

**THE GOVERNMENT**

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No.: 57/2018/ND-CP

**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**

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*Hanoi, April 17, 2018*

## **DECREE**

### **INCENTIVE POLICIES FOR ENTERPRISES INVESTING IN AGRICULTURE AND RURAL DEVELOPMENT SECTOR**

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

*Pursuant to the Law on State Budget dated June 25, 2015;*

*Pursuant to the Law on Investment dated November 26, 2014;*

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

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

*Pursuant to the Law on Enterprises dated November 26, 2014;*

*Pursuant to the Law on assistance for small and medium-sized enterprises dated June 12, 2017;*

*Pursuant to the Land Law dated November 29, 2013;*

*Pursuant to the Law on Science and Technology dated June 18, 2013;*

*Pursuant to the Law on Technology Transfer dated June 19, 2017;*

*At the request of the Minister of Planning and Investment;*

*The Government promulgates a Decree on incentive policies for enterprises investing in agriculture and rural development sector.*

## **Chapter I**

### **GENERAL PROVISIONS**

#### **Article 1. Scope**

This Decree deals with a number of additional incentives to investment and procedures for giving incentives to enterprises investing in agriculture and rural development sector.

## **Article 2. Regulated entities**

This Decree applies to:

1. Enterprises that are eligible to receive incentives and subsidies, duly established under the Law on enterprises and have investment projects prescribed in Clauses 3, 4, 5 Article 3 herein.
2. Authorities, organizations and individuals involved in providing incentives and subsidies for investment in compliance with regulations herein.

## **Article 3. Interpretation of terms**

1. “rural area” refers to an administrative division, excluding areas situated in the vicinity of a ward of a district-level town, district or city.
2. "business lines eligible for investment incentives in agricultural and rural development sector" include the business lines specified in the Appendix enclosed herewith (Appendix I) and the others decided by the Prime Minister in each period.
3. “agriculture project eligible for special investment incentives" means a project of investment in one of the business lines specified in the Appendix I in an extremely disadvantaged area as defined in the Law on investment.
4. “agriculture project eligible for investment incentives" means a project of investment in one of the business lines specified in the Appendix I in a disadvantaged area as defined in the Law on investment.
5. “encouraged agriculture project” means a project of investment in one of the business lines specified in the Appendix I in a rural area other than the one prescribed in Clause 3 or Clause 4 of this Article.
6. “agriculture sector prescribed herein” covers agriculture, forestry, aquaculture and salt production (including cultivation of herbs).
7. “agricultural products” means products generated by agriculture, forestry, aquaculture and salt production.
8. “new small and medium-sized agricultural enterprise” refers to an enterprise that invests in the agriculture and rural development sector only, has operated for not more than 05 years from the date of issuance of its Certificate of enterprise registration, and satisfies all of requirements laid down in the Law on assistance for small and medium-sized enterprises.
9. “enterprise joining a value chain” refers to an enterprise that enters into a purchase agreement of agricultural products on a regular basis (for at least 36 months) with farmers or their representative.

## **Article 4. Rules for applying investment incentives and subsidies**

1. The Government shall provide investment incentives by means of exemption and reduction of taxes, fees and charges and simplification of administrative procedures for qualified enterprises.
2. The Government shall provide subsidies to partially cover investment expenditures or pay interest rate difference incurred by an enterprise.
3. An enterprise that has an agriculture project eligible for special investment incentives, or investment incentives, or an encouraged investment project shall be eligible to receive investment incentives and subsidies as regulated herein.
4. Investment made by startups as defined in Clause 2 Article 3 of the Law on assistance for small and medium-sized enterprises, and enterprises that develop material zones and enter into cooperate agreements with farmers shall be given priority.
5. If an investment project is eligible for different investment incentives and subsidies within a specific period of time, the enterprise is entitled to select the most advantageous one.
6. An enterprise may self-finance or mobilize capital to implement its investment project in a business line eligible for investment incentives in agriculture and rural development sector. The Government shall provide post-investment subsidies according to the level of subsidy for each work item announced by the Provincial-level People's Committee; procedures for providing subsidies shall be performed according to regulations herein.

## **Chapter II**

### **POLICIES ON INVESTMENT INCENTIVES AND SUBSIDIES**

#### **Article 5. Exemption or reduction of land levy**

An enterprise that has an agriculture project (which is eligible for either special investment incentives or investment incentives, or is an encouraged agriculture project) shall have a land area allocated by the Government or be permitted to change the use purpose of an existing land area for building house for workers as prescribed in Article 55 of the Law on land and exempted from payment of fees for changing land use purpose and the land levy of that land area after change of use purpose.

#### **Article 6. Exemption or reduction of land rental and water surface rental payable to the Government**

1. If an enterprise that has an agriculture project eligible for investment incentives or an encouraged agriculture project leases land and/or water surface from the Government, land rental and/or water surface rental shall be calculated according to preferential land prices announced by the Provincial-level People's Committee and fixed for at least 05 years.

2. An enterprise that has an agriculture project eligible for special investment incentives shall be exempted from payment of land rental and/or water surface rental from the date on which it has land and/or water surface leased by the Government.

3. An enterprise that has an agriculture project eligible for investment incentives shall be exempted from payment of land rental and/or water surface rental for the first fifteen years from the date on which it has land and/or water surface leased by the Government and shall have 50% of land rental and/or water surface rental reduced in subsequent 07 years.

4. An enterprise that has an encouraged agriculture project shall be exempted from payment of land rental and/or water surface rental for the first eleven years from the date on which it has land and/or water surface leased by the Government and shall have 50% of land rental and/or water surface rental reduced in subsequent 05 years.

5. An enterprise that has an agriculture project (which is eligible for either special investment incentives or investment incentives, or is an encouraged agriculture project) and has land leased by the Government to build house for workers or to use for non-farm purposes (construction of warehouse, workshop, drying ground, road or planting of trees), or changes the use purpose of an existing land area to serve the purposes specified in this Clause, shall be exempted from payment of land rental.

6. A new small and medium-sized agricultural enterprise shall be exempted from payment of land rental and/or water surface rental for the first five years from the date on which the project officially starts its operation and shall have 50% of land rental and/or water surface rental reduced in subsequent 10 years.

#### **Article 7. Subsidies for land consolidation**

1. An enterprise that has an agriculture project eligible for special investment incentives and leases or sub-leases land and/or water surface from households or individuals for implementing such project may receive a subsidy from the Government, equivalent to 20% of the land rental and/or water surface rental for the first five years from the date on which the project officially starts its operation. The land rental and/or water surface rental shall be calculated as regulated in Clause 1 Article 6 herein.

2. An enterprise that has an agriculture project (which is eligible for either special investment incentives or investment incentives, or is an encouraged agriculture project) and receives land contributed as capital by a household or individual for establishment of a material zone shall be eligible to receive a subsidy which is VND 50 million/ha but shall not exceed VND 10 billion/project from the Government, and is not required to convert the form of use of such land area into leased land.

3. If an enterprise that consolidates land under both forms specified in Clause 1 and Clause 2 of this Article, it shall receive all of the subsidies granted according to these clauses from the Government.

4. During the lease period of an enterprise investing in agriculture and rural development sector, the Government shall not adjust the land use plan so as to avoid adverse influence on the project, except the case where the Government must appropriate the land according to regulations in Article 61 and Article 62 of the Law on land and special case where the land use plan must be adjusted according to regulations in Clause 1 and Clause 2 Article 46 of the Law on land.

5. Enterprises using land for agricultural or aquaculture purposes are encouraged to build accompanying agricultural product processing plant and infrastructure facilities (such as warehouse, head office, internal roads and waste treatment systems). Procedures for change of land use purpose and construction shall be carried out in accordance with the Law on land and the Construction Law.

### **Article 8. Credit subsidies**

1. An enterprise investing in agriculture and rural development sector shall receive interest rate subsidies on commercial loans from local government budget upon the completion of investment project. To be specific:

a) The subsidy is equal to the difference between the commercial loan interest rate and the Government's concessional loan interest rate on the actual outstanding loan balance at the time of considering the application for subsidy.

b) The period for receiving interest rate subsidy, calculated from the disbursement date specified in the credit contract signed with the commercial bank, shall not exceed:

- 08 years for an agriculture project eligible for special investment incentives; 06 years for an agriculture project eligible for investment incentives; 05 years for an encouraged agriculture project. A new small and medium-sized agricultural enterprise shall receive interest rate subsidy on its project for a period of 08 years.

- An enterprise joining a value chain shall receive interest rate subsidy for a period equal to the production cycle of related product.

c) Subsidized loan limit: The maximum loan amount shall not exceed 70% of total investment of a project.

d) Policies and method of granting interest rate subsidies shall be promulgated by the Provincial-level People's Council in conformity with local conditions.

2. Structures on land (including net house, green house, poly house and hydraulic structures) of an enterprise receiving subsidies shall be considered as collaterals offered to commercial banks for loans.

### **Article 9. Subsidies on research, transfer and application of hi tech to agriculture**

1. Subsidies will be given to implement scientific research themes or acquire patents, technologies or scientific research and technological development findings for generating new products or innovating technology, technologies for minimizing environmental pollution and saving materials, fuels and energy. To be specific:

a) The subsidy is equal to 80% of the funding for implementation but shall not exceed VND 300 million/ project (or patent or technology).

b) Eligibility requirements for subsidy:

- The revenue earned by the enterprise in previous year must be 10 times the subsidy amount.

- The patent or technology to be acquired or transferred by the enterprise must be conformable with its business orientations.

- If a scientific research theme's outputs are applied to reality, the full amount of subsidy shall be paid. Otherwise, 50% of the subsidy shall be paid.

2. Subsidies will be given to enterprises that implement projects on trial production with application of advanced technologies, hi tech or production of new products:

a) Enterprises that participate in or take charge of science and technology projects funded by state budget shall be given priority.

- Enterprises are invited to perform contents of a science and technology project or construct models of a science and technology scheme implemented in the local area where the enterprise's head office is located;

- The priority is given to enterprises' proposals for the procurement of science and technology projects to be approved and implemented in the form of selection or direct assignment;

- The priority is given to enterprises that own valuable and rare genetic resources to implement national genetic resource projects with the aims of generating new commercial products.

b) The subsidy is equal to 70% of the funding for implementing science and technology tasks under an agriculture project eligible for special investment incentives, and 50% of the same under an agriculture project eligible for investment incentives or an encouraged agriculture project provided that it shall not VND 01 billion. c) Eligibility requirements for subsidy:

- A project on trial production with application of advanced technologies or hi tech or production of new products must be given a written approval by a scientific agency affiliated to a Ministry or Provincial-level People's Committee.

- Science and technology tasks must be conformable with business orientations of the enterprise applying for subsidy.

3. Enterprises are entitled to own outputs from their scientific research themes which have been duly assessed and accepted and given priority to develop science and technology products thereof:

- a) An enterprise that leads a state-funded science and technology project is entitled to develop the plant varieties or animal breeds, which are the project's outputs and duly assessed as satisfactory, in a large scale within a period of 03 years from the completion of its project.
- b) An enterprise that leads a state-funded science and technology project is entitled to develop the new products, which are the project's outputs, duly assessed as satisfactory and acceptable in markets, in a large scale within a period of 02 years from the completion of its project.
- c) Product quality testing results provided by an enterprise that leads a state-funded science and technology project and has laboratories meeting ISO/IEC 17025 standards will be accepted when it submits the application for product registration to a competent authority.

4. An enterprise that has a project on plant propagation by tissue culture shall receive the following subsidy:

- a) The subsidy is equal to 80% of the funding for construction of infrastructure facilities, equipment and environmental remediation but shall not exceed VND 05 billion/project.
- b) Eligibility requirements for subsidy: At least 01 million plants are propagated per year. The subsidy will increase in proportion to the project's scale provided that it shall not exceed VND 10 billion/project.

5. An enterprise that has a project on production of plant varieties, animal breeds or aquatic species or trial cultivation of new plant species with high economic value, which has been given approval by the Provincial-level People's Committee, shall receive a subsidy equal to 70% of funding for construction of infrastructure facilities, equipment, environmental remediation and plant varieties provided that it shall not VND 03 billion/project.

6. An enterprise investing in hi-tech agricultural park, zone or project shall receive a subsidy equal to VND 300 million/ha for covering expenditure for building infrastructure facilities, equipment and environmental remediation.

#### **Article 10. Subsidies on personnel training and market development**

1. An enterprise that has an agriculture project eligible for special investment incentives or investment incentives or an encouraged agriculture project shall receive the following subsidies from state budget:

- a) A subsidy as VND 02 million/month/employee is given to the enterprise directly organizing personnel training courses for a period of not more than 03 months.

If an enterprise joining a value chain provides training and technical instructions for farmers, it shall receive a subsidy equal to VND 500 thousand/farmer to be trained. Period for receiving subsidy is 03 months.

b) The enterprise shall receive a subsidy as 50% of expenses for advertising and creating brand names of national and provincial key products, and a subsidy as 50% of expenses for attending domestic and/or overseas trade fairs or exhibitions upon the approval by a competent authority.

2. The subsidies specified in Clause 1 of this Article shall be given to every eligible investment project. Total amount of subsidies given to each project shall not exceed 10% of total investment of that project and not exceed VND 01 billion.

3. Subsidy shall be given to an enterprise in charge of establishing and managing the electronic portal for “National agricultural market” (or eNAM portal).

a) Eligibility requirements for subsidy:

- The enterprise must have at least 05 years of experience in e-commerce and at least VND 10 billion as collateral.

- The eNAM portal must be created in at least three languages (including Vietnamese, English and Chinese) and maintained for at least 10 years. Information concerning products provided by enterprises must be retained for at least 03 years.

- The Government shall give subsidy when there are at least 500 enterprises introducing their products on this eNAM portal.

b) The Government shall give subsidy which is equal to VND 05 million/enterprise introducing its products on eNAM portal to the enterprise in charge of creating and managing this eNAM portal. Total amount of subsidies shall not exceed VND 05 billion. c) In case there are several enterprises wishing to participate in building and management of eNAM portal, the qualified one shall be selected via bidding.

4. Enterprises investing in agriculture and rural development sector are entitled to proactively purchase raw agricultural products generated by cultivation and breeding for storing and processing according to their standards.

Agricultural products generated by cultivation and breeding of plants and animals shall be freely sold in the market. Competent authorities shall not adopt administrative procedures for certification of origin of raw agricultural products and other administrative procedures to cause difficulties in harvesting, transport, sale and export of agricultural products, except the case concerning national security and epidemics harming community health as prescribed in specialized laws.



## **Article 11. Subsidies on investment in agricultural product processing and storage facilities, slaughterhouses, manufacturing of agricultural machinery, equipment and parts, and production of auxiliary products**

1. The Government shall give subsidies to enterprises having investment projects in agricultural product processing facilities, slaughterhouses, manufacturing facilities of agricultural machinery, equipment and parts thereof, or production facilities of auxiliary products. To be specific:

a) With regard to agricultural product processing facilities and slaughterhouses: The subsidy equal to 60% of investment funding but not exceeding VND 15 billion/project is given to construct waste treatment systems, traffic, electrical and water systems, workshops and acquire necessary equipment.

b) With regard to manufacturing facilities of agricultural machinery, equipment and parts thereof, and production facilities of auxiliary products: The subsidy equal to 60% of investment funding but not exceeding VND 05 billion/project is given to construct waste treatment systems, traffic, electrical and water systems, workshops and acquire necessary equipment.

c) Each investment project in agricultural product processing facility must satisfy the requirement that the value of processed agricultural products increases at least 1.5 times the value of raw agricultural products.

2. Subsidies on storage of agricultural products:

An enterprise investing in agricultural product storage facilities (including drying, irradiation, chilling, freezing and biopreservation of foods) may receive the following subsidy from state budget.

a) The subsidy equal to 70% of investment funding but not exceeding VND 02 billion/project is given to construct waste treatment systems, traffic, electrical and water systems, workshops and acquire necessary equipment.

b) Eligibility requirements for subsidy:

- Capacity of a drying plant must be at least 100 tons/ day if drying rice, maize, potatoes, cassava and forest products; or 50 tons/day if drying aquatic by-products.

- Capacity of storage facility must be at least 1,000 tons/ facility if it is used to preserve fresh vegetables, fruits, teas, peppers and cashew nuts; or 100 tons/ facility if it is used to store plant varieties.

3. Subsidies on purchase of vessels: An enterprise that purchases fishing vessel may receive a subsidy from state budget, which shall not exceed 60% of purchasing amount and is calculated according to the vessel's capacity: VND 30 million/ DWT; the vessel's loading capacity is at least 200 DWT; the maximum level of subsidy is VND 10 billion/vessel.

4. In case an enterprise, which is established under regulations in Article 6 of the Government's Decree No. 118/2014/ND-CP dated December 17, 2014 on re-structuring, development and improvement of performance of agriculture and forestry companies, has constructed a processing facility as prescribed in Clause 1 of this Article, it may receive an additional subsidy to build infrastructure facility for its material zone; the subsidy is VND 50 million/ha and shall not exceed VND 05 billion/project.

5. When processed agricultural products prescribed in Point a Clause 1 of this Article are certified as national key products, the investment project is given an additional subsidy as VND 03 billion in addition to the abovementioned subsidies to invest in infrastructure facilities.

#### **Article 12. Subsidies on investment in beef and dairy cattle farms**

Each enterprise investing in dairy or beef cattle farm shall receive the following subsidy from state budget:

1. The subsidy as VND 05 billion/project is given to construct waste treatment systems, traffic, electrical and water systems, workshops and acquire necessary equipment.

2. In addition to the subsidy specified in Clause 1 of this Article, if an enterprise imports and directly breeds or cooperates with farmers in breeding of high-yielding cattle breeds, it may receive an additional subsidy as VND 10 million/cow.

#### **Article 13. Subsidies given to enterprises providing public services and investing in infrastructure facilities in rural areas.**

1. An enterprise having project on supply of clean water to a rural area shall receive subsidies as follows:

a) A subsidy as VND 03 million/m<sup>3</sup>/day-night is given to a new water supply plant or a subsidy as VND 02 million/m<sup>3</sup>/day-night is given to upgrade and expand an existing water supply plant.

b) A subsidy of not exceeding 50% of total expenses for installing major pipelines transporting water to residential areas where there are at least 10 households each shall be given.

2. An enterprise investing in a project on collection and treatment of municipal solid water or domestic wastewater in a rural area, or collection and treatment of waste from trade villages, shall receive a subsidy which is equal to 60% of expenses for purchasing equipment and building treatment systems but not exceeding VND 05 billion/project.

3. An enterprise investing in an aquaculture project whose scale is not less than 05 ha receives a subsidy as VND 200 million/ha to build infrastructure facilities, water supply and drainage systems and environmental remediation systems. This subsidy increases in proportion to the aquaculture area. The subsidy shall not exceed VND 10 billion/project.

4. An enterprise investing in projects on construction of wharf to serve the transport of agricultural, forest and aquatic products, anchoring zone, advanced irrigation and drainage system or hydraulic structure serving agricultural production may receive a subsidy equal to 50% of total funding of an investment project approved by a competent authority. The subsidy shall not exceed VND 20 billion/project.

5. Subsidies on construction of social houses for workers: If an enterprise invests in agriculture and rural development sector and employs at least 100 workers who work at its factories on a regular basis, it may receive subsidies to build social houses for workers. The subsidy is VND 01 million/m<sup>2</sup> of building area of a grade-4 house and VND 02 million/m<sup>2</sup> of building area of a house of two stories or taller.

6. Outside-the-fence subsidies: If an enterprise has an investment project in agriculture and rural development sector as regulated herein but the traffic system meeting grade-V standards for mountainous region, electrical system and water supply and drainage system outside the project fence are not available to serve the project's operations, the enterprise shall receive an additional subsidy which is equal to 70% of expenses for constructing these work items but not exceeding VND 05 billion.

### **Chapter III**

## **FUNDING SOURCES AND SUBSIDIES POLICIES**

### **Article 14. Funding sources**

1. The central government budget shall allocate at least 5% of its annual funding for investment and development to give subsidies to agriculture; each provincial government budget shall allocate at least 5% of its annual funding for provincial government budget expenditure to give subsidies to agriculture. Additionally, ministries and local governments may consider using funding from social and economic development programs/projects and legal funds to provide subsidies for enterprises investing in agriculture and rural development sector according to regulations herein.

2. Ministry of Planning and Investment takes charges and cooperates with Ministry of Finance shall, based on balancing capacity in each period and in each year as well as demands for subsidies of enterprises in each province, request the Government to make decision on sources of funding for giving subsidies to agriculture as regulated herein.

### **Article 15. Post-investment subsidies**

1. Central government budget:

The Prime Minister shall decide and specify the total funding amount for medium-term and annual assistance to each provincial government at the “Program on subsidies for enterprises investing in agriculture and rural development sector” item in the public investment plan. Ministry of Planning and Investment shall consider and decide the list of qualified projects and

specific funding amount given to each project in accordance with regulations of the Law on public investment.

2. Provincial government budget: Shall be used to fund local projects which meet regulations herein.

3. Decisions on approval for investment policies for the list of qualified projects specified in Point a Clause 1 Article 16 herein and written commitments to providing subsidies made by competent authorities shall be used as the basis for allocating funding from state budget to qualified enterprises.

4. State budget shall provide post-investment subsidies: When investment items of a project have been completed, tested and accepted according to relevant requirements, 70% of total amount of subsidies for these investment items shall be disbursed. Upon the completion of project commissioning and the project has officially started its operation, the remaining 30% of subsidies is given.

5. The unused amount of the predetermined funding for an enterprise in a budget year shall be carried forward to the following budget year. After 02 budget years, if the predetermined funding for an enterprise is not yet fully granted to the enterprise, the remains shall be transferred to another qualified enterprise according to regulations herein.

6. Funding sources and procedures for giving subsidies for foreign-invested enterprises (as defined in Clause 1 Article 23 of the Law on investment) and state-owned enterprises investing in agriculture and rural development sector shall be performed according to specific law regulations.

7. Funding from state budget shall be not included in taxable income of a receiving enterprise. This funding amount is guaranteed by the Government when the receiving enterprise applies for loans from commercial banks to have funding for implementing its project.

## **Chapter IV**

### **INVESTMENT PROCEDURES AND FORMALITIES**

#### **Article 16. Investment procedures**

1. Combined performance and simplification of administrative procedures:

a) The Provincial-level People's Committee promulgates a decision on approval for investment policies for list of encouraged investment projects in agriculture (using the form No. 01 stated in the Appendix II enclosed herewith).

b) The decision prescribed in Point a of this Clause is also the decision on approval for investment policy as prescribed in Point a Clause 1 Article 32 of the Law on investment.

In case two or more enterprises jointly apply for implementing an investment project at the same site, the qualified investor shall be selected in accordance with regulations of the Law on bidding.

c) Competent authorities shall provide necessary information or issue planning permit to the enterprise having a project in the list of projects specified in Point a of this Clause to prepare the 1/500 planning. Information shall be provided or planning permit shall be issued within 15 days from the date of receipt of enterprise's request.

d) Appraisal of fundamental designs of projects of the list of projects mentioned in Point a of this Clause shall be carried out in accordance with regulations in Point b Clause 4 Article 57 of the Law on construction.

dd) Construction works located in a rural area where urban development planning is not available or in an industrial park, export processing zone or hi-tech park, or in a hi-tech agricultural park with an approved 1/500 planning shall be exempted from building permits according to regulations in Clause 2 Article 89 of the Law on construction.

e) All projects are not subject to the appraisal of technology, except the projects prescribed in Article 30, Article 31 and Point b Clause 1 Article 32 of the Law on investment and Article 13 of the Law on technology transfer.

2. Project investors are allowed to carry out at the same time or combine procedures for land, environment, construction and investment subsidy issues.

3. Local governmental authorities are not allowed to conduct inspection or auditing under any forms of the investment project which is in the list of projects prescribed in Point a Clause 1 of this Article but is not yet put into operation, unless otherwise required by law or it commits violations against laws as proved by clear evidence.

## **Article 17. Application and procedures for getting subsidies**

1. Application for subsidies:

a) The enterprise shall submit 03 sets of application, which includes the investment project and the application form for subsidy, to the Provincial Department of Planning and Investment (using form No. 02 stated in the Appendix II enclosed herewith).

b) Within 10 working days, the Provincial Department of Planning and Investment shall consider the application and send report thereof the Provincial-level People's Committee (using form No. 03 stated in the Appendix II enclosed herewith); Within 05 working days, the Provincial-level People's Committee shall make a written commitment to provide funding for the enterprise (using form No. 04 stated in the Appendix II enclosed herewith). If an application is refused, the Provincial-level People's Committee shall send a written explanation for refusal to the enterprise.

c) If the central government budget is used, regulations of the law on public investment shall govern.

2. Commissioning of investment items or entire project:

a) Based on the application for commissioning submitted by the enterprise, the Provincial Department of Agriculture and Rural Development, within 05 working days, shall take charge of and invite relevant agencies to act as members of the commissioning council.

b) Commissioning contents: Investment items or entire project shall be checked and tested according to the level of subsidy for each work item announced by the Provincial-level People's Committee.

c) The commissioning report made by the commissioning council (using form No. 05 stated in the Appendix II enclosed herewith) shall be used as the basis for allocating funding to the enterprise. Competent authorities are not allowed to request the enterprise to present documents other than this commissioning report.

3. Procedures for getting subsidy:

The enterprise shall submit an application for disbursement of subsidy, including the commissioning report and the decision on provision of funding made by competent authority, to the State Treasury to get subsidy within 05 working days.

## **Chapter V**

### **IMPLEMENTATION PROVISIONS**

#### **Article 18. Responsibility of Ministries**

1. Ministry of Planning and Investment shall:

a) take charge and cooperate with Ministry of Finance and Ministry of Agriculture and Rural Development to instruct the implementation of this Decree.

b) take charge and cooperate with Ministry of Finance to consolidate and determine medium-term and annual funding allocated to provincial government budgets in conformity with the balancing capacity of the central government budget so as to implement incentive policies specified herein; and then report competent authorities to make decision thereof in accordance with regulations of the Law on state budget and the Law on public investment.

c) formulate plan for implementation of this Decree, implement and inspect the plan implementation.

2. Ministry of Finance shall:

a) cooperate with Ministry of Planning and Investment to monitor and inspect the implementation of this Decree.

b) cooperate with Ministry of Planning and Investment, and Ministry of Agriculture and Rural Development to instruct the implementation of this Decree.

3. Ministry of Agriculture and Rural Development shall:

a) promulgate the list of national key agricultural products, and standards of high-yielding dairy and beef cattle.

b) take charge and cooperate with Ministry of Science and Technology to promulgate criteria for hi-tech agriculture projects.

c) cooperate with Ministry of Planning and Investment and Ministry of Finance to instruct and inspect the implementation of this Decree.

4. Ministry of Science and Technology shall promulgate the list of technological products/themes requiring further research or patents as prescribed in Article 9 herein.

5. Ministry of Industry and Trade shall:

a) take charge and cooperate with Ministry of Agriculture and Rural Development to promulgate the list of mechanical products, agricultural machinery, equipment and parts thereof, and auxiliary products in agriculture and rural development sector eligible for subsidies as regulated in Article 11 herein.

b) instruct the implementation of regulations in Clause 3 Article 10 herein.

6. Ministry of Natural Resources and Environment shall instruct the implementation of regulations in Clause 2 Article 8 herein.7. Ministry of Agriculture and Rural Development, Ministry of Industry and Trade, Ministry of Natural Resources and Environment and Ministry of Construction shall annually review and simplify administrative procedures in their managing sectors in order to facilitate enterprises investing in agriculture and rural development sector, and submit reports thereof to the Prime Minister.

## **Article 19. Responsibility of provincial governments**

1. Provincial-level People's Council shall:

a) review and promulgate specific incentive policies for enterprises investing in agriculture and rural development sector, including credit policies as regulated in Article 8 herein, policies on provision of interest rate subsidies for projects and funding amount from provincial government budget used to provide subsidies for enterprises.

b) promulgate policies on land consolidation and accumulation so as to attract enterprises to invest in agriculture and rural development sector within its competence and in conformity with relevant laws.

2. Provincial-level People's Committee shall:

a) issue decision on approval for investment policies for list of encouraged investment projects in agriculture as prescribed in Clause 1 Article 16 herein. The validity of this decision is 05 years. The Provincial-level People's Committee shall annually review and adjust this decision, where necessary.

b) promulgate the list of provincial key agricultural products.

c) decide the level of subsidy for each investment item in conformity with levels of subsidies prescribed herein.

d) instruct the implementation and evaluate the implementation of this Decree in the province in previous year, and send reports thereof to the Ministry of Planning and Investment by March 31 of every year.

dd) assign the Provincial Department of Planning and Investment to take charge and cooperate with the Provincial Department of Finance and the Provincial Department of Agriculture and Rural Development in preparing and submitting the list of eligible projects and levels of subsidies for eligible enterprises to the Provincial-level People's Committee for consideration.

3. Responsibility of enterprises:

a) consider giving approval for investment projects, technical designs, cost estimates, construction or hiring of construction contractors.

b) An enterprise may include subsidies granted by the Government as regulated herein in its charter capital according to regulations of the Law on enterprises.

## **Article 20. Transition and entry into force**

1. This Decree comes into force from the date of promulgation and supersedes the Government's Decree No. 210/2013/ND-CP dated December 19, 2013 on incentive policies for enterprises investing in agriculture and rural development sector.

2. If an enterprise has the investment project which meets the requirements for getting subsidies prescribed herein and is implemented after the date of entry into force of the Decree No. 210/2013/ND-CP but does not yet receive subsidies, the enterprise will be provided with subsidies for the remaining period of the project in accordance with regulations herein.

3. An enterprise enjoying investment incentives according to regulations of the Decree No. 61/2010/ND-CP dated June 04, 2010 and the Decree No. 210/2013/ND-CP may continue



enjoying investment incentives given under these Decrees or apply for investment incentives as regulated in this Decree for the remaining operating period of the project if it satisfies all requirements for investment incentives and subsidies herein.

4. An enterprise that has the investment project in progress and meets requirements for investment incentives and subsidies prescribed in the Decree No. 210/2013/ND-CP may continue enjoying investment incentives and subsidies under the regulations of Decree No. 210/2013/ND-CP or the regulations herein.

5. Investment projects which are in progress as regulated in Decree No. 210/2013/ND-CP and for which procedures for investment, land, environment and construction issues are not yet completed may apply regulations on administrative procedures in Article 16 herein.

6. Ministers, heads of ministerial-level agencies, heads of the Government's affiliates, Chairpersons of People's Councils, Chairpersons of People's Committees of provinces and central-affiliated cities and heads of relevant agencies shall implement this Decree./.

**ON BEHALF OF THE GOVERNMENT  
PRIME MINISTER**

**Nguyen Xuan Phuc**

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