



**THE SOCIALIST REPUBLIC OF VIETNAM  
MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT**

**THE DRAFT TIMBER LEGALITY DEFINITION  
VOLUNTARY PARTNERSHIP AGREEMENT  
FOREST LAW ENFORCEMENT, GOVERNANCE AND TRADE**

**Draft 4**

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**DRAFT TIMBER LEGALITY DEFINITION FOR VPA/FLEGT**

**I. POINTS OF VIEW FOR FORMULATING THE TIMBER LEGALITY DEFINITION**

The definition of legal timber is formulated on the basis of the legislations of Vietnam, the requirements on FLEGT licenses and international practices. This definition is presented in the Matrix of timber legality regulations and follows the timber chain of custody from the harvesting/importing to the exporting stages. In each stage, there are principles and verifiers as well as the reference to lay the foundations for implementing, tracking and monitoring timber origin.

**II. MATRIX OF TIMBER LEGALITY DEFINITION**

No.	Description	Timber category	
		Natural forests	Plantations
<b>1</b>	<b>PRINCIPLE I: COMPLIANCE WITH HARVESTING REGULATIONS FOR DOMESTIC TIMBER</b>		
<b>1.1</b>	<b>Approved timber harvesting design document or Table of products to be harvested is in place</b>		
	<b>Evidence/Verifiers:</b> One of the following documents is in place:		
a	For organization forest title holders carrying out main harvesting/ salvage harvesting/sanitation harvesting from natural forests/ centralized plantations, it is required to have the approval decision issued by the Provincial Department of Agriculture and Rural Development enclosed with one of following documents: natural forest main harvesting design/ natural forest salvage	<b>x</b>	<b>x</b>

	harvesting design/ natural forest sanitation harvesting design/ centralized plantations harvesting design.		
b	For households, individuals, communities carrying out main harvesting/ salvage harvesting/ sanitation harvesting from natural forests, it is required to have the approval decision issued by the District People's Committee enclosed with one of following documents: natural forests main harvesting design/ natural forests salvage harvesting design/ natural forests sanitation harvesting design	<b>x</b>	
c	For organization forest title holders harvesting timber in their centralized plantations, it is required to have the Decision approving its plantation timber harvesting design document		<b>x</b>
d	For organizations, individuals, communities carrying out silviculture measures with timber sanitation cutting, it is required to have Table of timbers for savaging and sanitation harvesting when carrying out the silviculture measures.	<b>x</b>	<b>x</b>
e	For the forest title holders of experimental and scientific research forest areas harvesting timber, it is required to harvest the Table of timber to be harvested in place enclosed with the training plan, experimenting or scientific research projects approved by competent agencies	<b>x</b>	<b>x</b>
f	For households, individuals, communities harvesting timber in their plantations, it is required to have the Table of timber to be harvested in place		<b>x</b>
	<b>Reference:</b>		
<b>a</b>	The Circular No. 35/2011/TT-BNN, dated 20 <sup>th</sup> May 2011 by the Ministry of Agriculture and Rural Development on guiding the		

	implementation of timber and non-timber forest product harvesting and salvaging		
<b>1.2</b>	<b>Harvesting Application Form or Permit approved by the competent agencies is in place</b>		
	<b>Evidence/Verifiers:</b> One of the following documents is in place:		
a	For organization forest title holders, it is required to have the permit on salvaging timber from natural forests and plantations issued by Provincial Department of Agriculture and Rural Development	<b>x</b>	<b>x</b>
b	For households, individuals, communities, it is required to have the permit on timber harvesting and salvaging from natural forests issued by the District People's Committee	<b>x</b>	
c	For households, individuals, communities, it is required to have harvesting application form attached with the Table of forest products to be harvested from plantations		<b>x</b>
	<b>Reference:</b>		
	The Circular No. 35/2011/TT-BNN, dated 20 <sup>th</sup> May 2011 by the Ministry of Agriculture and Rural Development on guiding the implementation of timber and non-timber forest product harvesting and salvaging		
<b>1.3</b>	<b>Ensure that timber is harvested in compliance with the harvesting permit or application from in terms of boundary, area, species, and quantity.</b>		
	<b>Evidence/Verifiers:</b>		
a	Checking record of the harvesting procedures;	<b>x</b>	
b	Checking-and-acceptance record of timber harvested, salvaged	<b>x</b>	

c	Affirmation by the People's Committees at commune levels		<b>x</b>
d	<p>Forest hammer marks are required for timber harvested from natural forests and plantation forest but under the category of rare and specious species with the following parameters:</p> <ul style="list-style-type: none"> <li>- Round timber with the larger end's diameter of more than 25cm and the length of more than 1 meter;</li> <li>- Sawn timber and square timber with the length of more than 1 meter, thickness of more than 5cm and the width of more than 20 cm</li> </ul>	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
a	The Circular No. 35/2011/TT-BNN, dated 20 <sup>th</sup> May 2011 by the Ministry of Agriculture and Rural Development on guiding the implementation of timber and non-timber forest product harvesting and salvaging		
b	The Decision No. 44/2006/QĐ-BNN, dated 1 <sup>st</sup> June 2006, issued by the Minister of Agriculture and Rural Development on promulgating the Regulation on management and placement of tree marks and forest hammer marks		
c	Decree No. 32/2006/NĐ-CP, dated 30 <sup>th</sup> March 2006, issued by the Government on management of endangered, rare and precious forest fauna and flora species		
<b>2</b>	<b>PRINCIPLE II: COMPLIANCE WITH REGULATIONS ON IMPORTED TIMBER</b>		
<b>2.1</b>	<b>Ensure that imported timber is legally sourced</b>		
	<b>Evidence/Verifiers:</b>		
a	A full package of customs documents in accordance with legal regulations is in place	<b>x</b>	<b>x</b>

b	Packing list of forest products prepared by the organizations, individuals of export country in line with actual imported quantity	x	x
c	Procedures issued by the timber export country; timber source verification document and others related to timber source (if any).  Especially for timber imported from Cambodia, it is required to have export – import permit issued by the Ministries of Industry and Trade of the two countries	x	x
d	CITES permit issued by export country for the timber in the Appendices I, II of the Convention on International Trade in Endangered Species.	x	x
	<b>Reference :</b>		
a	The Decree 154/2005/ NĐ-CP dated 15 <sup>th</sup> December 2005 detailing some articles of the Customs law on customs procedures; supervising and monitoring procedures		
b	The Decree 12/2006/NĐ-CP, dated 23 <sup>rd</sup> January 2006, by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.		
c	The Circular 04/2006/ TT-BTM, dated 06 <sup>th</sup> April 2006, of the Ministry of Commerce guiding the implementation of some provisions in the Decree 12/2006/NĐ-CP, dated 23 <sup>rd</sup> January 2006, by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.		
d	Circular 194/2010/TT-BTC, dated 6 <sup>th</sup> December 2010, issued by the Ministry of Finance guiding the implementation of customs procedures;		

	custom supervising and monitoring; import, export levies and tax administration for imported, exported commodities.		
d	Decision 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
f	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
g	Decree 19/2006/NĐ-CP, dated 20 <sup>th</sup> February 2006, by the Government regulating details of the Law of Trade on commodity origin		
<b>2.2</b>	<b>Full implementation of plant quarantine regulations for timber and timber products unprocessed such as soaking, impregnated with chemicals, heat treatment, high pressure</b>		
	<b>Evidence/Verifiers:</b>		
	Quarantine application or certificate issued by bordergate plant quarantine agency	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
a	The Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.		
b	Decree 02/2007/ NĐ- CP dated 05 <sup>th</sup> January 2007 issued by the Government on plant quarantine.		

c	Decision 72/2005/QĐ-BNN, dated__ 14 <sup>th</sup> November 2005, regulating the list of objects for plant quarantine issued by the Socialist Republic of Viet Nam		
<b>3</b>	<b>PRINCIPLE III: COMPLIANCE WITH THE REGULATIONS ON TIMBER TRANSPORTATION</b>		
<b>3.1</b>	<b>Transportation of domestically- harvested timber</b>		
	<b>Evidence/Verifiers:</b>		
<b>a</b>	For organizations:  - If purchasing timber from other sources, sales invoices attached with detailed packing list must be in place.  - If timber is transported internally within their organization, internal delivery bills attached with packing list must be in place.	<b>x</b>	<b>x</b>
<b>b</b>	For individuals, households, communities, it is required to have the list of forest products affirmed by local forest rangers or communal People's Committee	<b>x</b>	<b>x</b>
<b>c</b>	Forest hammer marks are required for timber harvested from natural forests and plantation timber but under the category of rare and specious species with the following parameters:  - Round timber with the larger end's diameter of more than 25 cm and the length of more than 1 meter;  - Sawn timber and box shaped timber with the length of more than 1 meter, thickness of more than 5 cm and the width of more than 20 cm	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
<b>a</b>	The Circular regulating on the forest product		



	documents and checking to ensure legally-sourced timber to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
b	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
b	Decision No. 44/ 2006/QĐ-BNN dated 01st June 2006 issued by the Minister of Agriculture and Rural Development on promulgating the Regulation on management and placement of tree marks and forest hammer marks.		
c	Decree No. 32/2006/NĐ-CP, dated 30 <sup>th</sup> March 2006, issued by the Government on management of endangered, rare and precious forest fauna and flora species		
<b>3.2.</b>	<b>Transportation of imported timber</b>		
	<b>Evidence/Verifiers:</b>		
a	A full package of customs documents as prescribed by laws is in place	<b>x</b>	<b>x</b>
b	- For timber which is re-purchased and sold, sales invoices attached with packing list must be in place.  - For internal transportation within the organization, internal delivery bills attached with packing list must be in place.	<b>x</b>	<b>x</b>
c	Forest hammer mark or special sign of exporting countries.	<b>x</b>	<b>x</b>

	<b>Reference:</b>		
a	Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
b	Decision No. 44/ 2006/QĐ-BNN dated 01st June 2006 issued by the Minister of Agriculture and Rural Development on promulgating the Regulation on management and placement of tree marks and forest hammer marks.		
c	Circular No. 194/2010/TT-BTC December 6, 2010 of Ministry of Finance guiding customs procedures, inspecting and supervision; export tax, import duties and taxes on goods management exports and imports		
d	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
<b>3.3.</b>	<b>Records of confiscated timber after being liquidated in accordance with the legislations.</b>		
	<b>Evidence/Verifiers:</b>		
<b>a</b>	For organizations purchasing confiscated timber, the following documents are required to transport such timber:  - Sales invoices together with the packing list.  - If the timber is transported internally within their organization, Internal delivery bills attached with packing list must be in place	<b>x</b>	<b>x</b>
<b>b</b>	Packing list which has been affirmed by local forest rangers is required for households,	<b>x</b>	<b>x</b>

	individuals, and communities purchasing confiscated timber		
<b>c</b>	<p>Forest hammer marks are required for timber harvested from natural forests and plantation timber but under the category of rare and specious species with the following parameters:</p> <ul style="list-style-type: none"> <li>- Round timber with the larger end's diameter of more than 25 cm and the length of more than 1 meter;</li> <li>- Sawn timber and box shaped timber with the length of more than 1 meter, thickness of more than 5 cm and the width of more than 20 cm</li> </ul>	<b>x</b>	<b>x</b>
<b>d</b>	Settlement decision issued by competent agency	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
<b>a</b>	The Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
<b>b</b>	The Decision No.44/2006/QĐ-BNN dated 01st June 2006 issued by the Minister of Agriculture and Rural Development on promulgating the Regulation on management and placement of tree marks and forest hammer marks.		
<b>c</b>	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
<b>4</b>	<b>PRINCIPLE IV: COMPLIANCE WITH THE REGULATIONS ON TIMBER PROCESSING</b>		
<b>4.1</b>	<b>Legally-operated processing facilities</b>		

	<b>Evidence/Verifiers:</b>		
	Business registration license in compliance with the business operation in timber processing is in place	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
a	The Business law issued in 2005		
b	The Decree No.88/2006/ NĐ-CP dated 28 <sup>th</sup> August 2006 issued by the Government on Business registration.		
c	The Decree 102/2010/ NĐ-CP 01 <sup>st</sup> October 2010 on detailing the implementation of some articles of the Enterprise law.		
d	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
<b>4.2</b>	<b>Timber-processing operators are compliant with environmental protection regulations</b>		
	<b>Evidence/Verifiers:</b>		
a	Environmental impact assessment report endorsed by Provincial Department of Natural Resources and Environment is in place;  Commitment in written on implementing environmental protection measures is in place;	<b>x</b>	<b>x</b>
b	Tools, equipment for solid waste collection and storage are in place in compliance with regulations	<b>x</b>	<b>x</b>
c	Plans on waste water collection and treatment in compliance with environmental standards are in	<b>x</b>	<b>x</b>

	place		
	<b>Reference:</b>		
a	The Environmental protection law 2005		
b	The Decree 29/2011/NĐ-CP dated 18 <sup>th</sup> September 2011 of the Government regulating the Environmental impact assessment, environmental protection commitment		
<b>4.3</b>	<b>Timber processing operators comply with fire prevention and fighting measures</b>		
	<b>Evidence/Verifiers:</b>		
a	Fire prevention and fighting rules are in place;	<b>x</b>	<b>x</b>
b	Fire prevention and fighting measures are in place;	<b>x</b>	<b>x</b>
c	Fire suppression tools are in place.	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
	The Fire prevention and fighting law 2001		
<b>4.4</b>	<b>Timber put into processing is legally sourced</b>		
	<b>Evidence/Verifiers:</b>		
a	For the organizations self-harvesting timber are required to have the following documentations when putting timber into the sawmill:  - Timber checking-and-acceptance record;  - Packing list;  - Forest hammer marks must be placed in the case of natural timber or plantation timber under the rare and specious species with the following parameters:  - Round timber with the larger end's diameter of more than 25 cm and the length of more than 1	<b>x</b>	<b>x</b>

	<p>meter;</p> <ul style="list-style-type: none"> <li>- Sawn timber and square timber with the length of more than 1 meter, thickness of more than 5 cm and the width of more than 20 cm;</li> <li>- Monitoring book for input and output timber and timber products.</li> </ul>		
b	<p>For the organizations purchasing material timbers for production, the following documentations must be in place:</p> <ul style="list-style-type: none"> <li>- Sales invoices together with Packing list;</li> <li>- Forest hammer must be marked for timber harvested from natural timber or harvested from plantation timber but under the rare and specious species with the following parameters: <ul style="list-style-type: none"> <li>+ Round timber with the larger end's diameter of more than 25cm and the length of more than 1 meter;</li> <li>+ Sawn timber and square timber with the length of more than 1 meter, thickness of more than 5 cm and the width of more than 20 cm;</li> </ul> </li> <li>- Monitoring book for input and output timber and timber products.</li> </ul>	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
a	The Decree No.23/2006/NĐ-CP dated 03 <sup>rd</sup> March 2006 issued by the Government in the execution of the Forest protection and development law in 2004;		
b	The Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
c	The Circular regulating on the forest product documents and checking to ensure legally-		

	sourced timber (draft) to replace the Decision No. 59/2005/QD-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling.		
<b>4.5</b>	<b>Ensuring compliance with labour safeguard</b>		
	<b>Evidence/Verifiers:</b>		
a	Labour contract between employers and employees;		
b	Employees' social insurance book which is endorsed monthly by the Social insurance agencies		
c	Labour safeguard equipment in compliance with regulations		
d	Rules on labour safeguard and sanitation in compliance with regulations		
e	Complying with the age requirements of employees		
	<b>Reference:</b>		
a	Labour law 1994		
b	Amended labour law 2002		
c	Health insurance law 2008		
d	The Decree 06/CP dated 20 <sup>th</sup> January 1995 detailing some articles of the Labour law 1994 on labour safety and labour hygiene		
<b>5</b>	<b>PRINCIPLE V: COMPLIANCE WITH THE REGULATIONS ON TIMBER TRADE</b>		
<b>5.1</b>	<b>Domestic timber and timber products</b>		
	<b>Evidence/Verifiers:</b>		

a	Clear records on timber origin, compatible with each type of timber	x	x
b	Sales invoices together with Packing list; - For the organizations transporting timber internally within their organizations, internal delivery bill must be in place together with the Packing list; - Monitoring books for input and output timber and timber products.	x	x
c	Forest hammer must be marked for timber harvested from natural timber or harvested from plantation timber but under the rare and specious species with the following parameters: - Round timber with the larger end's diameter of more than 25cm and the length of more than 1 meter; - Sawn timber and square timber with the length of more than 1 meter, thickness of more than 5 cm and the width of more than 20 cm	x	x
	<b>Reference:</b>		
a	The Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
b	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling;		
c	The Decision No.44/2006/QĐ-BNN dated 01st June 2006 issued by the Minister of Agriculture and Rural Development on promulgating the		



	Regulation on management and placement of tree marks and forest hammer marks.		
<b>5.2</b>	<b>Imported timber and timber products put into business is legally sourced</b>		
	<b>Evidence/Verifiers:</b>		
a	Customs declaration for imported timber with the endorsement of border gate customs agency	<b>x</b>	<b>x</b>
b	Packing list developed by the organizations, individuals of export country	<b>x</b>	<b>x</b>
c	Documentations validating timber origin and other documentations of export country (if any).	<b>x</b>	<b>x</b>
d	CITES permits issued by the export country for timber under the Appendix I, II of the Convention on International trade in endangered species	<b>x</b>	<b>x</b>
	<b>Reference</b>		
a	The Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
b	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
c	The Decision No.44/2006/QĐ-BNN dated 01st June 2006 issued by the Minister of Agriculture and Rural Development on promulgating the Regulation on management and placement of tree marks and forest hammer marks		
<b>6</b>	<b>PRINCIPLE VI: COMPLIANCE WITH EXPORTING REGULATIONS</b>		

<b>6.1</b>	<b>Exported timber and timber products are legally-sourced</b>		
	<b>Evidence/Verifiers:</b>		
a	Sales invoices in accordance with the regulation of the Ministry of Finance	<b>x</b>	<b>x</b>
b	Packing list of forest products to be exported	<b>x</b>	<b>x</b>
c	Contract of foreign trade	<b>x</b>	<b>x</b>
d	<p>Forest hammer marks must be placed in the case of natural timber or plantation timber under the rare and specious species with the following parameters:</p> <ul style="list-style-type: none"> <li>- Round timber with the larger end's diameter of more than 25cm and the length of more than 1 meter;</li> <li>- Sawn timber and square timber with the length of more than 1 meter, thickness of more than 5 cm and the width of more than 20 cm;</li> </ul>	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
<b>a</b>	The Decree on 23/2006/NĐ-CP dated 03 <sup>rd</sup> March 2006 by the Government on executing the Forest protection and development law;		
<b>b</b>	The Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		
<b>c</b>	The Circular regulating on the forest product documents and checking to ensure legally-sourced timber (draft) to replace the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling		

d	The Decree No. 19/2006/ND-CP dated 20 <sup>th</sup> February 2006 by the Government detailing the Commercial Law on commodity origin		
e	The Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners;		
f	Decree 154/2005/ND-CP of December 15, 2005 detailing some articles of Customs Law regarding customs procedures, inspection and supervision  The Decree No. 19/2006/ND-CP dated 20 <sup>th</sup> February 2006 by the Government detailing the Commercial Law on commodity origin		
g	Circular No. 194/2010/TT-BTC December 6, 2010 of Ministry of Finance guiding customs procedures, inspecting and supervision; export tax, import duties and taxes on goods management exports and imports		
h	The Circular 60/2009/TT-BNN guiding the implementation of the Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.		
<b>6.2</b>	<b>Compliance with the provisions of CITES</b>		
	<b>Evidence/Verifiers:</b>		
	CITES permit issued by Vietnam CITES Management Authority is in place	<b>x</b>	<b>x</b>
	<b>Reference:</b>		

a	The Decree 82/2006/ND-CP on August 10 <sup>th</sup> , 2006 on management of export, import, re-export and introduction from the sea, transit, breeding, rearing and artificial propagation of endangered, rare animals and plants		
b	The Circular 60/2009/TT-BNN guiding the implementation of the Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.		
<b>7</b>	<b>PRINCIPLE VII: COMPLIANCE WITH FINANCIAL REGULATIONS</b>		
<b>7.1</b>	<b>For domestically-harvested timber</b>		
	<b>Evidence/Verifiers:</b>		
a	Income tax payment statement;	<b>x</b>	<b>x</b>
b	Value-added tax invoice;	<b>x</b>	<b>x</b>
c	Natural resource receipt in case of round timber harvested from natural forest	<b>x</b>	
	<b>Reference</b>		
a	The Tax administration law 2006;		
b	The Corporate income tax law 2008		
c	The Value-added tax law 2008		
d	The Decree 124/2008/ND-CP dated 11 <sup>th</sup> December 2008 detailing the implementation of some articles of the Corporate income law		
<b>7.2</b>	<b>For imported timber</b>		
	<b>Evidence/Verifiers:</b>		

a	Import, export tax payment statement	<b>x</b>	<b>x</b>
b	Income tax payment statement	<b>x</b>	<b>x</b>
c	Value-added tax invoice	<b>x</b>	<b>x</b>
	<b>Reference:</b>		
a	The Import and export tax law 2005		
b	The Decree 87/2010/NĐ-CP dated 13 <sup>th</sup> August 2010 of the Government detailing the implementation of some articles in the Import tax, Export tax law.		
c	Circular No. 194/2010/TT-BTC dated 6 <sup>th</sup> December 2010 of Ministry of Finance guiding customs procedures, inspecting and supervision; export tax, import duties and taxes on goods management exports and imports		



## II. LEGAL REGULATIONS RELATED TO TIMBER LEGALITY AND REFERENCE DOCUMENTS

TITLE OF REFERENCE DOCUMENTS	PROVISIONS AND RELEVANT ARTICLES
<b>I. IN THE AREA OF FOREST MANAGEMENT; TIMBER HARVESTING AND TRADING MANAGEMENT</b>	
1. Forest protection and development law 2004	
2. The Decree No.23/2006/NĐ-CP dated 03 <sup>rd</sup> March 2006 issued by the Government in the execution of the Forest protection and development law in 2004;	
3. The Decree 82/2006/ND-CP on August 10 <sup>th</sup> , 2006 on management of export, import, re-export and introduction from the sea, transit, breeding, rearing and artificial propagation of endangered, rare animals and plants	
4. The Decision 186/2006/QĐ-TTg dated 14 <sup>th</sup> August 2006 by the Prime Minister on issuing forest management regulations;	
5. The Circular No.35/2011/TT-BNN dated 20 <sup>th</sup> May 2011 by the Ministry of Agriculture and Rural Development on guiding the operation of timber and non-timber forest product harvesting and salvaging.	
6. The Circular.....(in replacement of the Decision No. 59/2005/QĐ-BNN, dated 10 <sup>th</sup> October, 2005 of Ministry of Agriculture and Rural Development regarding to Regulations on forest product checking and controlling).	
7. The Decision No.44/2006/QĐ-BNN dated 01st June 2006 issued by the Minister of Agriculture and Rural Development on promulgating the Regulation on management and placement of tree marks and forest hammer marks.	
8. The Circular 87/2009/TT-BNN dated 31 <sup>st</sup> December 2009 by the Ministry of Agriculture and Rural Development on guiding the selective harvesting design for natural forest timber	

## II. IN THE AREA OF ENVIRONMENTAL MANAGEMENT

9. The Environmental law 2005

10. The Decree 29/2011/NĐ-CP dated 18<sup>th</sup> September 2011 issued by the Government in accordance with the environmental impact assessment, environmental protection commitment

## III IN THE AREA OF TAX ADMINISTRATION

11. The Tax administration 2006

12. The Value-added tax 2008

13. The Natural resource law 2009

14. The Import and export law 2005

15. The Corporate income tax 2008

16. The Decree 85/2007/NĐ-CP 25<sup>th</sup> May 2007 by the Government detailing the implementation of some articles in the Tax administration law

17. The Decree No.106/2010/NĐ-CP dated 28<sup>th</sup> October 2010 by the Government on supplementing some articles of the Decree 85/2007/NĐ-CP 25<sup>th</sup> May 2007 by the Government detailing the implementation of some articles in the Tax administration la

18. The Decree 87/2010/NĐ-CP dated 13<sup>th</sup> August 2010 by the Government detailing the implementation of some articles in the Import and export tax law

19. The 123/2008/NĐ-CP dated 18<sup>th</sup> December 2008 by the Government on guiding the implementation of some articles in the



Value-added tax law
20. The Decree 50/2010/NĐ-CP dated 14 <sup>th</sup> May 2010 by the Government detailing and guiding the implementation of some articles in the Natural resource law
21. The Decree 124/2008/NĐ-CP dated 11 <sup>th</sup> December 2008 detailing the implementation of some articles in the Corporate income tax
22. The Decree 51/2010/NĐ-CP dated 14 <sup>th</sup> May 2010 by the Government regulating on invoice of sales, service supply
23. Circular 105/2010/TT-BTC dated 23 <sup>rd</sup> July 2010 by the Ministry of Finance detailing the implementation of some articles in the Natural resource law and guiding the implementation of the Decree 50/50/2010/NĐ-CP dated 14 <sup>th</sup> May 2010 by the Government
24. The Circular 129/2008/TT-BTC dated 29 <sup>th</sup> December 2008 by the Ministry of Finance guiding the implementation of some articles in Value-added tax law and guiding the implementation of the Decree 123/NĐ-CP dated 08 <sup>th</sup> December 2008 by the Government detailing and guiding the implementation of some articles in Value-added tax law
25. The Circular No. 28/2011/TT-BTC dated 28 <sup>th</sup> February 2011 by the Ministry of Finance guiding the implementation of some articles in the Tax administration law, guiding the implementation of the Decree 85/85/2007/NĐ-CP dated 25/3/2007 and the Decree 106/2010/NĐ-CP dated 28/10/2011 by the Government
<b>IV. IN THE AREA OF BUSINESS AND TRADE MANAGEMENT</b>
26. Corporate law 2005
27. Commercial law 2005

28. The Decree No.88/2006/ NĐ-CP dated 28 <sup>th</sup> August 2006 issued by the Government on Business registration.
38. The Decree 51/2010/NĐ-CP dated 14 <sup>th</sup> May 2010 by the Government regulating on invoice of sales, service supply
29. The Decree 102/2010/NĐ-CP dated 01/10/2010 detailing the implementation of some articles in the Corporate law
30. The Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners
31. The Decree No. 19/2006/ND-CP dated 20 <sup>th</sup> February 2006 by the Government detailing the Commercial Law on commodity origin
32. The Decree 51/2010/NĐ-CP dated 14 <sup>th</sup> May 2010 by the Government regulating on invoice of sales, service supply
33. The Circular 04/2006/ TT-BTM dated 06 <sup>th</sup> April 2006 of the Ministry of Commerce guiding the implementation of some provisions in the Decree 12/ Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.
34. The Circular 60/2009/TT-BNN guiding the implementation of the Decree 12/2006/NĐ-CP dated 23 <sup>rd</sup> January 2006 by the Government detailing the execution of the Commercial law on the trade of international commodities and operation of the agencies purchasing, selling, processing and transiting commodities with foreigners.
<b>V. IN THE AREA OF IMPORT, EXPORT MANAGEMENT</b>
35. The Customs law 2001

36. The amended customs law 2005 (supplementing some articles in the Customs law 2001)

37. The Decree 154/2005/ NĐ-CP dated 15<sup>th</sup> December 2005 detailing some articles of the Customs law on customs procedures; supervising and monitoring procedures

38. The Decree 02/2007/ NĐ- CP dated 05<sup>th</sup> January 2007 issued by the Government on plant quarantine.

39. Circular No. 194/2010/TT-BTC December 6, 2010 of Ministry of Finance guiding customs procedures, inspecting and supervision; export tax, import duties and taxes on goods management exports and imports



**IV. APPENDIX ON HIERCHY AND COMPETENCE TO ISSUE LEGAL DOCUMENTATIONS OF VIETNAM**

1. Laws and Ordinances: passed by the National Assembly of the Socialist Republic of Vietnam at the meeting sessions of the National Assembly and announced by the President.
2. Decrees: legal documentations issued by the Government
3. Prime Minister's decisions: issued by the Prime Minister
4. Circulars, decisions: issued by a Ministry and inter-Ministry.

