

**THE GOVERNMENT**

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No. 99/2010/ND-CP

**SOCIALIST REPUBLIC OF VIET NAM**  
**Independence - Freedom – Happiness**

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*Hanoi, September 24, 2010*

**DECREE**

**ON THE POLICY ON PAYMENT FOR FOREST ENVIRONMENT SERVICES**

**THE GOVERNMENT**

*Pursuant to the December 25, 2001 Law on Organization of the Government;*  
*Pursuant to the December 3, 2004 Law on Forest Protection and Development;*  
*Pursuant to the November 13, 2008 Law on Biodiversity;*  
*At the proposal of the Minister of Agriculture and Rural Development,*

**DECREES:**

**Chapter I**

**GENERAL PROVISIONS**

**Article 1. Scope of regulation**

This Decree provides for the policy on payment for forest environment services in Vietnam, covering:

1. Types of forest environment services which are paid for by users to providers defined in this Decree.
2. Providers and users of forest environment services.
3. Management and use of the payment for forest environment services.
4. Rights and obligations of providers and users of forest environment services.
5. Responsibilities of state management agencies at all levels and of all sectors for the payment for forest environment services.

**Article 2. Subjects of application**

This Decree applies to state agencies, organizations, households, individuals and village communities in the country; overseas Vietnamese, foreign organizations and individuals carrying out activities related to the provision and use of and payment for forest environment services, and management of the payment for these services.

**Article 3. Interpretation of terms**

In this Decree, the terms below are construed as follows:

1. Forest environment includes the components of the forest eco-system: plants, animals, microorganisms, water, soil, air and natural landscapes. Forest environment has use values to meet social and human needs, referred to as use values of the forest environment, including soil protection, water source regulation, headwater protection, coastal protection, natural disaster prevention and

combat, biodiversity, carbon sequestration and retention, tourism, habitat and spawning ground of organisms, timber and other forest products.

2. Forest environment service means the provision of use values of the forest environment to meet the needs of the society and people's life, including types of services specified in Clause 2. Article 4 of this Decree.

3. Payment for forest environment services means a provision and payment relationship in which users of forest environment services pay to providers of these services under Article 6 of this Decree.

#### **Article 4. Types of forests and forest environment services for which charges must be paid**

1. Forests entitled to payment for forest environment services are forests that provide one or more forest environment services defined in Clause 2 of this Article, including protection forest, special-use forest and production forest.

2. Types of forest environment services referred to in this Decree include:

a/ Soil protection, restriction of erosion and sedimentation of reservoirs, rivers and streams;

b/ Regulation and maintenance of water sources for production and social life;

c/ Forest carbon sequestration and retention, reduction of greenhouse gas emissions by measures of preventing forest degeneration and forest area decrease and developing forests in a sustainable manner;

d./ Protection of natural landscape and conservation of biodiversity of eco-systems for tourism services:

e/ Provision of spawning grounds, sources of feed and natural seeds, use of water from forests for aquaculture.

3. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with concerned ministries and branches in submitting to the Prime Minister for promulgation regulations on payers, levels of payment and method of payment for the service of forest carbon sequestration and retention and the service of provision of spawning grounds, sources of feeds and natural seeds, use of water from forests for aquaculture. for implementation in accordance with this Decree.

#### **Article 5. Principles of payment for forest environment services**

1. Beneficiaries of forest environment services shall pay for these services to owners of forests providing such services.

2. Payment for forest environment services shall be made in cash by direct or indirect payment method.

3. Payment for forest environment services through forest protection and development funds is the money users of forest environment services entrust the funds to pay to forest owners providing these services.

4. Payment for forest environment services constitutes an element in the cost of products using forest environment services and does not replace royalty or other payable amounts as required by law.

5. Assurance of publicity, democracy, objectivity and fairness: compliance with the Vietnamese legal system and treaties which Vietnam has signed or acceded to.

#### **Article 6. Forms of payment for forest environment services**

1. Direct payment:

a/ Direct payment means that users of forest environment services pay directly to providers of these services.

b/ Direct payment is applied when a user of forest environment services has ability and conditions for making payment directly to the provider of these services without having to go through an

intermediary organization. Direct payment shall be made on the basis of freewill contracts between users and providers of forest environment services under this Decree under which the level of payment must not be lower than that set by the State for the same type of forest environment service.

2. Indirect payment:

a/ Indirect payment means that users of forest environment services pay to providers of these services through the Vietnam forest protection and development fund or a provincial-level forest protection and development fund or an agency or organization performing the tasks of a provincial-level forest protection and development fund as decided by the provincial-level People's Committee;

b/ Indirect payment is applied when users of forest environment services have no ability and conditions for paying directly to providers of such services but have to make payment through an intermediary organization under Point a. Clause 2 of this Article. Indirect payment is made with the intervention and support of the State and with prices of forest environment services fixed by the State.

#### **Article 7. Payers and types of forest environment services which must be charged**

1. Hydropower generation establishments shall pay for the services of soil protection, restriction of erosion and sedimentation of reservoirs, rivers and streams and regulation and maintenance of water sources for hydropower generation.

2. Clean water production and supply establishments shall pay for the service of regulation and maintenance of water sources for clean water production.

3. Industrial manufacture establishment using water directly from water sources shall pay for the service of regulation and maintenance of water sources for clean water production.

4. Tourist service providers that benefit from forest environment services shall pay for the service of protection of natural landscapes and conservation of biodiversity of forest eco-systems for tourism services.

5. Liable to pay for the forest environment services of forest carbon sequestration and retention; supply of spawning grounds, source: of feeds and natural seeds, use of water from forest for aquaculture are those referred to in Clauses 3, Article 4 of this Decree.

#### **Article 8. Entities to enjoy payment for forest environment services**

1. Entities to enjoy payment for forest environment services are owners of forests providing such services, including:

a/ Forest owners that are organizations with forests allocated or leased by the State for stable and permanent use for forestry purposes and organizations that plant by themselves forests on allocated forestry land areas certified by the provincial-level People's Committee at the proposal of the provincial-level Department of Agriculture and Rural Development;

b/ Forest owners that are households or individuals with forests allocated or leased by the State; village communities with forests allocated by the State for stable and permanent use for forestry purposes; forest owners that are households and individuals or village communities planting forests by themselves on state-allocated forest land areas certified by the district-level People's Committee at the request of a specialized forestry agency, certified by the commune-level People's Committee.

2. Organizations, households, individuals and village communities that have concluded contracts on stable and permanent forest protection with forest owners that are state organizations (below referred to as contracted households); forest protection contracts shall be made and signed by the contractual parties and certified by the commune-level People's Committee.

### **Chapter II**

#### **MANAGEMENT AND USE OF PAYMENT FOR FOREST ENVIRONMENT SERVICES**

##### **Section 1. MANAGEMENT AND USE OF MONEY FROM DIRECT PAYMENT FOR SERVICES**

#### **Article 9. Payment for forest environment services**

1. The provider and user of forest environment services shall reach agreement by themselves on types of services, level and method of payment for these services in accordance with the provisions of this Decree and other relevant provisions of law.

In case the provider and user of forest environment services reach agreement by themselves on types of services provided in this Decree, the levels of payment must not be lower than those set in Article 11 of this Decree.

In case levels of payment are not yet provided in this Decree, the provider and user of forest environment services may reach agreement by themselves on the levels of payment.

2. The State encourages the application of direct payment to all cases if the providers and users of forest environment services can reach agreement by themselves on the levels of payment.

#### **Article 10. Use of money paid for forest environment services**

1. Providers of forest environment services may decide on how to use money paid for forest environment services after fulfilling financial obligations to the State as provided by law.

2. In case the provider of forest environment services is a state organization, it shall account as a source of revenue money paid for forest environment services, after subtracting reasonable expenses related to the implementation of the policy on payment for forest environment services incurred by the organization, including payments to households contracted to protect forests, and may spend such money under financial regulations applicable to such organization.

### **Section 2. MANAGEMENT AND USE OF MONEY FROM INDIRECT PAYMENT FOR SERVICES**

#### **Article 11. Levels of payment and determination of amounts of payment for forest environment services**

1. For hydropower generation establishments

a/ The level of payment for forest environment services applicable to hydropower generation establishments is VND 20 per kWh of commercial electricity. The electricity amount used to calculate the amount of payment is that sold by a hydropower generation establishment to electricity buyers under electricity trading contracts;

b/ Determination of amounts of payment for forest environment services.

The amount of payment (in VND) for forest environment services in a payment period equals the electricity amount (kWh) in the payment period multiplied by the level of payment per kWh (VND 20/kWh).

2. For clean water production and supply establishments:

a/ The level of payment for forest environment services applicable to clean water production and supply establishments is VND 40 per m<sup>3</sup> of commercial water. The water volume used to calculate the amount of payment is that sold by a clean water production and supply establishment to consumers;

b/ Determination of amounts of payment for forest environment services.

The amount of payment (in VND) for forest environment services in a payment period equals the commercial water volume (m<sup>3</sup>) in the payment period multiplied by the level of payment per m<sup>3</sup> of commercial water (VND 40/m<sup>3</sup>).

3. For industrial production establishments using water directly from water sources

To assign the Ministry of Agriculture and Rural Development to assume the prime responsibility for, and coordinate with concerned ministries and branches in, submitting to the Prime Minister for promulgation specific regulations on payers, level of payment and methods of payment for this type of service.

4. For tourist service providers benefiting from forest environment services

a/ The level of payment for forest environment services equals from 1% to 2% of turnover realized in the period;

b/ Determination of amounts of payment for forest environment services

The amount of payment (in VND) for forest environment services in a payment period equals turnover multiplied by the level of payment (from 1% to 2%).

c/ To assign provincial-level People's Committees to specify payers including travel and tourism accommodation business organizations and individuals located in their respective provinces or centrally run cities. The levels of payment for forest environment services applicable to these payers comply with Point a. Clause 4 of this Article.

#### **Article 12. Entities eligible for exemption from and reduction of payment for forest environment services**

1. If meeting with risks or force majeure events, organizations and individuals specified in Article 7 of this Decree may be considered for exemption from or reduction of payment for forest environment services under this Decree.

2. To assign the Ministry of Agriculture and Rural Development to assume the prime responsibility for, and coordinate with concerned ministries and branches in, guiding the exemption from and reduction of payment for forest environment services.

#### **Article 13. Entrustment of payment for forest environment services**

1. Forest protection and development funds set up under the Government's Decree No. 05/2008/ND-CP of January 14, 2008, shall accept entrusted payment for forest environment services. For localities lacking conditions for setting up a forest protection and development fund, provincial-level People's Committees shall decide on agencies or organizations to perform the tasks of a provincial-level forest protection and development fund.

For provinces with large forests and forest land areas, provincial-level People's Committees shall consider giving permission for the establishment of district-level branches of forest protection and development funds to make entrusted payment for forest environment services to ensure convenience for people.

2. In case users of forest environment services from forests located within the administrative territory of a province or centrally run city, the entrusted payment for forest environment services shall be transferred to the provincial-level forest protection and development fund of such locality or to the agency or organization performing the tasks of such a fund as decided by the provincial-level People's Committee (below referred to as provincial-level forest protection and development fund).

3. In case users of forest environment services from forests located within the administrative territory of two or more provinces and/or centrally run city, the entrusted payment for forest environment services shall be transferred to the Vietnam forest protection and development fund.

#### **Article 14. Bases for regulating payment for forest environment services from the Vietnam forest protection and development fund**

1. The Vietnam forest protection and development fund may regulate payment for forest environment services to each province or centrally run city on the following bases:

a/ The amount of money collected from users of forest environment services;

b/ Forest area of each province or centrally run city providing forest environment services, certified by a competent agency under the guidance of the Ministry of Agriculture and Rural Development.

2. For the amount of money collected from users of forest environment services for which recipients are unidentifiable or are not identified yet, the Vietnam forest protection and development fund may divide such amount to provinces with the average level of payment for forest environment services per hectare of forest lower than the average national level in the year.

#### **Article 15. Use of payment for forest environment services**

1. Use of entrusted payment for forest environment services at the Vietnam forest protection and development fund:

a/ Maximum 0.5% of the total amount of money entrusted by payers for forest environment services for the fund's operations related to the payment for these services, including administrative expenses under the entrustment mechanism; expenses for the receipt of money and other financial management activities.

b/ The remaining amount shall be transferred to provincial-level forest protection and development funds or agencies or organizations performing the tasks of a provincial-level forest protection and development fund on the basis of forest areas of provinces and centrally run cities engaged in providing forest environment services.

2. Use of entrusted payment for forest environment services at provincial-level forest protection and development funds:

The amount of money received from the Vietnam forest protection and development fund and directly from payers for forest environment services is regarded as 100% and shall be used as follows:

a/ Maximum 10% for the following activities: administrative work under the entrustment mechanism, receipt of payment, settlement, checking, supervision and audit; support for activities of takeover test and assessment of forests; support for technical activities of monitoring quality of forest environment services; support for activities related to payment for forest environment services in districts, communes and villages;

b/ Deduction of not more than 5% of the total amount of entrusted payment transferred to provincial-level forest protection and development funds plus other lawful funds as provisions and support for households, individuals and village communities with forests allocated or contracted for stable and permanent protection in case of natural disaster and drought.

Provincial-level People's Committees shall specify the use of funds stated at Points a and b Clause 2 of this Article.

c/ The remaining amount shall be paid to providers of forest environment services, which is regarded as 100%. and shall be used in the following two cases:

Forest owners that are households and individuals with forests allocated or leased by the State; village communities with forests allocated by the State for stable and permanent use for forestry purposes and forest owners that are households and individuals and village communities planting forests by themselves on forest land may enjoy the whole amount.

Forest owners that are state organizations contracting out forests for protection may use 10% of this amount for checking, supervising, testing and evaluating the quality and quantity of forests to make annual payment for forest environment services. The remainder (90%) shall be paid to households contracted for forest protection.

For the remaining forest area not yet contracted out for protection, the amount of payment for forest environment services for such forest area shall be managed and used by forest owners under financial regulations applicable to each type of organization.

#### **Article 16. Payment for forest environment services from provincial-level forest protection and development funds**

1. Payment to forest owners.

a/ The amount of payment for a type of service to a forest owner shall be determined by-multiplying the forest area of the forest owner providing such service by the average payment for 1 hectare of forest and by the payment coefficient (K) corresponding to such forest owner. A forest that provides many forest environment services is entitled to all payments for these services:

b/ The average payment for 1 hectare of forest shall be determined by the amount of payment collected from payers for a specific type of forest environment service, after deducting administrative expenses and financial provisions mentioned at Points a and b, Clause 2, Article 15 of this Decree,

divided by the aggregate of forest areas of each type of forest owners jointly providing such service and multiplied by coefficient K corresponding to the area of forest of each type of forest owners entitled to such payment.

The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Finance and concerned ministries and branches in, guiding the method of calculating the average payment for 1 hectare of forest mentioned at Point b. Clause 1 of this Article.

## 2. Payment to households contracted for forest protection

a/ The amount of payment for forest environment services that a household contracted for forest protection receives shall be determined by multiplying the average payment for 1 hectare of forest by the area of forest (ha) entitled to payment and by coefficient K;

b/ The average payment for 1 hectare of forest (VND/ha) shall be determined by dividing the total remaining amount mentioned at Point c, Clause 2. Article 15 of this Decree by the aggregate of areas of forests of each type entitled to payment at the time of checking and certification by a responsible agency, which is then multiplied by coefficient K corresponding to the area of forest of each type entitled to payment.

## 3. Coefficient K shall be determined based on the following factors:

a/ Forest status (ability to provide forest environment services);

b/ Type of forest (special-use, protection or production);

c/ Origin of forest (natural forest, planted forest);

d/ Unfavorable and favorable conditions for forest protection (social and geographical factors).

For forest owners, provincial-level People's Committees shall prescribe coefficients K based on specific conditions of their localities.

For households contracted for forest protection, the principals and contractors shall calculate coefficients K under regulations of competent agencies and write such coefficients in their contracts.

## **Article 17. Tasks of provincial-level forest protection and development funds**

1. To collaborate with users of forest environment services (that are liable to entrust payment to the funds) in determining the amounts to be paid by each user in each payment period in the local areas.

2. To represent providers of forest environment services in signing contracts with users of these services liable to entrust payment to provincial-level forest protection and development funds, defining responsibilities of each party to make and use payments for forest environment services as a basis for supervising, checking and identifying responsibilities of each party in the making and use of payment for forest environment services.

3. To receive money entrusted by users of forest environment services transferred by the Vietnam forest protection and development fund and money directly paid by users of forest environment services to provincial-level forest protection and development funds.

4. To make payment for forest environment services to forest owners on the basis of the quantity and quality of their forests certified by the provincial-level Departments of Agriculture and Rural Development (for forest owners being organizations) or certified by a district-level specialized forestry agency designated by the district-level People's Committee (for forest owners being households, individuals and village communities) and to households contracted for forest protection on the basis of requests of forest owners certified by commune-level People's Committees.

5. To act as the focal point in assisting competent state agencies in examining forest owners' provision of forest environment services, payment to households contracted for forest protection and payment by users of forest environment services.

6. To annually report to provincial-level People's Committees and the Vietnam forest protection and development fund on the collection and spending of payment for forest environment services in localities.

7. For provinces and centrally run cities which have not yet set up forest protection and development funds for lacking conditions, agencies or organizations performing tasks of a provincial-level forest protection and development fund shall perform the tasks defined in this Article.

#### **Article 18. Tasks of the Vietnam forest protection and development fund**

1. To collaborate with provincial-level People's Committees in identifying payers of forest environment services that are liable to entrust payment to the fund as prescribed in Clause 3. Article 13 of this Decree: and determining the amount to be paid by each service user in each payment period.

2. To represent providers of forest environment services in signing contracts with users of these services, liable to entrust payment to the Vietnam forest protection and development fund, defining responsibilities of each party to make and use payment for forest environment services as a basis for supervising, examining and identifying responsibilities of each party in the making and use of payment for forest environment services.

3. To receive payment of users of forest environment services for transferring to provincial-level forest protection and development funds.

4. To regulate and allocate money collected from users of forest environment services to provincial-level forest protection and development funds.

5. To act as the focal point in assisting the Directorate of Forestry in examining the payment by users of forest environment services to the fund and the use of amounts of payment transferred by the fund to provincial-level forest protection and development funds for proper purposes and to proper beneficiaries.

6. To annually review and report to the Ministry of Agriculture and Rural Development on the situation of collection and spending of payment for forest environment services nationwide.

### **Chapter III**

#### **RIGHTS AND OBLIGATIONS OF USERS AND PROVIDERS OF FOREST ENVIRONMENT SERVICES**

##### **Article 19. Rights and obligations of users of forest environment services**

1. Rights:

a/ To be notified by competent state agencies in charge of forestry of the situation of protection and development of forests providing forest environment services and on the quantity and quality of these forests:

b/ To be notified by forest protection and development funds of results of payment for forest environment services to forest owners;

c/ To participate in the examination and supervision by state agencies of the protection and development of forests providing forest environment services;

d/ To request competent state agencies to consider and adjust payment for forest environment services in case providers of these services fail to ensure proper forest areas or cause degradation of forest quality for which adequate payment has been paid.

2. Obligations:

a/ To declare by themselves the amounts of money they have to entrust to the forest protection and development fund;

b/ To make full payment for forest environment services according to schedule as contracted to forest owners (in case of direct payment) or to forest protection and development funds (in case of indirect payment);



c/ To be handled under law for violations of Points a and b. Clause 2 of this Article, depending on the nature and seriousness of these violations.

#### **Article 20. Rights and obligations of providers of forest environment services**

##### 1. Rights:

a/ To request users of forest environment services (in case of direct payment) or provincial-level forest protection and development funds (in case of indirect payment) to make payment for forest environment services under this Decree:

b/ To be provided with information on the values of forest environment services;

c/ To participate in the examination and supervision by state agencies of the payment for forest environment services.

##### 2. Obligations:

a/ Forest owners shall ensure that the areas of forests providing forest environment services be protected and developed properly in line with forest protection and development plans approved by competent state agencies;

b/ Households contracted for stable and permanent forest protection shall ensure that the areas of forests providing forest environment services be protected and developed in accordance with contracts signed with forest owners:

c/ Forest owners that are state organizations shall use amounts of payment for forest environment services in accordance with this Decree;

d/ Not to deforest or change the use purpose of forests without permission;

e/ To be handled under law for violations of Points a, b, c and d, Clause 2 of this Article, depending on the nature and seriousness of these violations.

#### **Chapter IV**

#### **ORGANIZATION OF IMPLEMENTATION**

#### **Article 21. Responsibilities of concerned ministries and branches**

1. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and coordinate with the Ministry of Natural Resources and Environment, the Ministry of Finance and related ministries and branches in, performing the following tasks:

a/ To submit to the Prime Minister for approval a plan for implementing the Government Decree on the policy on payment for forest environment services;

b/ To coordinate with provincial-level People's Committees in identifying areas of forests providing forest environment services located within two or more provinces and/or centrally run city, and approving these areas for organizing the implementation of this Decree;

c/ To annually notify provincial-level People's Committees of areas of forests providing forest environment services located within two or more provinces, classified by area of forest in each province entitled to payment for forest environment services:

d/ To assume the prime responsibility for, and coordinate with concerned ministries and branches in, mobilizing financial, scientific and technical potential of organizations and individuals at home and abroad for implementing this Decree:

e/ To assume the prime responsibility for, and coordinate with the Ministry of Finance and concerned ministries and branches in, submitting to the Prime Minister for promulgation levels of payment for forest environment services applicable to hydropower plants with energy storage systems.

2. The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with the Ministry of Natural Resources and Environment the Ministry of Finance and

related ministries and branches in, promoting the implementation of the policy on payment for forest environment services.

3. The Ministry of Information and Communications shall guide and direct news and press agencies in raising awareness and sense of responsibility of agencies, organizations and people in forest protection and development and implementation of the policy on payment for forest environment services.

4. Other concerned ministries and branches shall, depending on their respective functions and tasks of state management, proactively coordinate with the Ministry of Agriculture and Rural Development in implementing this Decree.

#### **Article 22. Responsibilities of provincial-level People's Committees**

1. To organize the dissemination and popularization of the policy on payment for forest environment services.

2. To direct provincial-level Departments of Agriculture and Rural Developments to assume the prime responsibility for, and coordinate with concerned provincial-level departments and branches in, formulating and submitting to provincial-level People's Committees for approval projects related to the implementation of the policy on payment for forest environment services, including those on:

a/ Scrutinizing the allocation of land and forests;

b/ Allocating new land areas and forests;

c/ Contracting out forest protection in a stable and permanent manner;

d/ Investigating, classifying and making statistics on providers and users of forest environment services:

e/ Mechanism of management and use of payment for forest environment services.

3. To set up steering committees for the implementation of the policy on payment for forest environment services to be headed by chairpersons of provincial-level People's Committees.

4. To assume the prime responsibility for, and coordinate with the Vietnam forest protection and development fund in directing provincial-level Departments of Agriculture and Rural Developments and functional agencies in identifying payers for forest environment services in each province liable to entrust payment for forest environment services to the Vietnam forest protection and development fund, as provided in Clause 3. Article 13 of this Decree. To notify the list to these payers and report it to the Ministry of Agriculture and Rural Development for monitoring and urging the implementation of the Decree.

5. To coordinate with concerned ministries and branches in directing and examining the payment for forest environment services by organizations and individuals in their localities under this Decree.

6. To approve and ensure stable areas and functions of forests providing forest environment services in land use plans and forest protection and development plans.

7. To certify the list of forest owners being organizations providing forest environment services to a specific user of forest environment services at the request of the provincial-level Departments of Agriculture and Rural Development.

8. To assign provincial-level Departments of Agriculture and Rural Developments to act as focal points in conducting takeover tests and assessment of the quantity and quality of forests and give certification to forest owners being organizations as a basis for making payment for forest environment services; to examine and supervise forest owners being organizations in the exercise of powers and performance of obligations provided in Article 20 of this Decree.

9. To direct district-level People's Committees in performing the following tasks:

a/ To organize the dissemination, study and implementation of the policy on payment for forest environment services as provided in this Decree;

b/ To certify the list of forest owners being households, individuals and village communities as providers of forest environment services for a specific user of these services at the request of the same-level specialized forestry agency certified by the commune-level People's Committee;

c/ To assign specialized forestry agencies to act as focal points in conducting takeover tests and assessment of the quantity and quality of forests and give certification to forest owners being households, individuals and village communities as a basis for periodical payment for forest environment services.

To examine and supervise forest owners being households, individuals and village communities in the exercise of powers and performance of obligations provided in Article 20 of this Decree.

d/ To participate in the examination and supervision of the implementation of the policy on payment for forest environment services in localities:

e/ To direct chairpersons of commune-level People's Committees to implement the provisions of this Decree and certify lists of households signing forest protection contracts with forest owners being state organizations for receiving payment for forest environment services.

### **Article 23. Funds**

Funds for the implementation of this Decree include:

1. Funds for agencies, organizations and units responsible for implementing projects related to the payment for forest environment services shall be assured by the state budget according to current budget decentralization regulations.
2. Financial assistance and aid of organizations and individuals at home and abroad.
3. Funds from other sources.

## **Chapter V**

### **IMPLEMENTATION PROVISIONS**

#### **Article 24. Effect**

1. This Decree takes effect on January 1, 2011.
2. The provinces of Lam Dong and Son La and entities currently implementing the policy on payment for forest environment services on a pilot basis under the Prime Minister's Decision No. 380/QD-TTg of December 31, 2010, shall continue the pilot implementation through December 31, 2010, then shift to implementation of this Decree.

#### **Article 25. Implementation responsibility**

The Minister of Agriculture and Rural Development, concerned ministries and branches, and chairpersons of provincial-level People's Committees shall implement this Decree.-

**ON BEHALF OF THE GOVERNMENT  
PRIME MINISTER**

**Nguyen Tan Dung**