

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom - Happiness

No. 107/2018/ND-CP

Hanoi, August 15, 2018

DECREE

ON RICE EXPORT BUSINESS

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

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

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

Pursuant to the Law on Foreign Trade Management dated June 12, 2017;

Pursuant to the Law on Commerce dated June 14, 2005;

Pursuant to the Law on Prices dated June 20, 2012;

At the request of the Minister of Industry and Trade;

The Government promulgates the Decree on Rice Export Business.

Chapter I

GENERAL PROVISIONS

Article 1. Scope

1. This Decree provides for the commercial export of paddies and rice of all categories (below collectively referred to as “rice”)
2. This Decree does not govern the import, temporary import for re-export, temporary export for re-import, merchanting trade and transit of rice and subcontract production of rice for foreign parties and non-commercial export, donation and giving as gift of rice.

Article 2. Regulated entities

This Decree applies to traders prescribed in Commercial Law; agencies and organizations in charge of rice export management and other relevant organizations and individuals.

Article 3. Rights to rice export business

1. If Vietnamese traders of all economic sectors satisfy the conditions specified in Article 4 hereof and obtain a certificate of eligibility for rice export business (hereinafter referred to as “Certificate”), they may conduct rice export business in accordance with this Decree and relevant laws.

2. Traders being foreign-invested enterprises shall obtain the Certificate and conduct rice export business in accordance with this Decree, other relevant laws of Vietnam and commitments of the Socialist Republic of Vietnam under international treaties to which Vietnam is a signatory.

Chapter II

RICE EXPORT BUSINESS CONDITIONS AND CERTIFICATE

Article 4. Rice export business conditions

1. A trader that is being incorporated and registers for business under law shall be allowed to conduct rice export business if it satisfies the following conditions:

a. Have at least 01 rice warehouse that satisfies the national technical standards and regulations promulgated by a competent authority in accordance with the Law on Technical Standards and Regulations.

b. Have at least 01 rice mill or rice processor that satisfies the national technical standards and regulations promulgated by the competent authority in accordance with the Law on National Technical Standards and Regulations.

2. The rice warehouse, mill or processor that is mentioned in clause 1 of this Article must be owned by the trader or rent by the trader from other organizations or individuals under a lease agreement of at least 05 years.

The trader who obtains the Certificate shall not lease or sublet the rice warehouse, mill and processor that are declared in its application form in order to prevent another trader from using the aforesaid properties to apply for another Certificate.

3. The trader that exports organic rice, parboiled rice and rice with micronutrients is not required to satisfy the business conditions specified in point a and b, clause 1, clause 2 of this Article and to implement the regulations in Article 12, and is entitled to export the aforesaid types of rice without a certificate, but shall make a report in accordance with clause 2, Article 24 hereof.

While carrying out the export procedures, the trader who exports organic rice, parboiled rice and rice with micronutrients without a Certificate shall only submit the original or a certified true copy of the confirming document issued by the competent authority or of the rice assessment certificate issued by the assessment organization as prescribed in the regulations on rice export products that satisfy the criteria and measures provided by the Ministry of Agriculture and Rural Development and the Ministry of Health in accordance with point dd, clause 2, clause 3, Article 22 hereof.

Article 5. Inspection of the rice export business conditions

1. The trader shall declare the application dossier for the new Certificate, take responsibility before the laws about the declared information, documents specified in Article 6 and information proving that the trader has satisfied the regulations specified in Article 4 hereof.

2. Department of Industry and Trade shall take charge and cooperate with the Department of Agriculture and Rural Development and other relevant agencies to carry out inspection for the rice warehouse, mill and processor, with the aim to satisfy the rice export business conditions in the area where the trader obtains the Certificate.

Within 05 working days, from the date on which the inspection ends, the Department of Industry and Trade shall send a report on the inspection results enclosed with the inspection record to the Ministry of Industry and Trade in order to request for the actions against the violations (if any).

3. The Ministry of Industry and Trade shall take charge and cooperate with relevant agencies to carry out regular or surprise assessment of the post inspection mentioned in clause 2 of this Article and the trader's ability to maintain the business conditions.

Article 6. Issuance of Certificates

1. The Ministry of Industry and Trade shall issue the Certificate to the trader as prescribed in Article 4 hereof.

2. The application dossier shall consist of:

a. An original of the application form, using form No. 01 in Appendix hereto.

b. A certified true copy of the business registration certificate or enterprise registration certificate or investment certificate.

c. A certified true copy of the lease agreement for rice warehouse, mill and processor (applicable to traders who rent rice warehouse and mill) or of the document proving the land use rights and the ownership rights to rice warehouse, mill and processor (applicable to traders who own the rice warehouse, mill and processor).

3. Quantity of application dossier: 01 (one)

The trader may send the application dossier in person at the Ministry of Industry and Trade office or by post to the address: Ministry of Industry and Trade, 54 Hai Ba Trung, Hoan Kiem district, Hanoi, or online via the public service website or portal of the Ministry of Industry and Trade.

If a trader sends its application dossier in person at the Ministry of Industry and Trade, he/she may submit the copies of the documents specified in point b and c, clause 2 of this Article, together with the originals.

4. Within 15 working days, from the date on which the completed documents are received, the Ministry of Industry and Trade shall consider issuing the Certificate, using form No. 02 in Appendix hereto.

If the application is refused, within 07 working days from the date on which the application is received, the Ministry of Industry and Trade shall provide explanation in writing for the trader.

5. The Certificate is valid for 05 years from the date of issue. If the Certificate expires, the trader shall request for a new one in order for it to be allowed to continue the rice export business.

6. The issuance of new Certificate for replacement of Certificate to be expired shall be done as follow:

a. At least 30 days before the Certificate's expiry date, the trader shall send the application dossier specified in clause 2 of this Article to the Ministry of Industry and Trade for requesting a new Certificate.

b. The quantity of application dossiers, procedures for submitting them and period for considering and issuing the new Certificate shall comply with the regulations in clause 3, clause 4 of this Article.

Article 7. Replacement and modifications of Certificates

1. The Ministry of Industry and Trade shall consider replacing the Certificate if it is lost, damaged or destroyed.

The application dossier shall consist of:

a. An original of the application form, using form No. 03 in Appendix hereto.

b. An original of the Certificate which has been issued. If the original is lost, damaged or destroyed, the trader shall provide explanation in writing.

2. The Ministry of Industry and Trade shall consider modifying the Certificate's contents if being requested.

The application dossier shall consist of:

a. An original of the application form, using form No. 03 in Appendix hereto.

b. Certified true copies of the documents related to the changes in the Certificate's contents.

3. Quantity of application dossier: 01 (one)

The trader may send the application dossier in person at the Ministry of Industry and Trade office or by post to the address: Ministry of Industry and Trade, 54 Hai Ba Trung, Hoan Kiem

district, Hanoi) or online via the public service website or portal of the Ministry of Industry and Trade.

If the trader sends the application dossier in person at the Ministry of Industry and Trade office, he/she may submit the copies of the documents specified in point b, clause 2 of this Article, enclosed with the originals.

4. The replacement and modification period is within 10 working days from the date on which the completed application is received. If the application is refused, within 07 working days from the date on which the application is received, the Ministry of Industry and Trade shall provide explanation in writing for the trader.

5. The duplicate or modified Certificate in clause 1, clause 2 of this Article shall have the same validity period with the former Certificate

Article 8. Revocation of Certificates

1. The Ministry of Industry and Trade shall consider revoking the Certificate if:

a. It is requested by the trader that processes the Certificate.

b. The trader is dissolved or bankrupt under law.

c. The trader has its registration certificate or enterprise registration certificate or investment certificate revoked.

d. The trader fails to export rice for 18 consecutive months, unless the trader has announced the business suspension under laws.

dd. The trader fails to maintain the business conditions specified in clause 1, clause 2, Article 4 hereof during its business operation.

e. The trader fails to declare the actual conditions of the rice warehouse, mill and processor or commits a fraud in order for it to be granted the Certificate.

g. The trader fails to follow the guidance of the competent authority as prescribed in Article 15 hereof.

2. If the trader has its Certificate revoked in accordance with clause 1 of this Article, the Ministry of Industry and Trade may only consider issuing it with a new Certificate if the following period expires:

a. 12 months after the issuance of the certificate revocation decision, for the trader committing the violations specified in point d and dd, or committing the violations specified in point e, g, clause 1 of this Article for the first time

b. 24 months after the issuance of the latest certificate revocation decision, for the trader that has its Certificate revoked as a result of committing the violations specified in point e, g, clause 1 of this Article for the second time.

3. The issuance of the new Certificate shall be done in accordance with the regulations in Article 6 hereof and shall only be done after the expiry date specified in clause 2 of this Article.

Article 9. Fees for issuance, replacement and modification of Certificates

The applicants that request for the issuance, replacement and modification of Certificate are not required to pay any fees.

Chapter III

RICE EXPORT ADMINISTRATION

Article 10. Objectives and principles of rice export administration

The rice export administration shall adhere to following objectives and principles:

1. Increase of commodity rice sale and assurance of interests of rice growers under current policy.
2. Balance of export and domestic consumption; contribution to the stabilization of domestic rice prices.
3. Fulfillment of international commitments; assurance of efficient export.

Article 11. Balance of commodity rice sources for export

1. Annually, the Ministry of Agriculture and Rural Development shall take charge and cooperate with the People's Committees of provinces in balancing the domestic demands for rice and announcing in the fourth quarter the commodity rice sources for export in the next planning year; update and notify the Ministry of Industry and Trade, People's Committees of provinces and Vietnam Food Association of the crop-based production, output, sources of rice to be exported by categories and harvest time in the year.
2. The rice export shall be administered based on the commodity rice sources planned for annual export as prescribed in clause 1 of this Article.

Article 12. Circulation reserves

The rice exporters shall maintain regularly a minimum circulation reserve equivalent to 5% of their rice exports of the previous 06 months.

Article 13. Procurement of commodity rice for export

1. The rice exporters shall notify the People's Committees of provinces of the rice procurement points and make public these points; post up buying prices based on the commodity rice quality and categories and harvest time to facilitate farmers' direct sale.

2. For procurement of commodity rice from other traders or processors, these traders and processors shall associate and organize themselves into a stable system for compliance with the regulations in clause 1 of this Article.

Article 14. Determination and announcement of directed paddy rice

1. The Ministry of Finance shall take charge and cooperate with the Ministry of Agriculture and Rural Development to promulgate the regulations on and provide guiding methods for surveying and determining production costs and calculating the cost price of commodity paddy as the basis for the People's Committees of provinces to determine and announce the estimated average cost price in their provinces or cities from the beginning of each crop in the year.

2. Based on the estimated average cost price for each crop announced by the People's Committees of provinces, the Ministry of Finance shall take charge and cooperate with the Ministry of Agriculture and Rural Development in examining, reviewing and determining the estimated average cost price for each crop in the entire production sector.

3. Based on the estimated average cost price for each crop, the Ministry of Finance shall determine and announce the directed paddy price at the beginning of the crop as the basis for stabilizing the commodity rice on the market to guarantee the average profit of rice growers under current policy.

Article 15. Stabilization of domestic rice prices

1. The measures for stabilizing rice prices shall be announced and applied in accordance with the law on prices.

2. If the rice prices increase too high without reasons, the exporters shall organize a rice distribution system for providing stored rice and rice circulation reserves, with the aim to stabilize the domestic market as guided by the competent authority.

3. If the rice prices decrease too low without reasons and are inconsistent with the directed paddy rice specified in Article 14 hereof, the Ministry of Agriculture and Rural Development shall take charge and cooperate with Ministry of Finance, Ministry of Industry and Trade, Vietnam State Bank and Vietnam Food Association in sending the market regulation measures to the Prime Minister for consideration and approval, with the aim to limit the damage for processors.

4. The exporters shall implement the measures for stabilizing the rice prices specified in this Article and may have arising expenses offset under the decision and guidance of the competent authority.

Article 16. Joint production, consumption and establishment of raw materials area

1. Exporters are encouraged to establish raw materials area (hereinafter referred to as “raw materials area”) or cooperate with the processors in establishing such area under the following forms:

a. The raw materials area under the management and use of the trader shall be established on the rice production area, which is handed over or leased by the State or contributed as capital by household or entities in form of land use right or land lease right for the rice production purpose in accordance with law on land.

b. The policy on encouraging and developing cooperation and joint production associated with the consumption of agricultural products and building of large field.

c. Signing the agreement on joint production and rice consumption with the rice growers or the representatives of rice growers in accordance with the guidance of Ministry of Agriculture and Rural Development and law regulations.

d. Other forms as prescribed in the regulations and guidance of competent authorities.

2. A trader establishing the raw materials area as prescribed in clause 1 of this Article shall be considered and prioritized to:

a. Participate in the trade promotion programs, develop and promote the images and brands of domestic and foreign products and enterprises.

b. Apportion the implementation targets of the G2G contracts.

c. Participate in the State’s procurement of temporary stored rice.

3. The Ministry of Agriculture and Rural Development shall take charge and cooperate with relevant agencies in reviewing, promulgating or sending the mechanism and policy on encouragement and support for the establishment of raw materials area to the Government or Prime Minister for promulgation.

Article 17. Assurance about the quality of commodity rice for export

1. The rice used for export shall comply with the national technical standards and regulations and satisfy the requirements for the rice quality, package, label, maintenance and traceability as prescribed in the law regulations of the importing country; if the importer has other requirements, the exporter shall satisfy them.

2. The rice exporters that export the categories of rice prescribed in clause 3, Article 4 hereof shall carry out the technical procedures, satisfy the technical standards and implement the regulations on production and maintenance of commodity rice which are promulgated by the competent authority.

Article 18. Development of the rice export market

1. The Ministry of Industry and Trade shall take charge and cooperate with the Ministry of Agriculture and Rural Development and relevant agencies in negotiating to open the rice market and remove the difficulties and barriers of different markets; directing the market information provision, developing trading programs and activities, promoting products, doing trade promotion, and establishing, strengthening and expanding the cooperative relationship between Vietnam and other countries regarding the rice trade.

2. The Ministry of Industry and Trade shall take charge and cooperate with the ministries, sectors and relevant agencies in negotiating and signing the memorandum and agreements on rice trade with foreign countries and territories at ministerial levels. If the foreign countries or territories request the signature of the Government or the enterprise, the Ministry of Industry and Trade shall send a report to the Prime Minister for consideration and decision-making.

3. The Ministry of Agriculture and Rural Development shall take charge and cooperate with the Ministry of Industry and Trade and relevant agencies in monitoring, negotiating and removing the technical and plant quarantine barriers of the importing countries or territories; negotiate and sign the agreements on plant quarantine, technical regulations on quality of rice commodity exported to foreign countries or territories.

4. The Ministry of Finance shall allocate the annual fundings for developing the programs and activities specified in clause 1, clause 2, clause 3 of this Article.

Article 19. Transaction, negotiation, bidding, signing and implementation of the G2G contract.

1. The government-to-government rice export contract (hereinafter referred to as "G2G contract") is the one signed under the memorandum and agreement between a competent agency of Vietnam's government and a competent agency of a foreign country or territory, or the one signed under the Prime Minister's direction.

2. The Ministry of Industry and Trade shall get consultancy from relevant agencies or organizations to assign a key trader to negotiate the G2G contract based on the following criteria:

a. The trader's export performance within 2 recent years in the expected market of G2G contract transaction.

b. The trader's export performance within 02 recent years.

c. The transactions with foreign partners who are assigned or to be assigned as key rice exporters.

The trader assigned to take charge of contract transactions before this Decree comes into effect shall continue performing the transactions until the signed contract expires.

3. If more than 02 traders are assigned to act as key traders in the market with G2G contracts, they shall take turns to perform such transactions.

4. The responsibilities of the key trader during transactions, negotiation, bidding, signing and implementation of G2G contract:

a. Take charge in monitoring the market process, taking timely information about the transaction demands, signing the rice export contracts or bidding for the rice import of competent agencies of importing countries.

b. Take charge in developing the plan for transactions and bidding, determining the offer price and taking full responsibility for the contract which has been signed.

c. Send a written report about the ability to carry out transactions, sign contracts, participate in bidding activities, balance the commodity sources and other relevant activities to the Ministry of Industry and Trade, with the aim to guarantee contract implementation; transaction results, contract signing results or bidding results and the plan for implementing the contract.

d. Guarantee to execute the G2G contract which has been signed; handle the entrusted export which is returned or cannot be carried out or cannot be accepted by a trader.

5. The key trader that signs and executes the G2G contract shall export directly 20% of the rice volume specified in such contract. If the key traders take turn in performing the transactions prescribed in clause 3 of this Article, the Ministry of Industry and Trade shall specify the regulation on distribution of 20% of the rice volume specified in the contract.

Based on the criterion specified in clause 6 of this Article and in the regulations promulgated by the Ministry of Industry and Trade, the Vietnam Food Association shall allocate 80% of the remaining rice volume, which is specified in the G2G contract, to the rice exporters for entrusted export.

6. The rice volume specified in the G2G contract shall be allocated to traders for entrusted export based on the following criteria:

a. The trader's direct export performance within the previous 06 months.

b. Responsibilities for rice delivery under G2G contract previously assigned to traders.

c. The results of building the raw materials area or of the trader's joint rice production and consumption.

d. The trader's rice procurement performance as guided by the competent agencies or organizations.

7. Vietnam Food Association shall allocate the implementation targets of G2G contracts to the traders according to the criterion specified in clause 6 of this Article; monitor and accelerate the implementation process of such contracts, including the signing and implementation of export authorization contract, and report the aforesaid process to the Ministry of Industry and Trade.

After the Vietnam Food Association allocates the targets, the traders that have been allocated such targets and the key traders shall sign an agreement on the implementation process of G2G contracts, and in such agreement, there must be clear regulations on the rights and obligations of both parties.

Any dispute that arises from the agreement between both parties shall be settled according to the laws.

8. A trader shall not be allocated the implementation targets of G2G contracts under this Article if they:

- a. Bid or make transactions for contracts on rice export directly or indirectly to markets with G2G contracts in violation of regulations and the direction of competent authorities.
- b. Falsify the documents or commit other frauds to be assigned as the key traders for executing the G2G contracts, allocating the implementation targets of such contracts or being approved to return the authorization targets which have been allocated to them.
- c. Do not implement or do not completely implement the export authorization targets which have been allocated to them, have not been in case of force majeure and have not been required to notify the competent authorities according to the laws.

The period for applying the method for not allocating the implementation targets of G2G contract shall be 06 months.

If a trader violates multiple regulations of this Article or violate such regulations for the second time during the aforesaid period, then such period shall be determined based on its total time with regards to each violation being handled.

9. If foreign countries or foreign territories organize an open bidding for traders that are not key traders of G2G contracts, on the basis of receiving the notification from competent agencies of foreign countries or foreign territories, the Ministry of Industry and Trade shall notify such traders of the bidding to carry out bidding transactions and take full responsibilities for the business efficiency.

10. According to the regulations hereof, the Ministry of Industry and Trade shall take charge and cooperate with relevant agencies in guiding the development of criteria for selecting key agencies, the signing and execution of G2G contracts.

Article 20. Statistics and exploiting the information, data and reporting regime of statistic figures of rice export contracts and implementing such contracts

1. Ministry of Industry and Trade shall take charge and cooperate with the Ministry of Finance and relevant agencies in making the information and data of rice export contracts and the feedback mechanism for rice delivery process more consistent, with the aim to carry out the rice export administration.

2. The General Department of Customs shall send the report on statistics and update of the rice export process to the Ministry of Industry and Trade monthly, quarterly and annually based on the following criteria: quantity, value, category, market, importer, exporter; export checkpoint; export figures of organic rice, parboiled rice and rice with micronutrients.

Article 21. Assurance of objectives and principles of rice export administration

To ensure the objectives and principles of rice export administration based on the current market and actual requirements for such administration, the Prime Minister shall consider adjusting the rice export activities and applying the floor prices as requested by the Ministers of the following ministries: Ministry of Industry and Trade, Ministry of Agriculture and Rural Development and Ministry of Finance.

Chapter IV

RESPONSIBILITIES OF REGULATORY AGENCIES AND RELEVANT ORGANIZATIONS OR INDIVIDUALS

Article 22. Responsibilities of the ministries, sectors and People's Committee of provinces

Aside from the responsibilities specified in this Decree and in other regulations of current law, the Ministry of Industry and Trade, Ministry of Agriculture and Rural Development, Ministry of Finance, Ministry of Health, Vietnam State Bank and People's Committees of provinces also have the following responsibilities:

1. The Ministry of Industry and Trade:

a. Create a mechanism for promoting commerce and developing rice export market based on the mechanism particularities, paying high attention to the key markets, traditional markets, new markets and potential markets, and the categories of rice to be exported with high value.

Take the initiative to search for and expand the rice export market based on the G2G contracts, negotiation and signing of rice trading agreements with foreign importing countries or foreign importing territories.

b. Examine the implementation process of the regulations on rice export business of traders and relevant agencies; cooperate with competent authorities in detecting and taking actions against the violations of such business; settle complaints and denunciations and handle the violations in rice export business according to its competence.

c. Take charge and cooperate with relevant ministries, sectors, People's Committees of provinces and agencies in administering rice export based on the principles specified in this Decree.

d. Take charge and cooperate with the Ministry of Agriculture and Rural Development in keeping track of and monitoring the process for allocating the implementation targets of G2G

contracts of Vietnam Food Association; such process shall be transparent, made public and in accordance with the regulations hereof.

dd. Cooperate with relevant agencies in providing guidance on and implementing the incentive policies which have been allocated to the traders specified in clause 2, Article 16 hereof.

e. Provide guidance and support for the traders in order to improve their ability in the following areas: production, trading, market information, negotiation, signing and implementation of export contracts, handling of international trade disputes.

2. Ministry of Agriculture and Rural Development:

a. Uniformly direct the localities in elaborating and implementing the master plans on commodity rice zones; to guide farmers in intensively growing quality and high value rice grain, with the aim to ensure food safety; applying scientific and technological advances in rice production, processing and maintenance; improving the Vietnamese rice brand in the market.

b. Take charge and cooperate with the People's Committees of provinces and Vietnam Food Association in keeping track of the production process and rice output in order to balance the rice sources for export; take charge and cooperate with the ministries, sectors, localities and Vietnam Food Association in guaranteeing the national food safety, meeting the objectives and principles of rice export administration under this Decree.

c. Promulgate the mechanism and incentive policies or submit them to the competent authority for promulgation; such mechanism and incentive policies are provided for the traders that invest in high-tech rice production, produce and trade clean rice, organic rice and rice with high quality and high value, or produce byproducts from rice.

d. Develop and promulgate supporting policies or submit them to the competent authorities for promulgation; such policies are provided for the purpose of building raw materials area, supporting joint rice production and consumption; to improve the representational ability of farmers, remove difficulties and obstacles that may occur during the implementation of relevant mechanism and policies.

dd. Take charge and cooperate with relevant agencies in providing guidance on targets and methods for determining the organic rice and parboiled rice which are specified in clause 3, clause 4 of this Article; promulgate the rice production process and the procedures for processing, maintaining and evaluating rice export commodity; promulgate national technical standards and regulations on rice warehouse, mill and processor, with the aim to satisfy the conditions for rice export business according to lawsoft; guide and direct the evaluation and supervision activities regarding the implementation process of traders, processors and relevant entities.

3. The Ministry of Health shall take charge and cooperate with relevant agencies in providing guidance on criterion and methods for determining the rice with micronutrients specified in clause 2, Article 4 hereof; promulgate the regulations on the maximum chemical residue of rice

commodity; develop and promulgate the national technical standards and regulations on the packaging of rice commodity; guide and direct the inspection and supervision activities regarding the implementation process of traders, processors and relevant entities.

4. Ministry of Finance

a. Take charge and cooperate with relevant ministries, sectors and localities in applying the rice price stabilization methods as prescribed by laws.

b. Direct the General Department of Customs in reviewing and periodically reporting (monthly, quarterly and periodically) or unexpectedly reporting on rice export.

5. The State Bank of Vietnam

Direct the credit institutions in balancing funds, with the aim to satisfy the lending demands of traders that invest in building rice warehouse, mill and processor in the raw materials area or only invest in building such area, or rice producers who work there or participate in the joint rice production and consumption with the traders.

6. Responsibilities of the People's Committees of provinces

a. Elaborate and organize the implementation of master plans on paddy production, direct the provision of supplies and farming techniques and improvement of rice quality to meet market demands; inspect rice production, circulation and sale in their localities; manage and organize the implementation of master plans on rice warehouse and mill systems in their localities; direct the procurement of rice directly from producers and under the contracts signed with the producers according to the state current policy.

b. Report regularly or upon request by the Prime Minister or relevant ministries and sectors on commodity rice yield, categories and inventories and expected rice productivity and yield according to different categories and harvest time in their localities for rice export administration.

c. Direct the Departments of Finance; Agriculture and Rural Development; Industry and Trade and relevant agencies in inspecting and conducting surveys on production cost and determining the cost price of paddy of each crop under this Decree and the Ministry of Finance's specific guidance; direct, inspect and supervise the traders in their localities in observing regulations and the direction of competent authorities under this Decree; organize effective implementation of the policy on building the raw materials area in their localities; inspect, detect and handle the violations of regulations on the production, trading and use of fertilizer and pesticide in their localities.

d. Direct the Department of Industry and Trade and relevant agencies in their provinces in carrying out post inspection for the rice warehouse and mill, with the aim to satisfy the business conditions in their localities as prescribed in clause 2, Article 5 hereof.

dd. Mobilize local organizations and people to produce rice under the planning and orientations of the State, with the aim to enhance the efficiency of rice production, trading and export; observe the agricultural sector's direction and guidance on production process, variety structure, crop structure and harvest structure; produce rice according to the market demands and traders' orders and cooperate with these traders in building the raw materials area for rice export.

Article 23. Responsibilities of the Vietnam Food Association

Aside from the functions and tasks specified in current regulations, the Vietnam Food Association shall also:

1. Cooperate with the People's Committees of provinces and central affiliated cities in directing, guiding and supporting their members in building the raw materials area according to the current state policies.
2. Cooperate with the competent agencies in inspecting and detecting the violations in rice export business and request such agencies to take actions against these violations.
3. Cooperate with the ministries, sectors and localities in directing and guiding their members in procuring rice commodity to maintain compulsory circulation reserves for market stabilization under this Decree.
4. Set up and maintain the operation of a website on rice supply and demand in the markets of Vietnam and foreign countries, importers, prices and commercial forecast of rice, and information on rice export and sale.
5. Take the initiative in seeking and expanding the rice export markets; guide their members in enhancing the market power, proactively seeking, negotiating and signing the export contracts to increase rice export efficiency.
6. Send weekly, monthly or quarterly reports on domestic rice prices, export rice prices and rice circulation reserves of their members to the Ministry of Industry and Trade, Ministry of Finance, Ministry of Agriculture and Rural Development, Office of the Government and People's Committees of provinces.
7. Promptly report the relevant ministries and sectors about the arising problems according to their functions and tasks and propose the handling measures.

Article 24. Responsibilities of the traders

1. Promptly send a written report to the Ministry of Industry and Trade, Departments of Industry and Trade in the provinces where the rice warehouses, mills and processors declared to obtain the Certificate are located when they fail to satisfy the business conditions or when there are changes about the aforesaid rice warehouses, mills and processors.

2. Send a report about the signing and implementation of rice export contracts to the Ministry of Industry and Trade every 20th of each month.
3. Send a report about the actual stored rice volume of traders based on each category to the Ministry of Industry and Trade every Thursday in order for this Ministry to make an aggregate report for administration.
4. Send quarterly, annual and irregular reports to the Ministry of Industry and Trade, Ministry of Finance, Ministry of Agriculture and Rural Development, People's Committees and Departments of Industry and Trade in provinces where the head offices, rice warehouses, mills and processors or raw materials area are located. The periodic reports shall be made by using form No. 04 in Appendix hereto.
5. Implement the state policies' regulations on building the raw materials area; impose the reporting regime by sending a report on the building process of raw materials area to the Ministry of Industry and Trade and relevant agencies as prescribed by laws.
6. If a trader sends untrue reports or does not follow the reporting regime specified in this Article, it shall not receive the incentive policies specified in clause 2, Article 16 hereof, unless the aforesaid trader stops violating and rectifies its actions.
7. According to the regulations in this Decree, the Ministry of Industry and Trade shall provide specific provisions on high technology application, with the aim to make it easier for traders in imposing the reporting regime specified in this Article.

Chapter V

IMPLEMENTATION

Article 25. Transitional provisions

1. A trader that obtains the Certificate under the Decree No. 109/2010/ND-CP is allowed to continue its rice export business during the validity period of such Certificate; it is not required to re-apply for the Certificate under this Decree, unless it requests for the replacement or modification of Certificate as prescribed in Article 7 hereof.
2. A foreign-invested trader engaged in rice production and export before the effective date of the Decree No. 109/2010/ND-CP may continue operate under its license.
3. If a trader registers for the issuance, replacement or modification of Certificate under the Decree No. 109/2010/ND-CP before the effective date of this Decree, the Ministry of Industry and Trade shall consider issuing or re-issuing or modifying the contents of Certificate under the Decree No. 109/2010/ND-CP as requested by the trader.

The trader's time for submitting the application shall be calculated based on the date on postmark (if the trader sends the application by post) or the date on which the application is received by the

Ministry of Industry and Trade via online services, or the date specified on the receipt stamp of the aforesaid Ministry when the trader sends the application in person at their head office.

Article 26. Entry into force

1. This Decree shall come into force from October 01, 2018.
2. The Government's Decree No. 109/2010/ND-CP dated November 04, 2010 shall be revoked.

Article 27. Implementation responsibilities

1. According to the regulations specified in this Decree, the Ministries of: Industry and Trade, Agriculture and Rural Development, Health, Finance and State Bank of Vietnam shall promulgate a written guidance on the implementation of this Decree.

The Ministry of Agriculture and Rural Development and the Ministry of Health shall promulgate a written guidance on determining the rice categories specified in point d, clause 2, clause 3, Article 22 hereof, from the date on which this Decree takes effect; promulgate regulations on the criteria and methods for determining such rice categories before December 31, 2018.

2. The Ministers, Heads of ministerial agencies, Heads of governmental agencies, Chairpersons of the People's Committees of provinces and central affiliated cities, Chairperson of Vietnam Food Association shall implement this Decree.

**PP. THE GOVERNMENT
PRIME MINISTER**

Nguyen Xuan Phuc