

**CIRCULAR No.04/2000/TT-BTS OF
NOVEMBER 3, 2000 GUIDING THE
IMPLEMENTATION OF A NUMBER OF
ARTICLES IN THE PRIME MINISTER'S
DECISION No.103/2000/QĐ-TTg OF
AUGUST 25, 2000 ON A NUMBER OF
POLICIES TO ENCOURAGE AQUATIC
BREEDS DEVELOPMENT**

Pursuant to the Prime Minister's Decision No.103/2000/QĐ-TTg of August 25, 2000 on a number of policies to encourage aquatic breeds development, the Ministry of Aquatic Resources hereby guides implementation as follows:

***I. TO ENCOURAGE AND CREATE FAVORABLE
CONDITIONS FOR DOMESTIC
ORGANIZATIONS, HOUSEHOLDS AND
INDIVIDUALS OF ALL ECONOMIC SECTORS
AS WELL AS FOREIGN INVESTORS TO
INVEST IN THE FIELD OF AQUATIC BREEDS
PROTECTION AND DEVELOPMENT.***

1. Localities must work out planning on breeding areas. Where exist more favorable breeding conditions, such advantages must be made fullest use of so as to produce high-quality breeds and reduce production costs to meet the market demand. Priority should be given to the land allotment or long-term land lease to organizations, households and individuals inside and outside localities as well as foreign investors for their investment in the field of aquatic breeds development. For localities where breeding conditions are unfavorable but a big demand for breeds exists, they may rent or purchase land from other localities with more favorable conditions to organize the breed production to ensure the stable supply of breeds for their own localities.

2. Localities shall coordinate with the Aquatic Resources Protection Department in re-determining grounds of parental sea shrimps (particularly black shrimp, green tiger prawn, lobster) and breeding grounds of grouper, Madras snapper, dwarf catfish, conger and breeds of other precious and rare aquatic species in order to impose the total ban or seasonal ban on exploitation (of blue-legged prawn, shore crab) or permit the restricted exploitation, and at the same time work out annual plans to additionally stock the areas with breeds (black shrimp, green tiger prawn), with a view to protecting and re-creating natural breeds.

3. The State encourages research institutions inside and outside the aquatic resources branch, companies and non-governmental organizations to invest in the field of aquatic breeds research and development.

4. Organizations, households and individuals allowed to invest in the field of aquatic breeds development shall have to abide by the regulations on aquatic breeds quarantine.

5. The State protects the interests of organizations, households and individuals allowed to invest in the field of aquatic breeds protection and development through policies on infrastructure development investment; and at the same time, creates favorable conditions for organizations, households and individuals that have a demand to hire foreign specialists to transfer breeding technology.

II. IMPLEMENTATION OF POLICIES FOR ENCOURAGEMENT OF AQUATIC BREEDS DEVELOPMENT

1. On aquatic breeding sciences and technologies

a/ For the aquatic species whose breeds can be produced artificially through breeding technologies such as: black shrimp in Central Vietnam and Cuu Long (Mekong) river delta, blue-legged prawn in eastern South Vietnam and Cuu Long (Mekong) river delta or fresh-water fishes in the North, it is necessary to upgrade equipment and renovate technologies in order to raise the production capacity and breeds' quality; restructure production establishments to make the supply of aquatic breeds match the demand therefor in each locality, each region and the whole country, and minimize the transport of breeds from one area to another for the prevention of epidemic spread. In deep-lying and remote areas where breeds can hardly be supplied, it is necessary to provide guidance on the technology of hatchery, from fry to larvule and from larvule to breeds so as to ensure the adequate supply of on-spot good breeds with reasonable prices.

b/ For the aquatic species, such as sea crab, some kinds of mollusks (winkle, scallop, blood ark-shell, pearl oyster), pangasius, monogenic tilapia, spinibarichthys denticulatus oshima... with good prospect for efficient farming, with initial experiences being gained in artificial-breeding technology, which, however, is not yet completed, such technology should be further studied and perfected for large-sale production.

c/ For the aquatic species, such as grouper, pike, perch, bahmin, Madras snapper, pargo, bagarius, dwarf catfish..., which see good prospect for efficient farming, though in the immediate future the research on artificial breeding-technology is facing with difficulties, the scientific research in this field must be boosted; and at the same time, the import of breeds and breeding technologies by research institutions and production establishments shall be encouraged.

The import of aquatic breeds outside the list of the banned breeds (announced by the Trade Ministry at the request of the Ministry of Aquatic Resources) shall not need permits but the quarantine procedures must be carried out according to the Aquatic Resources Ministry's process 28 TCN of June 24, 1997 on the quarantine of aquatic animals and aquatic animal products.

2. On land and water surface used by aquatic breeding establishments

Organizations, households and individuals of all economic sectors wishing to use land or water surface for production expansion or investment in the construction of new aquatic breeding establishments under the branch's breed system planning with feasible projects shall be given priority by the People's Committees of the provinces and centrally-run cities as well as local administrations of different levels, and enjoy the preferential policies regarding land use levies and land rentals prescribed by the current Land Law.

3. Investment and credit

a/ The State budget capital (including public-service capital) shall be invested in:

- Building national aquatic breeding centers under the branch's institutes and centers for the research of fresh-water aquatic breeds and marine breeds in typical ecological regions, which perform the following tasks:

- + To produce prototype breeds of aquatic species of high economic value so as to ensure their stable productivity and quality.

- + To preserve prototype breeds, to protect gene sources of the rare and precious aquatic species with export potential.

- + To import prototype breeds, new breeds and precious breeds which can be acclimatized for large-scale production. To import technologies for producing high-yield and high-quality aquatic breeds, first of all focusing on the technologies to produce breeds of aquatic species with export potential.

Projects using public-service fund for scientific research in the above-mentioned fields shall be submitted by research institutes and centers to the Ministry for ratification according to current regulations.

- To build grade-I aquatic breeding farms (including fresh-water and marine breeding farms) within the national breeding system according to the branch and local development plannings. Provinces should determine their demands for breeds and capabilities of technical personnel, thereby proposing the building of grade-I breeding farms within the national breeding system for the performance of the

following public-service tasks on aquatic breeds:

- + To supply reserve breeds and grade-I breeds of high quality to the provincial breeding establishments.

- + To build breeding demonstration models, to receive new aquatic breeding technologies;

- + To train personnel and transfer breeding technologies to different economic sectors in localities.

- To increase the annual fishery promotion funds for centrally-run bodies and localities as mentioned in Clause f, Article 4 of Decision No.103/2000/QĐ-TTg, which shall be used for the following contents:

- + Importing breeding technologies;

- + Importing new breeds;

- + Organizing the transfer of breeding technologies;

- + Organizing training and practicing courses on breed production, preventing diseases, building breeding demonstration models, issuing documents on technical guidance and necessary information in service of the breed development.

Projects on the import of breeding technologies or new breeds or on the transfer of breeding technologies shall be elaborated by research institutes and centers and evaluated by the Ministry of Aquatic Resources. The Ministry of Aquatic Resources assigns the Central Fishery Promotion Center to organize the implementation of fishery promotion projects of research institutes and centers.

The locally-run fishery promotion projects on breeds shall be elaborated by the local fishery promotion bodies, which shall submit them to the People's Committees of the provinces and centrally-run cities for ratification and sending to the Ministry of Aquatic Resources for sum-up. The Ministry of Aquatic Resources shall assign plans to localities and assign the Central Fishery Promotion Center to direct the implementation thereof.

Fishery promotion projects on aquatic breeds development shall be elaborated on the basis of:

- + The expenditure norms of public-service capital for fishery promotion, which shall comply with the Finance Ministry's guidance on a number of spending levels in service of agriculture, forestry and fishery promotion work;

- + The technical norms for elaboration of fishery promotion plans on aquaculture, which shall comply with Decision No.530/1998/QĐ-BTS of September 8, 1998 of the Ministry of Aquatic Resources.

- The People's Committees of the provinces and centrally-run cities shall reserve part of the local budget capital in support of aquatic breeds-producing organizations, households and individuals mentioned in Clause g, Article 4 of Decision No.103/2000/QĐ-

TTg, to offset the aquatic breeds price difference; subsidize aquatic breeds transportation and partly support loan interests for organizations, households and individuals engaged in aquatic breeds production and supply in deep-lying and remote areas as well as key areas, which have been approved by the provincial/municipal People's Committees.

b/ Credit capital

- Organizations, households and individuals borrowing the State's credit capital (including capital for capital construction and working capital) from the Development Assistance Fund as prescribed at Item a, Point 2, Article 4 of Decision No.103/2000/QĐ-TTg for breeds production shall have to draw up capital-borrowing projects according to the set form. The elaboration, evaluation, ratification and implementation of investment projects shall comply with Decree No.52/1999/ND-CP of July 8, 1999 and Decree No.12/2000/ND-CP of May 5, 2000 amending and supplementing a number of Articles of the Government's Decree No.52/1999/ND-CP.

- + Projects with total investment capital of more than VND 1 billion must be elaborated in form of aquatic breeds development investment projects, which must be professionally consented by the Ministry of Aquatic Resources, so that the provincial People's Committees can evaluate them and make decisions thereon.

A dossier for project evaluation includes:

A proposal to the competent level for project ratification;

The decision approving the locally-run aquatic development program, which determines the project's conformity with the branch development planning as well as the local socio-economic development planning;

The document determining the investment location, land area and ground scheme; the document certifying the land use right and ground situation being in line with the planning;

The relevant agencies' opinions on the matters falling under their competence or relating to their interests;

The written evaluation opinions of the lending organization(s), for projects involving loan capital;

The legal documents certifying the investor's legal person status, financial capability and potential of scientific and technological personnel;

The feasibility study report attached with the preliminary design, which are made in conformity with the provisions in Article 24 of the Investment and Construction Management Regulation issued together with the Government's Decree No.52/1999/ND-CP,

and with the specialized characteristics of the aquatic breeds protection and development field.

+ For projects with total investment capital of less than VND 1 billion, the elaboration of investment projects is not required but investment reports must be made according to guidance in Circular No.11/2000/TT-BKH of September 11, 2000 of the Ministry of Planning and Investment. If such projects have no demand for land lease, they may be decided by their owners themselves after being certified by the local managing services. If such projects have demand for land lease, they must be approved by the People's Committees of the provinces or centrally-run cities. The project execution shall not have to go through bidding.

The operation duration, evaluation organization and competence for ratification of projects shall comply with the current Investment and Construction Management Regulation.

- Organizations, households and individuals borrowing the State's credit capital may use assets created from the borrowed capital as guaranty for their borrowings according to the Government's Decree No.178/1999/ND-CP of December 29, 1999 on guaranty for loan money of credit institutions.

The borrowing level for each project must not exceed VND 1 billion and the capital recovery duration is 5 years at most; the loan interest shall be calculated according to current regulations of the Development Assistance Fund.

- Organizations, households and individuals borrowing commercial credit capital mentioned at Item b, Clause 2, Article 4 of Decision No.103/2000/QĐ-TTg may borrow less than VND 50 million according to the State Bank Governor's Official Dispatch No.934/2000/CV-NHNN1 of September 25, 2000 guiding the implementation of Decision No.103/2000/QĐ-TTg.

4. On taxes

Organizations, households and individuals investing in the field of aquatic breeds protection and development shall enjoy tax preferences, reduction or exemption under the Government's Decree No.51/1999/ND-CP of July 8, 1999 detailing the implementation of the Law on Domestic Investment Promotion (amended).

5. To encourage research and training bodies to participate in the research on aquatic breeds creation and production.

Research institutes and centers as well as technical training schools in aquatic resources branch shall expand cooperative ties with localities, provide technical training assistance for or enter into joint

ventures with organizations, households and individuals investing in breeds production so as to quickly apply technical advances to the efficient aquatic breeds production. To encourage research and training bodies as well as scientists outside the aquatic resources branch to coordinate with aquatic resources branch's research and training bodies in elaborating and executing research projects on aquatic breeds creation and production.

Research institutes and centers as well as technical training schools in aquatic resources branch shall have to work out planning and plans on the training of technical staff in the field of breeding so as to build a contingent of aquatic breeding experts. Projects using public-service training fund shall be annually elaborated and submitted for ratification according to current regulations.

6. State management over aquatic breeds

The Ministry of Aquatic Resources assigns the Fishery Department to coordinate with the functional departments in assisting the Minister to exercise the State management over aquatic breeds in the whole country, as well as management of chemicals and feeds... for aquatic breeds production.

The Ministry of Aquatic Resources assigns the Aquatic Resources Protection Department, the Fishery Department and the Science and Technology Department to join the provincial/municipal Aquatic Resources Services as well as Agriculture and Rural Development Services involved in aquatic resources management in the regular examination and inspection of the State management over aquatic breeds. The inspection and examination contents include: consideration and appraisal of aquatic breeds production, quality of prototype breeds, paternal and progenitorial breeds according to current criteria; inspection of the implementation of the branch's and localities' undertakings and policies on aquatic breeds management. The inspection, examination and handling results shall be recorded in minutes and sent to inspected and examined establishments, the superior managing agencies and relevant agencies.

Above are the Aquatic Resources Ministry's guidances for implementation of the Prime Minister's Decision No.103/2000/QĐ-TTg of August 25, 2000 on a number of policies to encourage aquatic breeds development. In the course of implementation, if problems arise, localities and units are requested to report them to the Ministry of Aquatic Resources for study and timely amendment and supplement.

For the Minister of Aquatic Resources
Vice Minister
NGUYEN VIET THANG