

**OF THE RESOLUTION OF THE PARTY  
CENTRAL COMMITTEE'S POLITICAL  
BUREAU, THE IX<sup>th</sup> CONGRESS, ON  
CONTINUED REORGANIZATION, RENEWAL  
AND DEVELOPMENT OF STATE-RUN  
AGRICULTURAL AND FORESTRY FARMS**

**THE PRIME MINISTER**

*Pursuant to the Law on Organization of the  
Government of December 25, 2001;*

*Pursuant to the Political Bureau's Resolution No.  
28-NQ/TW of June 16, 2003,*

**DECIDES:**

**Article 1.-** To promulgate together with this Decision the Government's program and plan on the implementation of the Resolution of the Party Central Committee's Political Bureau, the IX<sup>th</sup> Congress, on continued reorganization, renewal and development of State-run agricultural and forestry farms.

**Article 2.-** This Decision takes effect 15 days after its publication in the Official Gazette.

**Article 3.-** The ministers, the heads of the ministerial-level agencies, the heads of the agencies attached to the Government and the presidents of the People's Committees of the provinces and centrally-run cities shall have to implement this Decision.

**THE PRIME MINISTER**

**DECISION No. 179/2003/QĐ-TTg OF  
SEPTEMBER 3, 2003 ON THE GOVERNMENT'S  
PROGRAM AND PLAN ON IMPLEMENTATION**

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

**THE GOVERNMENT'S PROGRAM AND PLAN  
ON THE IMPLEMENTATION OF THE  
RESOLUTION OF THE PARTY CENTRAL  
COMMITTEE'S POLITICAL BUREAU, THE IX<sup>th</sup>  
CONGRESS, ON CONTINUED  
REORGANIZATION, RENEWAL AND  
DEVELOPMENT OF STATE-RUN  
AGRICULTURAL AND FORESTRY FARMS**

*(Promulgated together with the Prime Minister's  
Decision No. 179/2003/QĐ-TTg of September 3, 2003)*

**A. OBJECTIVES AND REQUIREMENTS OF  
THE PROGRAM AND PLAN**

The objectives of the program and plan are to organize the successful materialization of the Political Bureau's Resolution on continued reorganization, renewal and development of State-run agricultural farms and forestry farms, with a view to raising the efficiency of the sustainable use of the land and forest resources, perennial tree gardens and existing material-technical foundations; to form zones of concentrated, specialized, intensive large-scale production of commodity agricultural and forest products in association with processing and consumption; to raise the production efficiency and competitiveness; to create more jobs for and raise incomes of laborers, protect the ecological environment and contribute to the hunger eradication and poverty alleviation; to step up the quick and efficient application of scientific and technological advances to agricultural and forestry production; to clearly define the functions and tasks of each agricultural or forestry farm and clearly distinguish the production and business tasks from public-utility tasks; and enhance the State management over agricultural and forestry farms.

The requirements of the program and plan are to concretize the viewpoints, objectives and contents of the Resolution, on the basis of the adequate study and grasp thereof, into legal documents for the implementation of the Resolution in a synchronous, complete, prompt and effective manner.

**B. PRINCIPAL CONTENTS OF THE  
PROGRAM AND PLAN**

**I. Continued reorganization and development of  
State-run agricultural and forestry farms**

1. Classifying and reorganizing agricultural and forestry farms according to the orientations and tasks set forth in the Resolution, including:

- Agricultural and forestry farms which principally perform the business task, conducting production, business and accounting activities according to the State-controlled market mechanism.

- Agricultural and forestry farms which perform the production and business tasks but have to partially assume the social, security and defense functions (in deep-lying areas, border areas and islands).

- Agricultural and forestry farms which principally perform the public-utility tasks, operating in the form of service or public-utility enterprises.

2. Revision of orientation and tasks of each State-run agricultural or forestry farm for continued renewal or dissolution.

Regarding agricultural farms:

- a/ Agricultural farms which should further renew themselves and raise their operation efficiency:

Agricultural farms specializing in cultivating perennial trees and having relatively complete infrastructures shall concentrate on intensive farming on planted gardens, in combination with investment in renovation, upgrading and expansion of the existing processing establishments or building of new ones (with equity capital contributed by organizations and individuals inside and outside the agricultural farms); they shall only expand areas for planting new trees when there exist really efficient projects.

- b/ Agricultural farms which should continue to be maintained but with changed orientations and tasks:

- Agricultural farms specializing in farming

sugarcane, pineapple, silkworm mulberry, cotton, tobacco, etc., shall reorganize their production associated with processing enterprises; shift to the production of strains, building of models of technical advances in service of agricultural farms and promotion of production in localities.

- Agricultural farms engaged in food crops and other annual crops or husbandry shall definitely shift to the production of strains, building of models of application of technical advances for transfer to peasants for production; invest in renovation and upgrading of the existing processing establishments or building of new ones; and at the same time, organize business activities and sign contracts with farmers for consumption of products.

- Agricultural farms in deep-lying, remote or border regions, or islands inhabited largely by ethnic minority people where exists the requirement to serve the sedentarization as well as security and defense shall manage appropriate land acreages for production of strains and building of models of application and transfer of scientific and technical advances and processing establishments in service of people in their regions; closely combine the socio-economic development, security and defense tasks.

c/ To set up new agricultural farms in deep-lying, remote or border regions and islands inhabited largely by ethnic minority people where exists the requirement to serve the sedentarization as well as security and defense. Agricultural farms shall manage appropriate land acreages for production of strains and building of models of application and transfer of techniques and processing establishments in service of people in their regions; closely combine the socio-economic development, security and defense tasks.

d/ Agricultural farms which should be transformed in ownership form or dissolved:

Agricultural farms which have suffered from business losses for many years or earn their incomes mainly from land rents, and need not to be maintained.

Regarding forestry farms:

a/ Forestry farms which manage mainly production forests or land for planting of raw materials forests should continue to be invested for intensive farming or use of new varieties, and forestry farms (raw material zones) should be associated with processing factories and shift to operate under the production and business mechanism.

b/ Forestry farms which manage mainly land under natural forests and land acreages planned for planting of protective forests or special-use forests shall be transformed into non-business units with revenues (i.e. management boards).

c/ Forestry farms which manage small forestry land acreages intermingled with agricultural land and near population quarters shall be narrowed in land area or transformed into public-service enterprises with revenues, provide strain production services, and transfer technical advances to local peasants.

d/ Forestry farms which should be transformed in ownership form or dissolved:

Forestry farms which need not to be maintained shall be dissolved and have their land recovered by the local administrations for use according to the provisions of law.

3. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Planning and Investment, the Ministry of Finance, the Ministry of Labor, War Invalids and Social Affairs, the People's Committees of the provinces and centrally-run cities and the State corporations in, guiding the reorganization, renewal and development of agricultural and forestry farms according to the above-said reorganization and renewal orientations.

The ministries and branches having agricultural farms or forestry farms, the People's Committees of the provinces and centrally-run cities and the State corporations shall direct the revision, reorganization, renewal and development of agricultural and forestry farms of their respective branches or localities, and elaborate schemes on reorganization, renewal and development thereof, then submit them to the Prime

Minister for approval.

## **II. Renewal and management of State-run agricultural farms and forestry farms**

### **1. The land management and use**

#### **a/ Land management:**

- To concentrate on reviewing the land funds and the actual situation of land management and use by agricultural farms and forestry farms. Basing themselves on the schemes on reorganization of agricultural farms and forestry farms, plans and plans on socio-economic development as well as planning and plans on agricultural and forestry development in each geographical area or each ecological zone, localities shall clearly determine each category of land for efficient management and use. This is the most important and complicated task which requires concentrated direction focusing on the following land areas:

+ Land areas retained by agricultural farms and forestry farms for production and/or business purposes.

+ Land areas assigned to the local administrations for management for sub-assignment to peasants for management and use according to the provisions of law.

+ Land areas recovered by the local administrations for assignment to organizations and individuals for use according to the provisions of law, including: land used by agricultural and/or forestry farms not for the right purposes, not according to the planning and inefficiently; encroached land of agricultural and forestry farms.

+ Disputed land areas which must be handled according to law, including: Land areas involved in disputes between agricultural or forestry farms and local households; and those involved in disputes between agricultural or forestry farms and other organizations.

#### **b/ Land use:**

- Land areas retained by agricultural and forestry farms mainly for performance of the production and/or business tasks shall be converted into leased land.

- Land areas retained by agricultural and forestry farms for performance of public-utility tasks shall be assigned by the State according to the provisions of law.

- Land areas already leased or lent by agricultural and forestry farms to organizations and/or households, if currently being used for agricultural or forestry production in compliance with the planning and law, shall continue to be used but shall now be converted into land leased by the State according to the current regulations.

c/ The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development and the concerned ministries and branches in, guiding the review of the planning on land management and use in the State-run agricultural farms and forestry farms.

The Ministry of Agriculture and Rural Development, the ministries and branches having agricultural and forestry farms, the People's Committees of the provinces and centrally-run cities and the State corporations shall direct and approve the land planning of each agricultural or forestry farm under their respective management.

The People's Committees of the provinces and centrally-run cities shall decide on the land assignment, lease, recovery and granting of land use right certificates to agricultural farms and forestry farms.

### **2. Implementation of contracting forms in the State-run agricultural and forestry farms**

a/ To sum up the contracting of land for use for agricultural, forestry and aquacultural production purposes in the State enterprises (Decree No. 01/CP of January 4, 1995), and contracting forms applicable to the State-run agricultural and forestry farms (contracting of gardens, forests...).

b/ To amend and supplement the Government's Decree No. 01/CP of January 4, 1995 on contracting of land for use for agricultural, forestry and aquacultural

production purposes in the State enterprises.

c/ To guide the implementation of the contracting forms and contracting assignment of agricultural or forestry land in agricultural and forestry farms.

The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Labor, War Invalids and Social Affairs, the Ministry of Finance, the People's Committees of the provinces and centrally-run cities and the State corporations in, making preliminary reviews and submit to the Prime Minister amendments and supplements to the regulations on the forms of contracting and contractually assigning land in agricultural and forestry farms.

### III. Policies

#### 1. Regarding the science and technology:

a/ To formulate mechanisms and policies to encourage and step up the application of scientific and technical advances and new as well as high technologies to the production, processing and post-harvest processes and the preservation of products of agricultural and forestry farms.

b/ To encourage the cooperation and linkage between agricultural and forestry farms and institutes, schools, scientific and technical centers of the central government, regions, provinces and centrally-run cities in the protection of genetic sources, selection, hybridization and production of agricultural and forestry plant varieties or domestic animal breeds of high yields and quality in agricultural and forestry farms.

c/ To formulate mechanisms and policies on assistance from the budget capital source for the import of precious genetic sources and good strains of high yield and quality and suitable to natural conditions of each region for the production and supply of good strains for production in agricultural and forestry farms and to local peasants.

d/ To work out plans and guide agricultural and forestry farms in performing the task of transferring and

applying scientific advances, new as well as high technologies, providing agricultural and forestry promotion, market and price information services to local peasants. To formulate policies on provision of agricultural and forestry promotion support funds to agricultural and forestry farms.

The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Science and Technology, the Ministry of Finance and the People's Committees of the provinces and centrally-run cities in, submitting the above-said policies to the Prime Minister.

#### 2. Regarding the financial policies:

a/ To guide agricultural and forestry farms to switch to economic cost-accounting and implement the regulation on financial management and business cost-accounting.

b/ To guide the use of proceeds from the liquidation of gardens, planted forests, cattle herds, basic depreciation deduction and enterprise income tax left to agricultural and forestry farms.

c/ To guide and solve financial problems such as losses and overdue debts of agricultural and forestry farms.

d/ To formulate mechanisms and policies on provision of investment supports from the sources of credit capital, support capital for investment in building of socio-economic infrastructure according to planning, plans and project zones in agricultural and forestry farms.

e/ To guide the handover of roads, power systems, irrigation works, schools, hospitals, etc., of agricultural and forestry farms previously built to local administrations for management, and the settlement of already invested capital sources upon the handover.

The Finance Ministry shall assume the prime responsibility for, and coordinate with Vietnam State Bank, the Ministry of Agriculture and Rural Development, the Ministry of Planning and Investment, the State corporations and the People's Committees of

the provinces and centrally-run cities in, guiding and implementing the above-said contents.

i/ To formulate mechanisms and policies on investment, maintenance, preservation and repair of socio-economic infrastructures of agricultural and forestry farms in localities meeting with particular difficulties to meet the security, defense or public utility requirements.

g/ To formulate mechanisms and policies toward agricultural and forestry farms still assigned to manage natural forests as well as management boards of protective forests and special-use forests assigned production forests by the State (including natural forests, planted forests and bare land).

h/ To formulate mechanisms and policies to support agricultural and forestry farms with main tasks of production and/or business but still partially performing the social functions, security and defense tasks.

The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Planning and Investment, the Ministry of Finance, the State corporations and the People's Committees of the provinces and centrally-run cities in, submitting the above-said support policies to the Prime Minister.

i/ To equitize factories and processing establishments, conduct the experimental equitization of gardens and planted forests in association with the equitization of processing establishments, formulate mechanism and policy for raw material producers and suppliers to purchase preferential shares like workers of processing establishments; to guide agricultural and forestry farms to shift to public-utility operations.

The Finance Ministry shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development and Vietnam State Bank in, guiding the equitization of factories and processing establishments, and policies on equitization of gardens and planted forests.

j/ To review the economic and technical norms

applicable to the planting, zoning off, tending, protection and regeneration of forests, and propose the adjustment of inappropriate norms.

The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with Ministry of Finance and the concerned ministries and branches in, guiding this content.

### 3. Regarding policies toward laborers:

a/ To formulate mechanisms and policies on social insurance for officials and employees working in agricultural and forestry farms without enjoying wages paid by the latter, but having incomes from production yields due to their contracting to land, forests, gardens or cattle herds of agricultural and forestry farms.

b/ To formulate mechanisms and policies on arrangement of salary grades and scales for officials and employees who do not enjoy wages from agricultural and forestry farms but currently contracting to land, gardens or planted forests of agricultural and forestry farms upon their retirement or resignation.

c/ To formulate, and guide the implementation of, mechanisms and policies toward laborers redundant in the course of reorganization of agricultural and forestry farms.

d/ To work out plans and formulate mechanisms and policies on training of managerial officials and technicians for agricultural and forestry farms, job-training and fostering of professional skills for laborers, especially local ethnic minority laborers, into agricultural and forestry farm workers.

The Ministry of Labor, War Invalids and Social Affairs shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development and the concerned ministries and branches in, guiding the implementation of the above-said contents.

e/ To guide the allocation of residential land and granting of land use right certificates to households of officials and employees of agricultural and forestry farms who legally reside in localities without having been

allocated residential land; to guide the allocation of production land and granting of land use right certificates to households of officials and employees who no longer work in agricultural and forestry farms, for case of already dissolved agricultural and forestry farms or those in the process of reorganization or renewal or those subject to the dissolution or ownership transformation.

The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development and the concerned ministries and branches in, guiding and directing the implementation of this policy.

f/ To determine the payroll limits for agricultural and forestry farms according to their functions, tasks and production and/or business scale; to determine payrolls of agricultural and forestry farms transformed into non-business units with revenues (i.e. management boards of special-use forests and protective forests).

The Ministry of Home Affairs shall assume the prime responsibility for, and coordinate with the Ministry of Agriculture and Rural Development in, guiding the implementation of this content.

The above-said contents are concretized into tasks specified in the Appendix to the Government's program and plan on implementation of the Resolution of the Political Bureau of the Party Central Committee, the IX<sup>th</sup> Congress (not printed herein).

#### **IV. Organization of implementation**

1. To organize the thorough study of the Political Bureau's Resolution No. 28/NQ-TW of June 16, 2003 throughout the country, and disseminate the Government's program and plan on reorganization, renewal and development of State-run agricultural and forestry farms. To guide the branches and levels in working out programs and plans to implement the said Resolution.

2. To direct and guide the ministries, branches, the People's Committees of the provinces and centrally-run cities and the State corporations in working out plans on classification, reorganization, renewal and

development of agricultural and forestry farms. To enhance the direction, inspection and supervision of the implementation of plans approved by the Prime Minister.

3. To set up organizations commensurate with the tasks of advising, coordinating, formulating mechanisms and policies and assisting the Government in directing and implementing the said Resolution.

4. To direct the effective realization of a healthy finance, handling of unpaid debts and prevention of relapse of unpaid debts; to well settle redundant laborers of agricultural and forestry farms.

5. The Ministry of Agriculture and Rural Development shall have to monitor and urge the implementation of this program and plan.

The ministries, the ministerial-level agencies, the agencies attached to the Government, the corporations, the companies, the People's Committees of the provinces and centrally-run cities shall concretize the Government's program and plan into programs and plans of their respective agencies or localities.

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