

**DECISION No. 152/2001/QD-TTg OF OCTOBER 9, 2001 ON MECHANISMS AND POLICIES FOR INVESTMENT IN PLANTING HEADWATER PROTECTION FORESTS IN QUANG TRI, THUA THIEN-HUE, QUANG NAM, QUANG NGAI AND PHU YEN PROVINCES WITH LOAN CAPITAL OF THE JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)**

**THE PRIME MINISTER**

*Pursuant to the Law on Organization of the Government of September 30, 1992;*

*Pursuant to the Agreement on Specialized Credit Program, code VN VI-8 (the loan amount for the forestry sector), 1998 fiscal year, signed between the Vietnamese Government and the Japanese Government;*

*At the proposal of the Ministry of Agriculture and Rural Development (Document No. 1147/BNN-KH of April 20, 2001) and comments of the Ministry of Planning and Investment (Document No. 5848/BKH-NN of August 29, 2001) and the Finance Ministry (Document No. 8392/TC-TCDN of September 5, 2001).*

**DECIDES:**

*Article 1.-* The mechanism and policies for investment in planting headwater protection forests

in Quang Tri, Thua Thien-Hue, Quang Nam, Quang Ngai and Phu Yen provinces with the loan capital of the Japan Bank for International Cooperation (JBIC) and the reciprocal capital of Vietnam are stipulated as follows:

1. Investment capital allocated by the State budget (the JBIC's loan capital and the State budget's reciprocal capital) for planting protection forests shall comply with the investment policies stipulated in the Prime Minister's Decision No. 661/QD-TTg of July 29, 1998; particularly for the planting of protection forests in very important and important areas, the investment rate shall be decided by the provincial People's Committees on the basis of the technical process elaborated by the Ministry of Agriculture and Rural Development and the eco-technical norms set by localities.

For the planting of production forests by individuals or households (other than enterprises) on the assigned land, the State shall provide investment support for the first cycle with a level not exceeding VND 1.9 million/ha; the specific investment rate shall be decided by the provincial People's Committees.

2. The spending rate and amounts from Vietnam's reciprocal capital shall comply with the Finance Ministry's guidance in Circular No. 129/1999/TT-BTC of January 5, 1999. The reciprocal capital shall be allocated from the budgets of the 5 provinces. The reciprocal capital amount set aside for the Ministry of Agriculture and Rural Development's management shall be included in the Ministry's annual budget investment rate.

3. Interests and obligations of households, individuals and communes participating in the project shall comply with the provisions of Decision No. 08/2001/QD-TTg of January 11, 2001 promulgating the Regulation on the management of special-use forests, protection forests and production forests which are natural forests. For forests planted for protection, they shall be entitled to enjoy all thinned-out products, agricultural products and products under the forest canopy. The Ministry of Agriculture and Rural Development shall provide specific guidance on the process, main trees, subsidiary trees and harvesting levels for the above-said planted forests. For the planting of production forests, the forest owners shall be entitled to own and enjoy all products exploited therefrom.

4. Assignment of management responsibilities

The People's Committees of the provinces in the

project areas shall approve and organize the implementation of specific projects under the guidance of the ministries and the JBIC's regulations on capital borrowing.

*Article 2.-* To assign the Minister of Agriculture and Rural Development to elaborate policies, regulations and implementation plans, and join the ministries, branches and provinces where exists the project in defining the functions, tasks and plans on organizing the project implementation, and to closely coordinate with the JBIC.

*Article 3.-* The ministers of Planning and Investment; Finance; Agriculture and Rural Development; the Governor of Vietnam State Bank, the heads of the concerned ministries and branches and the presidents of the People's Committees of Quang Tri, Thua Thien-Hue, Quang Nam, Quang Ngai and Phu Yen provinces shall have to implement this Decision.

*For the Prime Minister*  
*Deputy Prime Minister*  
**NGUYEN CONG TAN**