

**THE GOVERNMENT**

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**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**

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No.: 17/2018/ND-CP

*Hanoi, February 02, 2018*

**DECREE**

**AMENDMENTS TO THE GOVERNMENT’S DECREE NO. 67/2014/ND-CP DATED  
JULY 07, 2014 ON CERTAIN FISHERY DEVELOPMENT POLICIES**

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

*Pursuant to the Law on Fisheries dated November 26, 2003;*

*Pursuant to the Law on State Bank of Vietnam dated June 16, 2010;*

*Pursuant to the Law on Credits Institutions dated June 16, 2010;*

*Pursuant to the Law on Insurance Business dated 09 December 2000 and the Law on  
Amendments to the Law on Insurance Business dated 24 November 2010;*

*Pursuant to the Law on Corporate Income Tax dated June 03, 2008, and the Law on  
Amendments to the Law on Corporate Income Tax dated June 19, 2013;*

*Pursuant to the Law on Value-Added Tax dated June 03, 2008 and the Law on  
Amendments to the Law on Value-Added Tax dated June 19, 2013;*

*Pursuant to the Law on Tax Administration dated November 29, 2006, and the Law on  
Amendments to the Law on Tax Administration dated November 20, 2012;*

*Pursuant to the Law on Severance Tax dated November 25, 2009;*

*Pursuant to the Law on Public Investment dated June 18, 2014;*

*Pursuant to the Law on Fees and Charges dated November 25, 2015;*

*At the request of the Minister of Agriculture and Rural Development, the Minister of  
Finance and the Governor of the State Bank of Vietnam;*

*The Government promulgates a Decree providing amendments to the Government’s  
Decree No. 67/2014/ND-CP dated July 07, 2014 on certain fishery development policies.*

**Article 1. Amending, supplementing and repealing certain articles and clauses of the Government’s Decree No. 67/2014/ND-CP dated July 07, 2014 on certain fishery development policies:**

1. Amendments to Article 1:

**“Article 1. Scope**

This Decree provides for the policies on investment, credit and insurance, policies on tax incentives, one-off post-investment subsidy policies and other policies to serve the purpose of the fishery development.”

2. Amendments to Clause 1 and Clause 3 Article 3:

“1. The central budget shall cover 100% of expenditures for construction of key elements of Class I fishing ports, regional asylum harbors (including wharves, embankments, breakwaters, sand control dykes, dredging of entrance channels to ports, and anchoring waters; boat moorings; wastewater treatment systems; aquatic product classification areas; administration houses; internal yards and lanes; lighting systems; signal buoy, sign and signal lamp systems; specialized information and communication systems) and construction of 05 large-scale fishery centers (main fishing ports).

3. The central budget shall cover 100% of funding for investment projects of regulatory ministries or central-level authorities for construction of key infrastructure facilities of dedicated aquaculture sites and breeding production areas, consisting of: Water supply and drainage systems (pond, ditch, sewer, canal, water supply and discharge pipeline and pumping station), dykes, embankments, traffic roads, electrical grids, concentrated sewage treatment facilities; renovation to the infrastructural facilities for national and regional Breeding Centers for Aquaculture; centrally-governed and regional Centers for Environment Monitoring in Aquaculture; and centrally-governed and regional Aquaculture Surveying, Testing and Accreditation Centers.”

3. Addition of Point c into Clause 2 Article 4:

“c) The change of vessel owner is allowed in case where a vessel owner is incapable of implementing the project on construction or upgrading of finishing vessel or an owner of finished fishing vessel is incapable of performing fishing activities. In such cases, the new owner is entitled to enjoy interest rate incentives when taking delivery of the fishing vessel from the previous vessel owner as well as discharged to pay related debts.”

4. Amendments to Clause 3 Article 4:

“3. Policies on working capital loan

a) Eligible borrowers: Owners of offshore commercial fishing vessels; owners of logistic support vessels (hereinafter referred to as “borrowers”).

b) Credit institutions shall provide working capital loans under specific agreements entered into with borrowers in conformity with applicable law regulations on credit policies for agricultural and rural development.”

5. Addition of Article 4a:

**“Article 4a. Post-investment subsidy policies**

1. Subjects: Owners of new fishing vessels performing offshore fishing activities or providing logistic support services, with the main engine power of 800 CV or more, comprising of: New fishing vessels of a province as approved by the Ministry of Agriculture and Rural Development; fishing vessels built for replacing fishing trawlers with a power of 90 CV or more which shall be used for performing other encouraged activities such as surrounding nets, gillnets (excluding tuna gillnet fishery), hooks and lines, stick falling nets and logistic support services.

2. Eligibility requirements for post-investment subsidy:

a) Vessel owners have been admitted to the fishery production teams, groups, unions or cooperatives as approved by People's Committees of provinces or central-affiliated cities;

b) New fishing vessels must be used for performing offshore fishing activities or providing logistic support services with steel or composite hulls;

c) New fishing vessels must be propelled by new-brand engines;

d) Fishing vessels must be equipped with onboard communications systems designed with available position reporting functions which transmit information to onshore receiving base stations to track and control their voyage;

dd) Offshore fishing vessels must have the certificate of conformance to technical safety standards for fishing vessel operations, the certificate of registration for fishing vessel, and the commercial fishing license;

e) Logistic support vessels for offshore fishing activity must have the certificate of conformance to technical safety standards for fishing vessel operations and the certificate of registration for fishing vessel.

3. Subsidy rates:

a) As for construction of a new vessel for performing offshore fishing activity or logistic support services thereof with steel hull (comprising new equipment) and total main engine power ranging from 800CV to less than 1,000CV, the vessel owner shall be entitled to 35%, but no more than VND 6.7 billion, of subsidy for the total investment value per each;

If a fishing vessel has the total main engine power of at least 1,000CV, vessel owner shall be entitled to 35%, but no more than VND 8 billion, of subsidy for the total investment value per each.

b) As for construction of a new vessel for performing offshore fishing activity or logistic support services thereof with composite hull (comprising new equipment) and total main engine power of at least 800CV, the vessel owner shall be entitled to 35%, but no more than VND 6.7 billion, of subsidy for the total investment value per each.

#### 4. Processes and procedures for payment of post-investment subsidy:

a) The vessel owner shall, by hand or by post, submit an application for post-investment subsidy, comprising required documents, to the provincial Department of Agriculture and Rural Development where his/her vessel has been duly registered. The application includes:

The owner's application form for post-investment subsidy for construction of new fishing vessel which includes the certification of the Chairperson of the People's Committee of the ward/commune where he/she has registered his/her permanent residence (Using the application form in the Appendix enclosed herewith);

The copy of the vessel owner's ID card or Citizen Identity Card;

Copies of the following documents: The certificate of conformance to technical safety standards of fishing vessel, the Certificate of registration for fishing vessel, and the commercial fishing license for an offshore fishing vessel; the Certificate of conformance to technical safety standards of fishing vessel and the Certificate of fishing vessel registration for a vessel providing logistic support services for offshore fishing activities;

The shipbuilding contract used for certifying that the vessel owner has ordered construction of new vessel;

The shipbuilding facility's final account of total investment outlay (including acquisition of navigational machinery and equipment, fishing aids, seafood and cargo storage facilities, and cargo handling equipment) which is submitted along with sales invoices or payment vouchers provided as evidence of payment of fees on construction of new vessel, and purchase of new machinery and equipment.

b) Within a permitted period of 10 working days from the receipt of a valid application from the vessel owner, the provincial Department of Agriculture and Rural Development shall lead, and collaborate with relevant agencies in, verification of the application, and then report on verification results to the provincial-level People's Committee for its approval of the subsidy amount paid to the vessel owner;

c) After consulting the verification results, the provincial-level People's Committee shall consider issuing the Decision to pay the subsidy amount to the vessel owner within a

permitted period of 05 working days from the receipt of the request from the provincial Department of Agriculture and Rural Development;

d) In compliance with the Decision granted by the provincial-level People's Committee, the provincial Department of Finance shall send a payment order to the State Treasury no later than 02 working days from the receipt of such Decision;

dd) The State Treasury shall publicly post the subsidy payment schedule at its office no later than 02 working days from the receipt of the payment order from the provincial Department of Finance; When receiving subsidy amount, the vessel owner must present his/her ID card or citizen's identification card for comparison purposes;

e) Budget estimate, allocation and final account

Based on the reported quantity of newly-built ships qualifying for post-investment policies, the provincial Department of Finance in collaboration with relevant local authorities shall determine demands for required subsidy funds and report to the provincial-level People's Committee that prepared a consolidated report for submission to the Ministry of Finance.

The Ministry of Agriculture and Rural Development shall integrate locality-specific demands sent to the Ministry of Planning and Investment that heads and collaborate with the Ministry of Finance in preparation of an integrated report to the Prime Minister who grants his decision on authorization to provide supplementary funds from the central budget for local budgets.

Post-investment funds shall be integrated into the final account of annual provincial-level budget expenditure as stipulated by the Law on State Budget, directives on the Law on State Budget and the State Budget Index in force.”

6. Amendments to Article 5:

**“Article 5. Insurance policies**

Funding for purchase of insurance for offshore fishing vessels and logistic support vessels for offshore fishing activity, which are members of fishery production teams, groups, unions or cooperatives, and have the main engine power of at least 90 CV each, shall be covered by the state budget. To be specific:

1. An annual subsidy shall be granted to cover 100% of accident insurance premiums for each crew member working on the vessel.

2. An annual subsidy shall be granted to cover 50% of the hull insurance premiums (the hull insurance policy shall cover all risks related to the hull but fishing equipment, gear and nets on each vessel).”

7. Amendments to Clause 2, Clause 3, Clause 7 and Clause 8 Article 6:

“2. Registration fees shall be exempted in accordance with regulations in Clause 23 Article 9 of the Government’s Decree No. 140/2016/ND-CP dated October 10, 2016 on registration fees.

3. Licensing fees shall be exempted in accordance with regulations in Clause 4 Article 3 of the Government’s Decree No. 139/2016/ND-CP dated October 04, 2016 on licensing fees.

7. Personal income tax shall be exempted in accordance with regulations in Clause 5 Article 4 of the Law on personal income tax in 2007 and the Law on amendments to certain articles of the Law on taxation in 2014.

8. Enterprises having income from aquaculture, aquatic product processing and commercial fishing shall be entitled to enjoy enterprise income tax incentives in accordance with regulations of the Law on enterprise income tax and its instructional documents.”

8. Amendments to Clause 1 Article 7:

“1. Grant subsidy to cover 100% of expenses for training courses for masters, chief engineering officers, and crew members to operate steel hull vessels and new-material hull vessels; provide instructions for fishing techniques and application of modern technologies to seafood storages for vessels with the main engine power of at least 400 CV.”

9. Amendments to Clause 2 Article 8:

“2. Expenses for training, periodic repairing and maintenance of steel hull vessels; expenses for implementing insurance policies and one-off post-investment subsidy policies shall be paid in accordance with policies on dedicated additional funding granted by the central budget to local budgets under the Prime Minister’s decisions.”

10. Amendments to Point e Clause 1 Article 9:

“e) Instruct local authorities to implement policies hereof and prepare periodic preliminary summary reports; take charge and cooperate with relevant Ministries and Provincial-level People’s Committees in preparation and submission of summary report on the implementation of policies to the Government.”

11. Addition of Point g to Clause 1 Article 9:

“g) Review, supplement and formulate regulations on shipbuilding inspection.”

12. Amendments to Clause 2 Article 9:

“2. Take charge and cooperate with the Ministry of Finance and the Ministry of Agriculture and Rural Development in balancing, allocating and summarizing total demands for the investment capitals according to the 5-year and annual plans in order to grant subsidy on loan interest rate, one-off post-investment subsidies and implement investment programs and projects as well as ensure the definite completion of each project.”

13. Amendments to Point b Clause 3 Article 9:

“b) Instruct the policy on grant of subsidy on interest rate in order to implement credit policies specified in Article 4 of the Decree No. 67/2014/ND-CP. Instruct the explanation of objective reasons and force majeure events for enjoying benefits from risk mitigation mechanism as prescribed in the Decree No. 67/2014/ND-CP.”

14. Addition of Point d to Clause 3 Article 9:

“d) Take charge and cooperate with relevant ministries and authorities to deal with queries about methods, applications, processes and procedures for post-investment subsidy for fishermen ordering construction of new fishing vessels.”

15. Addition of Point dd into Clause 4 Article 9:

“dd) Provide guidance on change of debts in case where a vessel owner is incapable of implementing the project on construction or upgrading of finishing vessel or an owner of finished fishing vessel is incapable of performing commercial fishing activities.”

16. Amendments to Clause 2 Article 10:

“2. Assign People’s Committees of communes to certify entities eligible for one-off post-investment subsidy as prescribed in Article 4a, entities eligible for subsidy as prescribed in Article 5 and the ones eligible for subsidy as prescribed in Article 7 herein, People’s Committees of district to appraise and request People’s Committees of provinces for approval.”

17. Addition of Clause 7, Clause 8, Clause 9, Clause 10 and Clause 11 to Article 10:

“7. Consider solving the case where a vessel owner is incapable of implementing the project on construction or upgrading of finishing vessel or an owner of finished fishing vessel is incapable of performing commercial fishing activities and wants to transfer the vessel on the basis of opinions given by lending banks.

8. Instruct functional agencies to determine the annual funding for one-off post-investment subsidy so as to send to the Ministry of Finance for aggregation, balancing and allocation of funding.

9. Inspect the implementation of policy on one-off post-investment subsidy; construction and upgrading of fishing vessels; ensure grant of subsidy to proper entities in a lawful and transparent manner.

10. Instruct relevant provincial departments and agencies to cooperate with local banks in expediting vessel owners who have received loan capital in accordance with regulations of the Decree No. 67/2014/ND-CP to pay debts to lending banks on schedule as specified in the signed credit agreement.

11. Submit reports on implementation of policies to the Ministry of Finance and the Ministry of Agriculture and Rural Development on a quarterly basis and at the end of the financial year.”

18. Addition of Clause 5 and Clause 6 into Article 12:

“5. Supervise the construction, modification, maintenance and repairing of vessels. If a vessel owner is incapable of performing supervision works, supervision consultant shall be employed. Expenses for hiring supervision consultant shall be included in total investment for building the vessel.

6. In case a vessel owner is incapable of implementing the project on vessel construction or the owner of a finished fishing vessel transfers the project, the new vessel owner shall be entitled to enjoy subsidy policies and enforced to discharge obligations from the project if the new vessel owner satisfies all requirements specified in this Decree.”

19. Amendments to Clause 4 Article 13:

“4. Periods for implementing policies specified in this Decree:

a) The policies specified in Article 3, Clause 3 Article 4, Article 5, Article 6 and Article 7 of the Decree No. 67/2014/ND-CP dated July 07, 2014 shall be applicable until the end of December 31, 2020.

b) The vessel owners who get loans for construction or upgrading of vessels in accordance with the Government's Decree No. 67/2014/ND-CP dated July 07, 2014 shall receive subsidies on insurance premiums during the lending period with incentive interest rate (but not later than 11 years for construction of wood hull vessel or upgrading of vessel or not later than 16 years for construction of steel hull vessel or new-material hull vessel).

c) The policy on one-off post-investment subsidy for construction and ownership of vessels for performing offshore fishing activities or providing logistic support services for offshore fishing activities with total main engine power of at least 800 CV shall be applicable to the end of December 31, 2020.

d) Credit agreements for construction or upgrading of vessels as prescribed in Clause 1 Article 4 shall be concluded up to December 31, 2017. In case a loan is disbursed after December 31, 2018, the lending interest rate shall be paid according to specific agreements entered into between the commercial banks and borrowers in conformity with applicable law regulations.”

20. Clause 6 Article 3 and Clause 2 Article 7 of the Government’s Decree No. 67/2014/ND-CP dated July 07, 2014 on certain fishery development policies are abrogated.

## **Article 2. Entry into force**

1. This Decree shall come into force from March 25, 2018.
2. Policies mentioned in this Decree shall be implemented from January 01, 2018.
3. Clause 5, Clause 7 Article 1 of the Government’s Decree No. 89/2015/ND-CP dated October 07, 2015 on amendments to the Government’s Decree No. 67/2014/ND-CP dated July 07, 2014 on certain fishery development policies shall be annulled.
4. The Government’s Decision No. 47/2016/QD-TTg dated October 31, 2016 on piloting one-off post-investment subsidy system under the regulations of the Government’s Decree No. [89/2015/ND-CP](#) dated October 07, 2015, providing amendments to the Government’s Decree No. [67/2014/ND-CP](#) dated July 07, 2014 on certain fishery development policies shall be null and void from the date of entry into force of this Decree.

## **Article 3. Implementation**

Ministers, heads of ministerial agencies, heads of the Governmental agencies, Chairpersons of People’s Committees of provinces or central-affiliated cities, and Presidents of fisheries societies or associations shall, within the ambit of assigned functions and tasks, assume responsibility to instruct and implement this Decree./.

**ON BEHALF OF THE GOVERNMENT  
PRIME MINISTER**

**Nguyen Xuan Phuc**

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