean water supply infrastructure assets

1. The leasing of right to utilize clean water supply infrastructure assets applies to assets assigned to entities under Point a Clause 1, Point a Clause 2 Article 5 hereof or assigned to clean water authorities under Point d Clause 1, Point c Clause 2 Article 5 hereof.

Duration of lease of the right to utilize assets shall be clearly identified under the Contract without exceeding the remaining useful life of the assets as per the law; in case the leasing of right to utilize involves multiple assets with varying remaining useful life, the lease duration shall not exceed the longest useful life among them all.

2. Provincial People's Committees shall approve solutions for leasing the right to utilize clean water supply infrastructure assets.

3. The leasing of right to utilize clean water supply infrastructure assets shall be implemented via auctions. Criteria for selecting organizations for auction include:

a) Must engage in clean water production and sale in accordance with regulations and law on investment, and clean water production, sale.

b) Must be financially capable; capable of managing, operating, and utilizing clean water supply works.

4. Procedures for leasing the right to utilize clean water supply infrastructure assets for cases where assets are handed over to clean water authorities shall conform with Clause 2 Article 7 hereof.

5. Procedures for leasing the right to utilize clean water supply infrastructure assets for cases where assets are handed over to entities under Point a Clause 1 and Point a Clause 2 Article 5 hereof are as follows:

a) Entities assigned to manage assets shall produce solutions for leasing the right to utilize assets and submit to clean water authorities. Documents include:

Written request of entities assigned to manage assets: 1 authentic copy;

Solution for leasing asset utilization right using Form No. 04A under Appendix attached hereto: 01 authentic copy;

Other relevant documents (if any): 01 copy.

b) Within 15 days from the date on which adequate documents are received, clean water supply authorities shall send request for remarks and copies of documents under Point a of this Clause to financial authorities of the same levels and relevant authorities.

c) Within 15 days from the date on which request of clean water authorities is received, financial authorities of the same level and relevant authorities are responsible for providing written remarks about solutions for leasing the right to utilize assets based on their functions and tasks.

d) Within 30 days from the date on which written remarks of authorities under Point c of this Clause are received, clean water authorities shall:

Direct entities assigned to manage assets to receive, adjust, and finalize documents;

Submit written request, written remarks of relevant authorities, and finalized documents to request provincial People's Committees to approve solutions for leasing the right to utilize assets.

dd) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review and issue decisions approving solutions for leasing the right to utilize assets or provide written response in case of inadequate leasing solutions.

6. Based on solutions for leasing the right to utilize clean water supply infrastructure assets approved by provincial People's Committees, clean water authorities (for cases under Clause 4 of this Article) or entities assigned to manage assets (for cases under Clause 5 of this Article) shall lease the right to utilize assets as follows:

a) Determining opening bid of the right to utilize assets in accordance with Article 16 hereof.

b) Organize auctions to lease the right to utilize assets in accordance with bidding laws.

c) Sign Contract for lease of the right to utilize assets as per the law.

7. The Contract for lease of the right to utilize clean water supply infrastructure assets consists of:

a) Lessor information.

b) Lessee information.

c) List of assets with right to utilize for lease (name of assets; address; type of work items; initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions).

d) Duration of lease; price for lease; methods and deadline for payment of rent and late payment penalty (if any); responsibilities and technical requirements for asset maintenance.

dd) Rights and obligations of parties.

e) Implementation responsibilities.

8. The lessee of the right to utilize clean water supply infrastructure assets has the right to:

a) actively organize the asset utilization according to regulations and law, and the signed Contract.

b) decide on operation and utilization of assets in accordance with regulations and law on clean water production and sale.

c) collect revenues generated by clean water sale and other related services (if any) as per the law and signed Contract.

dd) exercise other rights of the lessee as per law.

9. The lessee of the right to utilize clean water supply infrastructure assets has the obligation to:

a) protect the leased assets (including the land attached thereto); prevent losses, trespasses and other violations as per law.

b) use and utilize the leased assets in the correct purposes; refrain from transferring, selling, gifting, mortgaging or contributing as capital.

c) maintain assets in accordance with technical requirements and other regulations according to signed Contract; fulfill obligations with state budget (if any).

d) pay rent of the right to utilize assets adequately and promptly as per the Contract.

dd) inform the lessor about conditions of the assets on a periodic or irregular basis and ensure continuous, stable supply of clean water.

dd) be inspected, supervised by the lessor; cooperate with the lessor in dealing with any difficulties that arise.

g) fulfill other obligations as per the law and Contract.

10. Revenues generated from the leasing of the right to utilize clean water supply infrastructure assets shall be managed and used in accordance with Article 22 hereof.

Article 15. Temporary transfer of the right to utilize clean water supply infrastructure assets

1. The temporary transfer of the right to utilize clean water supply infrastructure assets applies to assets handed over to entities under Point a Clause 1, Point a Clause 2 Article 5 hereof or handed over to clean water authorities under Point d Clause 1, Point c Clause 2 Article 5 hereof.

Duration of temporary transfer of the right to utilize assets shall be identified under Contract for transfer without exceeding 20 years.

2. Provincial People's Committees shall approve solutions for temporary transfer of the right to utilize clean water supply infrastructure assets.

3. The temporary transfer of the right to utilize clean water supply infrastructure assets shall be implemented via auctions. Criteria for participating in auctions:

a) Organizations participating in auctions for temporary transfer of the right to utilize clean water supply infrastructure assets must engage in clean water production and sale in accordance with regulations and law on investment, clean water production and sale; must be capable of managing, operating, and utilizing clean water supply works.

b) Organizations participating in auctions must be financially capable to execute an investment project as per law.

4. Procedures for temporary transfer of the right to utilize clean water supply infrastructure assets for cases where the assets are handed over to clean water authorities shall conform to Clause 2 Article 7 hereof.

5. Procedures for temporary transfer of the right to utilize clean water supply infrastructure assets for cases where assets are handed over to entities under Point a Clause 1 and Point a Clause 2 Article 5 hereof are as follows:

a) Entities assigned to manage assets shall produce solutions for temporary transfer of the right to utilize assets and send to clean water authorities. Documents include:

Written request of entities assigned to manage assets: 1 authentic copy;

Solutions for temporary transfer of asset utilizing right using Form 04B under the Appendix issued together with this Decree: 01 authentic copy;

Other relevant documents (if any): 01 copy.

b) Within 15 days from the date on which adequate documents are received, clean water supply authorities shall send written request for remarks and attach documents under Point a of this Clause to financial authorities of the same levels and relevant authorities.

c) Within 15 days from the date on which written request of clean water authorities is received, financial authorities of the same levels and relevant authorities are responsible for providing written remarks about solutions for temporary transfer of the right to utilize assets.

d) Within 30 days from the date on which written remarks of authorities under Point c of this Clause are received, clean water authorities shall:

Direct entities assigned to manage assets to receive, adjust, and finalize documents;

Issue written request together with remarks of relevant authorities and finalized documents, request provincial People's Committees to approve solutions for temporary transfer of the right to utilize assets.

dd) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review and issue decision approving the solutions for temporary transfer of the right to utilize assets or provide written response in case of inadequate request for the right to utilize assets.

6. Based on solutions for temporarily transferring clean water supply infrastructure assets approved by provincial People's Committees, clean water authorities (for cases under Clause 4 of this Article) or entities assigned to manage assets (for cases under Clause 5 of this Article) shall organize the temporary transfer of the right to utilize assets as follows:

a) Determine opening bid of temporary transfer of the right to utilize assets in accordance with Article 16 hereof.

b) Organize auctions for temporary transfer of the right to utilize assets in accordance with regulations and law on auctions.

c) Sign Contract for temporary transfer of the right to utilize assets as per the law.

7. The Contract for temporary transfer of the right to utilize clean water supply infrastructure assets primarily contains:

- a) Information of the transferring party.
- b) Information of the receiving party.
- c) List of assets with right to utilize being temporarily transferred (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions).
- d) Transfer period; price for transfer; methods and time limit for paying for the transferred assets and late payment penalty (if any); work items invested, upgraded according to projects approved by competent authorities, individuals; responsibilities and technical requirements for asset maintenance; other necessary details.
- dd) Rights and obligations of parties.
- e) Responsibilities for implementation.

8. Organizations receiving temporarily transferred clean water supply infrastructure assets are responsible for paying for transferred assets according to the Contract in 90 days from the date on which they sign the Contract.

If receiving organizations fail to make adequate payment according to signed Contract within the time limit under this Clause, clean water authorities and entities assigned to manage assets shall send written request and copies of the Contract and documents on payment of receiving organizations in order to enable Departments of Taxation to issue Notice on late payment penalty (if any) as per tax administration laws.

9. Party receiving the temporarily transferred right to utilize clean water supply infrastructure assets has the right to:

- a) actively organize the asset utilization according to regulations and law, and the signed Contract.
- b) decide on operation and utilization of assets in accordance with regulations and law on clean water production and sale.
- c) collect revenues generated by clean water sale and other related services (if any) as per the law and signed Contract.
- d) exercise other rights as per the law.

10. Party receiving the temporarily transferred right to utilize clean water supply infrastructure assets has the obligations to:

- a) invest in the transferred projects in a manner that is approved by competent agencies and individuals for compliance with progress and quality.
- b) preserve the assets (including land attached thereto); do not let the assets be trespassed and prevent other violations as per the law.
- c) use and utilize the leased assets in the correct purposes; refrain from transferring, selling, gifting, mortgaging or contributing as capital.
- d) maintain assets in accordance with technical requirements and other regulations according to signed Contract; fulfill obligations with state budget (if any).
- dd) pay for temporarily transferred assets adequately and in a timely manner according to the Contract.
- e) inform agencies, entities owning the transferred assets about conditions of the assets on a regular or irregular basis and ensure continuous and stable clean water supply.
- g) be inspected by agencies, entities owning the transferred assets; cooperate with agencies, entities owning the transferred assets in settling difficulties and issues.
- h) fulfill other obligations as per the law and Contract.

11. Revenues generated by the temporary transfer of the right to utilize clean water supply infrastructure assets shall be managed and used in accordance with Article 22 hereof.

Article 16. Price for lease of right to utilize, temporary transfer of right to utilize clean water supply infrastructure assets

1. Price for lease of the right to utilize clean water supply infrastructure assets, price for temporary transfer of the right to utilize clean water supply infrastructure assets are payments made by organizations renting the right to utilize or receive temporarily transferred right to utilize clean water supply infrastructure assets to the Government in order to use assets as per signed Contract.

2. Opening bid for leasing the right to utilize, temporarily transferring the right to utilize clean water supply infrastructure assets.

a) Opening bid for leasing the right to utilize clean water supply infrastructure assets shall be determined based on:

Water bill of the year prior to the year in which the right to utilize is leased; annual growth rate of water user households and other relevant costs.

Regarding clean water supply infrastructure assets that were invested, built, and have not been in use at least 12 months, the opening bid for the right to utilize shall be determined based on clean water supply objectives and scales approved by competent agencies, individuals.

Price for lease on the market of assets of the same type or assets with similar technical standards and quality at the time of leasing.

b) Opening bid of temporary transfer of the right to utilize assets shall be determined on the basis of the remaining value at the time of approving the solutions based on revaluation results, remaining useful life of the assets, annual growth rate of water user households, additional investment, revenues, and estimated costs that originate from utilization of assets during the temporary transfer period.

3. The determination of opening bid and entitlement to decide opening bid for leasing, temporarily transferring the right to utilize clean water supply infrastructure assets shall be organized as follows:

Clean water authorities shall hire organizations eligible for appraising price or take charge, cooperate with Departments of Finance and relevant authorities in establishing the Council for valuation to determine opening bid for leasing the right to utilize assets, temporarily transferring the right to utilize assets under Point a, Point b Clause 2 of this Article and send to Departments of Finance for appraisal; clean water authorities shall then request provincial People's Committees to decide.

Section 5. SETTLEMENT OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 17. Settlement of clean water supply infrastructure assets

The settlement of clean water supply infrastructure assets which have been handed over to agencies, entities under Point a, Point b, Point a Clause 2 Article 5 hereof shall be implemented as follows:

1. Expropriation.
2. Reassignment.
3. Disposal.
4. Settlement in the event of lost or damaged assets.
5. Other solutions according to regulations and law.

Article 18. Expropriation of clean water supply infrastructure assets

1. Clean water supply infrastructure assets shall be expropriated in the following cases:

a) There is a change in the planning, clearance levels;

b) The assets are not handed over to proper recipients; are not used for the proper purposes; are lent.

c) The assets are sold, leased, gifted, mortgaged, contributed as capital, or linked illegally.

d) The assets have been handed over but the use demand thereof is no longer required or the utilization thereof is ineffective and not sustainable according to assessment of clean water authorities affiliated to provincial People's Committees.

dd) Payments for auctioned assets according to Article 8 hereof have not been made in a timely manner resulting in the assets to be expropriated.

e) Other cases according to regulations and law.

2. Provincial People's Committees shall issue decision expropriating clean water supply infrastructure assets under their management.

3. Expropriated clean water supply infrastructure assets shall be:

a) handed over for management according to Article 5 of this Decree.

d) reassigned according to Article 19 of this Decree.

4. Procedures for expropriating clean water supply infrastructure assets at request of agencies, entities assigned to manage assets:

a) Agencies and entities assigned to manage assets shall produce request for expropriation of assets and submit to superiors (if any) and submit to clean water authorities. Written request includes:

Written request of agencies, entities assigned to manage assets (which states reason for appropriation): 1 authentic copy;

List of assets requested for expropriation (name of assets; address; type of work items; initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy;

Other relevant documents (if any): 01 copy.

b) Within 15 days from the date on which adequate documents under Point a of this Clause are received, superiors (if any) shall consolidate, provide written remarks, attach copies of documents under Point a of this Clause, and send to clean water authorities.

c) Within 15 days from the date on which adequate documents under Point a of this Clause (for cases where superiors are not available) or documents under Point b of this Clause (for cases where superiors are available) are received, clean water authorities shall issue documents and attach written request for remarks of financial authorities of the same levels and relevant authorities regarding asset expropriation.

d) Within 15 days from the date on which adequate documents of clean water authorities are received, financial authorities of the same level and relevant authorities are responsible for providing remarks about asset expropriation request.

dd) Within 15 days from the date on which remarks of financial authorities of the same level and relevant authorities are received, clean water authorities shall issue written request (attach remarks of relevant authorities), attach documents under Point a of this Clause, and request provincial People's Committees to review and decide.

e) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review, issue Decision on expropriation of clean water supply infrastructure assets or provide written response in case of inadequate request for asset expropriation.

The Decision contains:

Name of agencies, entities holding expropriated assets;

List of expropriated assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions); reason for expropriation;

Responsibilities for implementation.

g) Within 30 days from the date on which Decision on asset expropriation of provincial People's Committees is issued, entities holding expropriated assets shall transfer assets to clean water authorities for settlement according to Clause 3 of this Article, produce asset reports using Form No. 01B, Form No. 01C under Appendix attached hereto. While awaiting settlement, agencies and entities holding expropriated assets are responsible for preserving and protecting the assets as per the law.

5. Procedures for expropriating clean water supply infrastructure assets for cases other than those specified under Clause 4 of this Article:

a) Within 30 days from the date on which request for asset expropriation sent by authorities engaging in inspection, examination, accounting, administrative penalties,

clean water authorities and other authorities is received, provincial People's Committees shall review and decide within their competence.

b) Decision on expropriation; responsibilities of agencies, entities assigned to manage assets, clean water authorities according to Point e and Point g Clause 4 of this Article.

Article 19. Reassignment of clean water supply infrastructure assets

1. The reassignment of clean water supply infrastructures shall take place between agencies, entities under Point a and Point b Clause 1, Point a Clause 2 Article 5 hereof.

2. Clean water supply infrastructure assets shall be reassigned in the following cases:

a) There is change in managing authorities or management clearance.

b) The assets have been handed over but the use demand thereof is no longer required or the utilization thereof is not effective.

c) Fall into other cases according to regulations and law.

3. Entitlement to decide reassignment of clean water supply infrastructure assets:

a) Minister of Finance shall decide on asset reassignment between provinces and central-affiliated cities; between ministries, central authorities with provincial People's Committees at request of Chairpersons of provincial People's Committees, ministers, heads of central authorities.

b) Provincial People's Committees shall decide to reassign assets other than those under Point a of this Clause between agencies and entities under their management.

4. Request for reassignment of clean water supply infrastructure assets consists of:

a) Written request for asset reassignment of agencies, entities assigned to manage assets; agencies, entities holding reassigned assets (including reason for reassignment): 1 authentic copy.

b) Written request for receiving assets of agencies, entities and superiors (if any): 1 authentic copy.

c) List of assets requested for reassignment (name of assets; address; type of work items; initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy;

d) Other relevant documents (if any): 01 copy.

5. Procedures for reassignment of clean water supply infrastructure assets:

a) Agencies and entities holding reassigned assets shall produce written request for asset reassignment in accordance with Clause 4 of this Article and submit to superiors (if any).

b) Within 15 days from the date on which adequate documents under Point a of this Clause are received, superiors (if any) shall consolidate, provide written remarks, attach documents under Point a of this Clause, and send to clean water authorities.

c) Within 15 days from the date on which adequate documents under Point a of this Clause (for cases where no superiors are available) or documents under Point b of this Clause (for cases where superiors are available) are received, clean water authorities shall issue documents, attach request for written remarks of financial authorities of the same levels and relevant authorities about asset reassignment.

d) Within 15 days from the date on which adequate documents of clean water authorities are received, financial authorities and relevant authorities are responsible for providing remarks about conditions for asset reassignment.

dd) Within 15 days from the date on which remarks of financial authorities of the same levels and relevant authorities are received, clean water authorities shall issue written request, attach remarks of financial authorities of the same level and relevant authorities and documents under Points a and b of this Clause, and request provincial People's Committees to review and decide.

e) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review and issue Decision on asset reassignment (for assets under competence of provincial People's Committees) or issue request for written remarks of relevant authorities and request competent agencies, individuals under Point a Clause 3 of this Article to review, issue Decision on asset reassignment (for assets under competence of agencies, individuals under Point a Clause 3 of this Article) or provide written response in case of inadequate request for asset reassignment.

The Decision contains:

Name of agencies, entities holding reassigned assets;

Name of agencies, entities receiving transferred assets;

List of reassigned assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions); reason for reassignment;

Responsibilities for implementation.

6. Within 30 days from the date on which Decision on reassignment of clean water supply infrastructure assets issued by competent agencies and individuals under Clause 3 of this Article is received, agencies, entities holding reassigned assets and agencies,

entities receiving the assets are responsible for organizing asset delivery; the reassignment and receipt must be recorded.

7. After handing over and receiving clean water supply infrastructure assets, agencies and entities shall proceed as follows:

a) Agencies and entities that hand over, receive assets shall record a decrease, increase in assets according to applicable accounting regulations; register asset ownership and the right to use assets as per the law; produce reports according to Article 24 hereof (using Form No. 01B, Form No. 01C under Appendix attached hereto).

b) Legitimate costs directly involved in asset transfer and receipt shall be paid by the receiving agencies and entities as per law.

c) Do not pay for the assets when reassigning.

Article 20. Disposal of clean water supply infrastructure assets

1. Clean water supply infrastructure assets shall be disposed in the following circumstances:

a) The assets are damaged beyond repair or repair is ineffective.

b) The assets are dismantled in order to build new assets according to projects approved by competent authorities, individuals.

c) Competent authorities adjust planning in a way that renders a part or the entire assets unusable within the functions of the assets.

d) Other cases according to regulations and law.

2. Provincial People's Committees shall issue decision or specify the entitlement to issue decision on disposal of clean water supply infrastructure assets under their management.

3. Clean water supply infrastructure assets shall be disposed in form of dismantlement or destruction. Materials recovered from the disposal of clean water supply infrastructure assets shall be sold or reassigned.

4. Request for disposal of clean water supply infrastructure assets;

a) Written request of agencies, entities holding disposed assets (which contains reason for disposal): 1 authentic copy.

b) List of assets requested for disposal (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy.

c) Documents on receiving retrieved materials of agencies, entities (in case recovered materials are reassigned) (if any): 1 authentic copy;

d) Other relevant documents (if any): 01 copy.

5. Procedures for disposing clean water supply infrastructure assets

a) When assets need to be disposed, agencies and entities holding the assets shall produce request for disposal in accordance with Clause 4 of this Article and submit to superiors (if any).

b) Within 15 days from the date on which adequate documents are received in accordance with Point a of this Clause, superiors (if any) shall consolidate, issue written remarks, attach copies of the documents, and send to clean water authorities affiliated to provincial People's Committees.

c) Within 15 days from the date on which adequate documents under Point a of this Clause (for cases where superiors are not available) or documents under Point b of this Clause (for cases where superiors are available), clean water authorities shall issue request, attach documents, and submit to competent authorities and individuals under Clause 2 of this Article to review and decide.

b) Within 30 days from the date on which adequate documents are received, competent agencies or individuals specified in Clause 2 of this Article shall consider and decide to dispose the assets or provide written response in case of inadequate asset disposal request.

Decision on asset disposal contains:

Name of agencies, entities holding disposed assets;

List of disposed assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions); reason for disposal;

Solutions for handling recovered materials (if any); name of agencies, entities receiving recovered materials (if recipients have been identified);

Manage and use the money generated by the disposal;

Responsibilities for implementation.

dd) Based on Decision on asset disposal of competent agencies and individuals under Clause 2 of this Article, agencies and entities assigned to manage assets shall organize or hire organizations, individuals to dismantle, destroy the assets; inventory and classify recovered materials.

Regarding materials recovered after asset sale, comply with Article 31 of Decree No. 151/2017/ND-CP dated December 26, 2017 of the Government elaborating Law on Management and Use of Public Property.

Regarding materials recovered after asset reassignment, conform to Article 20 and Article 21 of Decree No. 151/2017/ND-CP dated December 26, 2017 of the Government (if the materials are not used for infrastructure assets) or conform to Article 19 hereof (if the materials are used for clean water supply infrastructure assets).

e) After disposing assets, agencies and entities assigned to manage assets shall record a decrease in asset and produce reports in accordance with Article 24 hereof (using Form No. 01B and Form No. 01C under Appendix attached hereto).

6. The management and use of revenues generated by the disposal of clean water supply infrastructure assets shall conform to Article 23 hereof.

Article 21. Settlement of missing or damaged clean water supply infrastructure assets

1. Clean water supply infrastructure assets are missing or damaged due natural disaster, fire, or other causes

2. Provincial People's Committees shall issue decision or regulate entitlement to issue decision for clean water supply infrastructure assets under their management that are missing or damaged.

3. Request for settlement of missing, damaged clean water supply infrastructure assets:

a) Written request for settlement sent by agencies, entities assigned to manage assets (which specifies the reason for reassignment): 1 authentic copy.

b) List of missing, damaged assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 authentic copy.

c) Record verifying the missing, damaged assets: 1 authentic copy.

d) Documents confirming the loss or damage to the assets: 01 copy.

4. Procedures for settling lost, damaged clean water supply infrastructure assets:

a) Within 30 days from the date on which assets are found to be lost or damaged, agencies and entities assigned to manage assets shall produce request for settlement of lost, damaged assets in accordance with Clause 3 of this Article and send to superiors (if any).

b) Within 15 days from the date on which adequate documents under Point a of this Clause are received, superiors shall consolidate, provide written remarks, attach copies of documents under Point a of this Clause, and send to clean water authorities.

c) Within 15 days from the date on which adequate documents under Point a of this Clause (for cases where superiors are not available) or documents under Point b of this Clause (for cases where superiors are available), clean water authorities shall issue request, attach documents, and submit to competent authorities and individuals under Clause 2 of this Article to review and decide.

d) Within 30 days from the date on which adequate documents are received, competent agencies and individuals under Clause 2 of this Article shall issue Decision on asset settlement for lost, damaged assets.

Decision on asset settlement contains:

Name of agencies, entities holding lost, damaged assets;

List of lost, damaged assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions); reason/cause of damaged, lost assets;

Responsibilities for implementation.

5. Within 30 days from the date on which decision on settlement is issued by competent agencies and individuals under Point 2 of this Article, agencies and entities assigned to manage assets shall record a decrease in assets in accordance with accounting laws; produce reports in accordance with Article 24 hereof (using Form No. 01B and Form No. 01C under Appendix attached hereto).

6. State budget shall guarantee funding for remediation and repair of clean water supply infrastructure assets in order to ensure continuous and stable water supply.

If clean water supply infrastructure assets are lost or damaged and the damages thereof is paid by insurance enterprises or relevant organizations and individuals, the management and use of revenues generated by the asset damages shall conform to Article 23 hereof. Revenues of the state budget shall be prioritized for capital allocation in public investment plans, state budget expenditure statement for clean water infrastructure asset construction, upgrade, repair and development according to state budget laws, public investment laws and relevant law provisions.

Section 6. MANAGEMENT AND USE OF REVENUES GENERATED BY THE UTILIZATION AND SETTLEMENT OF CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 22. Management and use of revenues generated by the utilization and settlement of clean water supply infrastructure assets

1. For clean water supply infrastructure assets operated and utilized by agencies and entities assigned to manage assets in accordance with Article 13 hereof, the management and use of revenues generated by the utilization shall conform to financial regulations applied to agencies, entities assigned to manage assets.

2. Regarding clean water supply infrastructure assets following utilization solutions under Articles 8, 14, 15, Clauses 7, 8, 9, and 10 Article 26 hereof, the management and use of revenues shall be implemented as follows:

a) Within 3 working days from the date on which revenues generated by asset utilization are received, clean water authorities (for cases where assets are utilized in accordance with Article 8, Clauses 7, 8, 9, and 10 Article 26 hereof) and clean water authorities and entities (for cases where assets are utilized in accordance with Article 14 and Article 15 hereof) shall submit the revenues to impound accounts opened at State Treasury by Departments of Finance.

b) Clean water authorities and entities under Point a of this Clause are responsible for producing estimates for costs relating to asset utilization and submitting to provincial People's Committees for approval. Costs relating to asset utilization include: inventory costs; costs for determining opening bid (auctions, leasing the right to utilize, temporarily transferring the right to utilize); costs for determining return value (for cases where assets are received for levy paid to the state); costs for organizing auctions and other costs relating to asset utilization.

3. The basis for producing estimates for costs relating to utilization of clean water supply infrastructure assets is specified under Point b Clause 2 of this Article.

a) With respect to expenses whose standards, levels and regulations are imposed by state authorities, comply with such standards, levels and regulations imposed by state authorities.

b) Regarding expenses for hiring services relating to asset utilization, comply with Contracts signed by clean water authorities, entities assigned to manage assets, and the service providers. The selection of service providers shall conform to regulations and law.

c) Regarding expenses other than those under Points a and Point b of this Clause, heads of clean water authorities and heads of entities under Point a Clause 2 of this Article shall decide on the amount while ensuring compliance with applicable financial management regulations of the government within the assigned estimates and be responsible for their decisions.

4. Clean water authorities and entities under Point a Clause 2 of this Article are responsible for issuing request for payment and sending to holders of impound accounts; heads of clean water authorities and heads of entities assigned to manage assets are responsible for accuracy of the expenses requested for payment. Written request includes:

b) Written request for payment of clean water authorities and entities (which specifies the revenues generated by implementation of asset utilization solution, total costs relating to the asset utilization, information on accounts receiving the payments) together with lists of expenses: 1 authentic copy.

b) Decision of competent authorities and individuals regarding asset utilization: 1 authentic copy.

c) Documents proving the expenses such as: Approved expenditure estimates; contract for hiring valuation, auction services; invoices, notice of payment (if any): 1 copy.

5. Within 15 days from the date on which adequate documents under Clause 4 of this Article are received, holders of impound accounts are responsible for funding clean water authorities and entities in order to pay relevant costs.

6. On a quarterly basis, holders of impound accounts under Point a Clause 2 of this Article shall pay the remaining amount of revenues generated by utilization of clean water supply infrastructure assets whose costs have been paid to state budget in accordance with regulations and law on state budget.

7. Revenues of the state budget shall be prioritized for capital allocation in public investment plans, state budget expenditure statement for clean water infrastructure asset construction, upgrade, repair and development according to state budget laws, public investment laws and relevant law provisions.

Article 23. Management and use of revenues generated by settlement of clean water supply infrastructure assets

1. Within 3 working days from the date on which revenues generated by settlement of clean water supply infrastructure assets under Section 5 of this Chapter are received, agencies and entities assigned to manage clean water supply infrastructure assets and holding settled assets (agencies and entities assigned to manage assets) shall submit all money received to impound accounts opened by Departments of Finance at State Treasury.

2. The impound accounts shall be stringently monitored for each agency and entity holding settled assets.

3. Based on request of agencies and entities holding settled assets, clean water authorities shall produce estimates for costs relating to asset utilization and request provincial People's Committees to approve.

Costs relating to asset settlement include:

- a) Inventory, measurement and drawing expenditure.
- b) Dismantlement and destruction expenditure.
- c) Other relevant legitimate costs.

4. Expense amount relating to asset settlement:

- a) With respect to expenses whose standards, levels and regulations are imposed by state authorities, comply with such standards, levels and regulations imposed by state authorities.
- b) With respect to details of the service rent relating to asset settlement, comply with the contract signed by agencies, entities holding settled assets and service providers. The selection of service providers for services relating to asset settlement shall comply with regulations and law.
- c) With respect to expenditure other than those specified in Point a, Point b of this Clause, heads of agencies and entities holding settled assets shall determine the expenditure amount to ensure the conformance with the current financial administration laws and be responsible for their decisions.

5. Within 30 days from the date on which the settlement of clean water supply infrastructure assets is completed, agencies and entities holding settled assets are responsible for producing written request for payment and sending to holders of impound accounts. Heads of agencies and entities holding settled assets are responsible for accuracy of the expenses requested for payment. Written request for payment includes:

- a) The request for payment of agencies and entities holding settled assets (which includes revenues generated by asset settlement, the total expenditure on asset settlement, information regarding the account making the payment) together with detail list of expenditure: 01 authentic copy.
- b) Decision on asset settlement of competent agencies, individuals: 01 copy.
- c) Documents proving the expenses such as: approved expenditure estimates; costs for inventory, dismantlement; invoice, payment notice (if any): 1 copy.

6. Within 30 days from the date on which adequate documents are received, holders of impound accounts are responsible for funding agencies and entities holding settled assets to pay for costs relating to asset settlement.

7. On a quarterly basis, holders of impound accounts shall submit the remaining amount of money for revenues generated by asset settlement whose payment has been submitted to the state budget according to State budget laws.

8. If revenues generated by settlement of clean water supply infrastructure assets are not enough to cover the costs, the remainder of the costs shall be covered by state budget estimates and other legal revenues of agencies and entities holding settled assets.

Section 7. DATABASE AND REPORT ON CLEAN WATER SUPPLY INFRASTRUCTURE ASSETS

Article 24. Report on clean water supply infrastructure assets

1. Clean water supply infrastructure assets must be publicly reported and updated on the Database on clean water supply infrastructure assets for joint management.

2. Methods of producing public reports on clean water supply infrastructure assets:

a) Initial declaration using Form No. 01A under Appendix attached hereto for:

Centralized clean water supply infrastructure assets in rural areas available on the effective date hereof (including centralized clean water supply infrastructure assets in rural areas that have been initially declared according to Circular No. 54/2013/TT-BTC dated May 4, 2013 of Ministry of Finance);

Clean water supply infrastructure assets in urban areas available on the effective date hereof;

Additional clean water supply infrastructure assets (in rural/urban areas) from the effective date hereof.

b) Additional declaration for clean water supply infrastructure assets under Point a of this Clause using Form No. 01B, 01C, 01D under Appendix attached hereto in case of any change to agencies, entities assigned to manage assets or asset information.

3. Agencies and entities assigned to manage clean water supply infrastructure assets shall produce asset declaration using Form No. 01A, 01B, 01C, and 01D under Appendix attached hereto, send to superiors for verification, and enter data on the Database on clean water supply infrastructure assets.

The deadline for submitting declaration is 30 days from the date on which the assets are received according to decisions of competent agencies, individuals or there are changes to entities assigned to manage assets or the declared assets.

4. Agencies and entities assigned to manage clean water supply infrastructure assets shall submit reports on management, use, and utilization of the assets (including revenues

generated by asset settlement and utilization of the previous year) on an annual basis and irregular basis at request of competent authorities. Report data shall be concluded at the end of each financial year.

5. The report on management, use, and utilization of clean water supply infrastructure assets consists of:

a) Report on implementation of asset utilization solution using Form No. 02A, 02B, 02C, 02D, and 02DD under Appendix attached hereto as follows:

Report on asset utilization for each method under Article 13, Article 14, and Article 15 hereof using Form No. 02A, 02B, and 02C;

Report on implementation of asset utilization by selling, assigning assets for payment to the Government under Article 8, and Clause 7, Clause 10 Article 26 hereof using Form No. 02D and Form No. 02DD.

b) Report on consolidation of management, use, and utilization of assets using Form No. 03A, 03B, 03C, 03D, 03DD, and 03E under Appendix attached hereto

6. The deadline for submitting annual reports on management, use, and utilization of clean water supply infrastructure assets is as follows:

a) Agencies and entities assigned to manage assets shall submit reports to superiors (if any), clean water authorities in order to present to provincial People's Committees before February 28 each year.

b) Provincial People's Committees shall consolidate management and use of clean water supply infrastructure assets and send to Ministry of Finance before March 15 each year.

c) Ministry of Finance shall consolidate information on management and use of clean water supply infrastructure assets in Vietnam, report to the Government, and publicize.

7. State-invested enterprises receiving assets via increase in state capital in enterprises according to Article 6 hereof shall produce reports on assets in accordance with Clauses 2, 3, 4, 5, and 6 of this Article.

8. Report on clean water supply infrastructure assets can be in physical form or electronic form. Depending on conditions of report recipients under Clause 6 of this Article, reports shall be sent to the recipients:

a) In person.

b) Via post service.

c) Via fax.

- d) Via email.
- dd) Via specialized reporting system.
- e) Other methods as per the law.

Article 25. Database on clean water supply infrastructure assets

1. Database on clean water supply infrastructure assets is a part of the National database on public assets, developed and jointly managed across the country. Information contained in the Database on clean water supply infrastructure assets has equal legitimacy as physical document.

2. The development and management of Database on clean water supply infrastructure assets must:

a) Conform to the framework structure of the Vietnam e-Government; satisfy the national database technical standards, the information technology technical standards and regulations, the information safety and security.

b) Ensure compatibility, the ability to integrate and connect to the national public asset database; the ability to share information and expand data fields in system, software and application design.

3. Provincial People's Committees shall direct agencies and entities assigned to manage assets, clean water authorities, and Departments of Finance to produce declaration, enter data, and approve data on clean water supply infrastructure assets in the Database on clean water supply infrastructure assets as per the law.

Chapter III

ORGANIZATION FOR IMPLEMENTATION

Article 26. Dealing with difficulties

1. Within 6 months from the effective date hereof, provincial People's Committees shall assign clean water authorities to take charge and cooperate with relevant agencies, organizations, entities in:

a) reviewing and classifying currently available clean water supply infrastructure assets.

b) inspecting current conditions, producing record of inspection of clean water supply infrastructure conditions using Form No. 5 under Appendix attached hereto (in case construction dossiers are not available, clean water authorities shall take charge and cooperate with relevant authorities in completing dossiers with primary information such as: initial year of commencement, useful life, works value at the time of inspection).

c) producing solutions for handing over, managing, and utilizing clean water supply infrastructure assets in accordance with this Decree. Documents include:

Written request of clean water authorities: 1 authentic copy;

Record of management conditions of clean water supply infrastructure assets under Point b of this Clause: 1 authentic copy;

Written request of agencies, entities, and enterprises managing works: 1 authentic copy;

Other relevant documents: 1 copy.

2. Produce solutions for handing over, managing, and utilizing clean water supply infrastructure assets.

a) Regarding clean water supply infrastructure assets which were built, procured and assets which were received from project developers of urban areas and residential areas, established under public ownership before the effective date hereof, and have not been handed over to managing entities, hand over the assets in accordance with Articles 5, 6, 7, and 8 hereof.

b) Based on asset review and classification under Clause 3 and Clause 4 of this Article, clean water authorities shall take charge and cooperate with agencies, organizations, entities, and enterprises in producing solutions for handing clean water supply infrastructure assets over for management and utilization in accordance with Clause 5 of this Article.

Entitlement and procedures for handing over clean water supply infrastructure assets to agencies, entities, and enterprises under Points a, b, and c Clause 1, Points a and b Clause 2 Article 5 hereof shall conform to Article 6 hereof for documents under Point c Clause 1 of this Article.

Entitlement and procedures for handing over clean water supply infrastructure assets to clean water authorities under Point d Clause 1 Article 5, Point c Clause 2 Article 5 hereof shall conform to Article 7 hereof for documents under Point c Clause 1 of this Article.

During the period in which the handover of clean water supply infrastructure assets as per this Point has not been completed, clean water authorities are responsible for producing reports for assets under Clause 2 and Clause 3 Article 24 hereof.

3. Review and classify centralized clean water supply infrastructure assets in rural areas:

a) Regarding centralized clean water supply infrastructure assets in rural areas that have been handed over to managing entities in accordance with Circular No. 54/2013/TT-BTC dated May 4, 2013 of Ministry of Finance on management, use, and utilization of centralized clean water supply infrastructure assets in rural areas (hereinafter referred to

as “Circular No. 54/2013/TT-BTC”), Circular No. 76/2017/TT-BTC dated July 26, 2017 of Ministry of Finance on amendments to Circular No. 54/2013/TT-BTC dated May 4, 2013 of Ministry of Finance (hereinafter referred to as “Circular No. 76/2017/TT-BTC”), continue to comply with decision on handover of competent agencies, individuals; the management, use, and utilization of assets shall conform to this Decree.

b) Centralize clean water supply infrastructure assets in rural areas handed to managing entities in a manner other than those mentioned under Circular No. 54/2013/TT-BTC and Circular No. 76/2017/TT-BTC or temporarily handed over to managing entities.

c) Regarding centralized clean water supply infrastructure assets in rural areas handed over in form of debt acknowledge in accordance with Circular No. 54/2013/TT-BTC, continue to conform to decisions of competent agencies and individuals; after repaying debt to the Government, enterprises shall manage and use assets in accordance with regulations and law on enterprises, clean water sale and production and relevant law provisions.

d) Centralized clean water supply infrastructure assets in rural areas handed over in form of debt acknowledgement in a manner other those specified under Circular No. 54/2013/TT-BTC.

dd) The settlement of centralized clean water supply infrastructure assets in rural areas under Point b and Point d of this Clause shall conform to Clause 5 and Clause 6 of this Article.

4. Review and classify clean water supply infrastructure assets in urban areas:

a) Clean water supply infrastructure assets in urban areas handed over to state-invested enterprises by recording an increase in state capital in enterprises in accordance with regulations and law on management and use of state capital in production and sale at enterprises shall continue to be managed, used, and utilized in accordance with enterprise laws.

b) Clean water supply infrastructure assets handed over to state-invested enterprises in form of asset handover shall not constitute to state capital in enterprises.

c) Clean water supply infrastructure assets temporarily handed over to managing entities.

d) The settlement of clean water supply infrastructure assets in urban areas under Point b and Point c of this Clause shall conform to Clause 5 and Clause 10 of this Article.

5. On the basis of review and classification results under Clause 3 and Clause 4 of this Article, provincial People’s Committees shall assign clean water authorities to produce solutions for managing and utilizing assets in accordance with Articles 5, 6, 7, and 8 hereof for:

a) Centralized clean water supply infrastructure assets in rural areas under Point b and Point d Clause 3 of this Article, except for cases where assets are handed over for levy paid to the Government under Clause 6 of this Article.

b) Clean water supply infrastructure assets in urban areas under Point b and Point c Clause 4 of this Article, except for cases where assets are handed over for levy paid to the Government under Clause 10 of this Article.

6. Regarding centralized clean water supply infrastructure assets in rural areas under Point b Clause 3 of this Article:

a) In case enterprises that are managing assets and investing in the assets before the effective date hereof are state-invested enterprises, they can be handed the assets by increasing state capital in accordance with Article 6 hereof or handed the assets for a return value paid to the Government in accordance with Clauses 7, 8, and 9 of this Article.

b) In case enterprises that are managing assets and investing in the assets before the effective date hereof are not state-invested enterprises, they shall be handed the assets for a payment made to the Government in accordance with Clauses 7, 8, and 9 of this Article.

c) In case enterprises are managing assets that are adjacent or surrounded works, pipelines (hereinafter referred to as “surrounded works”) before the effective date hereof, hand over assets to managing enterprises in accordance with Point a and Point b of this Clause.

7. Procedures for handing over centralized clean water supply infrastructure assets in rural areas to managing entities for payment made to the Government under Clause 6 of this Article:

a) Enterprises managing centralized clean water supply infrastructure assets in rural areas shall produce written request for asset handover and send to clean water authorities. Written request includes:

Written request for asset handover for payment made to the Government (provide presentation for the handover or temporary assignment for management; management and use conditions, and reasons for proposing handover for payment); in case of state-invested enterprises, include written remarks of state investment representative agencies about selection of asset handover for payment): 1 authentic copy;

List of assets requested for handover for payment (name of assets; address; type of work items; initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions): 1 original copy;

Record of asset management inspection; documents on handover, temporary handover of assets: 1 authentic copy;

Documents on investment in the assets (such as: documents, decisions on investment of competent authorities, record): 1 copy;

Financial statement of enterprises during management period: 1 copy;

Other relevant documents: 1 copy.

b) Within 15 days from the date on which adequate documents under Point a of this Clause are received, clean water supply authorities shall send written request for remarks and copies of documents to financial authorities of the same levels and relevant authorities.

c) Within 15 days from the date on which written request of clean water authorities is received, financial authorities of the same level and relevant authorities are responsible for providing written remarks about asset handover within their functions and tasks.

d) Within 15 days from the date on which written remarks of authorities under Point c of this Clause are received, clean water authorities shall send written request, remarks of relevant authorities, and documents under Point a of this Clause to provincial People's Committees.

dd) Within 30 days from the date on which adequate documents are received, provincial People's Committees shall review and issue decision handing assets over to managing enterprises for payment made to the Government or provide written response in case of inadequate asset handover solutions. The Decision contains:

Name of enterprises receiving the assets;

Form of handover: asset handover for payment to the Government;

List of assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions; additional investment value);

Responsibilities for implementation.

e) Based on Decision of provincial People's Committees, clean water authorities are responsible for cooperating with relevant authorities in determining return value and payment amount in accordance with Clause 8 and Clause 9 of this Article; enterprises handed with assets shall continue to operate the assets during the asset payment and handover period.

8. Determine return value of clean water supply infrastructure assets.

a) The return value of clean water supply infrastructure assets must conform to market price of equivalent assets or assets with similar technical standards without being lower

the revalued amount of the assets as per the law, without covering land use right and without including VAT.

b) Clean water authorities shall hire organizations eligible for valuation operation or take charge, cooperate with Departments of Finance and relevant authorities in establishing Council for valuation in order to determine return value and request Departments of Finance to appraise; clean water authorities shall then consolidate and request provincial People's Committees to decide to approve return value of assets.

c) Clean water authorities and enterprises assigned to manage centralized clean water supply infrastructure assets in rural areas shall sign Contract for asset handover for return value. Primary contents of the Contract:

Information of transferring party (clean water authority);

Information of receiving party (enterprise receiving assets);

List of assets (name of assets; address; type of work items: initial year of use; area; capacity; number of water consumer households by design and realistically; value; conditions; additional investment value);

Return value under Point b of this Clause;

Payment value under Point a and Point b Clause 9 of this Article;

Payment deadline under Point c Clause 9 of this Article;

Other contents.

9. Payment value is determined as follow:

a) In case value of clean water supply infrastructure assets (including additional investment value) or additional investment value has been determined and added to business costs of enterprises which have been verified by (audit/tax) authorities and in case the enterprises have no additional investment value, payments to be made by the enterprises shall be the return value approved by provincial People's Committees.

b) In case value of clean water supply infrastructure assets (including additional investment value) or additional investment value has not been added to business costs of enterprises which have been verified by (audit/tax) authorities, payments to be made by enterprises are the return value approved by provincial People's Committees minus the additional investment value of the assets without exceeding the approved return value.

c) Enterprises managing assets are responsible for paying for return value according to the Contract within 90 days from the date on which the Contract is signed.

If enterprises managing assets fail to make adequate payments within the time limit under the Contract, the enterprises shall incur a late payment penalty which conforms to regulations and law on tax administration. Clean water authorities shall submit written request, copy of the Contract for asset procurement, and proof of payment of procuring organizations to Departments of Taxation in order to enable Departments of Taxation to determine and issue Notice on late payment penalty (if any) in accordance with tax administration laws. Late payment penalty (if any) is revenue of local government budget.

d) Clean water authorities are responsible for issuing invoice for the sale of public assets once enterprises have made the payments. The invoice reads: collect asset return value for the Government.

dd) Enterprises shall manage, use, and utilize assets in accordance with regulations and law on enterprises, clean water production and sale, and relevant law provisions.

e) The management and use of return value shall conform to Article 22 hereof.

10. Regarding clean water supply infrastructure assets under Point b Clause 4 of this Article:

a) In case enterprises that are managing assets and investing in the assets before the effective date hereof are state-invested enterprises on the effective date hereof, they can be handed the assets by increasing state capital in accordance with Article 6 hereof or handed the assets for a return value paid to the Government in accordance with Clauses 7, 8, and 9 of this Article.

b) In case enterprises that are managing assets are not state-invested enterprises on the effective date hereof, they shall be handed the assets for a payment made to the Government in accordance with Clauses 7, 8, and 9 of this Article.

Article 27. Transition

1. Regarding Contract for utilization of centralized clean water supply infrastructure assets in rural areas signed by competent agencies, individuals in a law compliant manner before the effective date hereof, continue to comply with the Contract until the expiry date of the Contract, after which point the parties shall comply with this Decree. If the utilization agreement is amended from the effective date hereof, comply with this Decree.

2. Regarding centralized clean water supply infrastructure assets in rural areas settled by competent agencies and individuals by decisions as per the law before the effective date hereof which have not been fully implemented, continue to comply with signed Decisions and regulations at the time in which the Decisions are signed; if Decisions on settlement have not been issued by competent agencies or individuals, comply with this Decree.

Article 28. Responsibilities for implementation

1. Ministry of Finance shall:

a) regulate the management, depreciation, depreciation value, and guide the declaration and report on clean water supply infrastructure assets.

b) take charge and cooperate with Ministry of Agriculture and Rural Development and Ministry of Construction in developing Database on clean water supply infrastructure assets on a nationwide scale and integrate in the National database on public assets.

2. Ministry of Agriculture and Rural Development shall:

a) guide the implementation; inspect the compliance with technical regulations, norms and procedures for maintenance and operation of clean water supply infrastructure assets within their functions and tasks.

b) cooperate with Ministry of Finance in developing the Database on centralized clean water supply infrastructure assets in rural areas on a nationwide scale and integrate in the National database on public assets.

3. Ministry of Construction shall:

a) guide the implementation; inspect the compliance with technical regulations, norms and procedures for maintenance, operation, and utilization of clean water supply infrastructure assets within their functions and tasks.

b) cooperate with Ministry of Finance in developing the Database on clean water supply infrastructure assets in urban areas on a nationwide scale and integrate in the National database on public assets.

4. Provincial People's Committees shall:

a) coordinate review, classification, produce documents, and record clean water supply infrastructure assets in their provinces in accordance with this Decree and relevant law provisions.

b) coordinate the production of declaration, enter and approval of data on clean water supply infrastructure assets within their management; produce reports on management and utilization of assets in accordance with this Decree.

c) coordinate and inspect the management, use, and utilization of clean water supply infrastructure assets under their management in accordance with this Decree and relevant law provisions.

d) direct clean water authorities in reviewing, assessing the management, use, and utilization of clean water supply infrastructure assets in their areas in order to produce asset utilization plans and submit to provincial People's Committees for approval.

dd) direct district-level People's Committees to cooperate, inspect, and supervise the management and use of clean water supply infrastructure assets in accordance with this Decree.

e) coordinate the continuous and uninterrupted supply of clean water during the asset review and classification; adopt procedures relating to asset utilization (selling/handing over for return value/leasing the right to utilize/temporarily transferring the right to utilize).

5. District-level People's Committees shall cooperate, inspect, and supervise the management and use of clean water supply infrastructure assets in accordance with this Decree.

Article 29. Entry into force

1. This Decree comes into force from August 08, 2022.

2. Ministers, heads of ministerial agencies, heads of Governmental agencies, Chairpersons of People's Committees of provinces and central-affiliated cities and relevant agencies are responsible for the implementation of this Decree./.

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

Le Van Thanh

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