

THE GOVERNMENT

No. 64/2001/QD-TTg

SOCIALIST REPUBLIC OF VIET NAM
Independence - Freedom - Happiness

Ha Noi, 26 April 2001

**DECISION OF
THE PRIME MINISTER OF THE GOVERNMENT
on the Issuance of the Regulation on the
Management and Utilization of Aid from
International Non-Governmental Organizations**

THE PRIME MINISTER

*In pursuance to the Law on the Organization of the Government dated
30 September 1992;*

*Considering the recommendations made by the Minister of Planning and
Investment,*

HEREBY, DECIDES

Article 1. To issue the attached Regulation on the Management and Utilization of Aid from International Non-Governmental Organizations (hereinafter abbreviated as NGO) (in conjunction with this Decision).

Article 2. This Decision, which supersedes the Prime Minister's Decision No. 28/1999/QD-TTg of 23 February 1999, shall come into effect 15 days after the date of its signature. All previous regulations contrary to this Decision shall be declared null and void.

Article 3. The Minister of Planning and Investment and the Minister of Finance shall be responsible for providing guidance on and monitoring the implementation of this Decision.

Article 4. Ministers, Heads of ministerial-level agencies, Heads of Government Departments, Chairmen of People's Committees of

provinces and centrally managed cities, President of the Viet Nam Union of Friendship Organizations and Heads of central bodies of civil organizations shall be responsible for the implementation of this Decision./.

**For Prime Minister
Deputy Prime Minister**
(signed)

Nguyen Manh Cam

To:

- Secretariat of the Party
Central Committee,
- Prime Minister and Deputy
Prime Ministers,
- Ministries, ministerial-level
agencies and
Government departments,
- People's Councils and People's
Committees of provinces
and centrally managed cities,
- Office of the National
Assembly,
- President's Office,
- Party Central Committee
Office and Party
Commissions,
- Supreme People's Procuracy,
- Supreme People's Court,
- Central bodies of civil
organizations,
- Government's gazettes,
- Office of the Government:
Minister-Chairman, Deputy
Chairmen and its
departments,
- Filed at International
Relations Department (6
copies) and the Registry

REGULATION
ON THE MANAGEMENT AND UTILIZATION OF AID
FROM INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS

*(Issued in conjunction with the Prime Minister's Decision No.
64/2001/QĐ-TTg dated 26 April 2001)*

Chapter I
GENERAL PROVISIONS

Article 1. This Regulation shall regulate all activities related to the attraction, management and utilization of aid from International Non-Governmental Organizations (hereinafter referred to as NGO aid). The term "NGO aid" referred to in this Regulation is defined as non-profitable grant and assistance provided by international NGOs as well as by other foreign organizations and individuals including overseas Vietnamese residents (hereinafter referred to as the Donor side) to assist ministries, branches, localities and civil organizations (including mass, socio-political and socio-professional organizations and others) of Viet Nam (hereinafter referred to as the Vietnamese side) in achieving humanitarian and development goals for Viet Nam.

NGO aid shall include the following main types:

- Programme/project aid
- Non-project aid (including emergency relief)

Article 2. Definitions

This Regulation has a number of key terms which shall be defined as follows:

1. "Programme" means a set of inter-related projects which may be related to several economic sectors, technical subjects and geographical areas, and which need to be implemented over a relatively long period

through a cross-sectoral approach and with resources mobilized from different sources and through different modalities.

2. "Project" means a set of inter-related activities aimed at achieving one or more specific objectives and implemented over a fixed period with specified resources.

3. "NGO aid agreement" means a document which record initial ideas on NGO aid (not legally binding) expressed by representatives of the Vietnamese side and the Donor side.

4. "NGO aid programme/project document" means a document officially stating commitments made by representatives of the Vietnamese side and the Donor side on a specific programme or project. This document clearly indicates objectives, activities, expected outputs, resources to be used, the duration and workplan of the programme/project as well as obligations, interests and responsibilities of the concerned parties.

5. "Non-project aid" means assistance which is not tied to a programme/project and which is provided in kind (goods, materials, equipment), in cash or in the form of expertise (including volunteers) for charity and humanitarian purposes (hereinafter referred to as humanitarian objectives).

6. "Emergency relief" means non-project aid urgently provided as soon as emergencies (natural or other disasters) occur and extending for a maximum period of two months after the end of the emergencies. Assistance which extends beyond this period is called post-emergency rehabilitation aid.

Article 3. NGO aid shall be used to achieve humanitarian objectives as well as to support the attainment of Viet Nam's priority socio-economic development goals in each period.

Chapter II

MOBILIZATION, NEGOTIATION, APPROVAL AND CONCLUSION OF NGO AID

Article 4. NGO aid mobilization shall be carried out in a regular, oriented and organized manner:

1. NGO aid mobilization for programmes/projects shall be based on specific socio-economic development needs, public investment programmes, plans to attract and utilize external finances of the Government, a sector or a locality in each period as well as on absorptive capacity (including counterpart funding) etc.
2. NGO aid mobilization for humanitarian objectives shall be based on the social situation and actual needs of ministries, branches, localities and civil organizations in each year or period.
3. The mobilization of emergency relief shall be based on actual levels of damage and loss in terms of human lives, property, infrastructure etc. caused by natural or other disasters in each affected region and locality. The Ministry of Foreign Affairs shall work with concerned agencies to consider and submit to the Prime Minister for decision a proposed level of emergency relief that the international community (including the Donor side referred to in this Document) will be called upon to provide.

Article 5. Basis for the negotiation and conclusion of NGO aid:

1. In case of programme/project aid, a programme/project document shall be required. If the duration of the programme/project is more than one year, it shall be required to prepare a workplan and an estimated budget for each year as well as to clearly identify the Donor side's available funding and the amount of funding that needs to be mobilized in the following year(s).
2. In case of non-project aid, it shall be required to clearly indicate the contents of assistance, a donor, a recipient, a detailed list of aid goods and their estimated total value (if the aid is to be provided in kind) or a total amount of aid money.
In case of emergency relief, besides the above-mentioned requirements, it shall be required to clearly indicate the levels of damage and loss as well as immediate essential needs that have to be addressed while the emergency is going on.
3. The conclusion of NGO aid shall be conducted only after it has been approved by relevant authorities as stipulated in Article 6 of this Regulation.

Article 6. NGO aid approving authorities shall be specified as follows:

1. The Prime Minister shall approve:

a) NGO aid programmes/projects which are budgeted at US\$500,000 or more.

b) All aid programmes/projects concerning institutions, policies, laws, public administration reform, culture and information, religions, national defence and security.

c) Non-project aid which is worth US\$200,000 or more.

d) Non-project aid supporting activities in the areas mentioned in Item 1.b of Article 6.

e) Programmes/projects and non-project aid that import items included in the list of restricted imports (vehicles, motorbikes, used goods and equipment, as well as some medicines in the determined list) prescribed by the Government.

g) Emergency relief without specific recipient addresses (the Donor side does not identify any specific recipient localities).

2. Ministers, Heads of ministerial-level agencies, Heads of Government departments, Chairmen of People's Committees of provinces and centrally managed cities and Heads of central bodies of civil organizations (or authorities that decide on the establishment of civil organizations without central bodies) shall approve:

a) Aid programmes/projects which are budgeted at less than US\$500,000 (except those specified in Items 1.b and 1.e of Article 6).

b) Non-project aid which is worth less than US\$200,000 (except those mentioned in Items 1.d and 1.e of Article 6).

c) All emergency relief with specific recipient addresses.

Article 7. The sale of goods provided through NGO aid shall comply with the following stipulations:

1. Goods which both sides have agreed to bring into Viet Nam for sale to achieve a set of identified objectives shall be subject to consideration and decision by relevant authorities as well as in line with the stipulations on NGO aid approving authorities in Article 6 of this Regulation.

2. The above-mentioned goods shall be sold by auction in accordance with Government Decree 86/CP dated 19 December 1996 on the issuance of the Regulation on the Auction Sale of Property.

Chapter III

STATE MANAGEMENT OF NGO AID

Article 8. The Government shall exercise unified management of all NGO aid sources throughout all stages from the mobilization, negotiation and conclusion of aid with the Donor side to the monitoring of the implementation and evaluation of results and effectiveness of the utilized aid.

Article 9. The Ministry of Planning and Investment shall be responsible for coordinating and managing NGO aid programmes/projects and submitting semi-annual and annual overall reports on NGO aid to the Prime Minister. The Ministry of Planning and Investment shall undertake the following tasks:

1. Working with concerned agencies to provide ministries, branches, localities and civil organizations with guidance on the preparation of programme/project proposals for NGO aid mobilization.
2. Conducting appraisal and consolidation of concerned agencies' related comments for submission to the Prime Minister for consideration and approval of the aid programmes/projects specified in Items 1.a, 1.b and 1.e of Article 6 of this Regulation.
3. Providing the Ministry of Finance with related comments for submission to the Prime Minister for consideration and approval of the non-project aid specified in Items 1.c, 1.d and 1.e of Article 6 of this Regulation.
4. Collaborating with the Ministry of Finance to arrange counterpart funding in the annual State budget to agencies which are provided with funding from the State budget for the implementation of programme/project commitments with the Donor side in accordance with the Budget Law and Government Decree 87/CP dated 19 December 1996 on the decentralized management, preparation, execution and finalization of the State budget.

5. Collaborating with the Ministry of Finance, the Union of Viet Nam Friendship Organizations and other concerned agencies to organize the monitoring of aid reception, management and implementation; conducting information synthesis, analysis and assessment of NGO aid effectiveness; dealing with related problems/issues within its authority and proposing problems/issues beyond its authority to the Prime Minister for consideration and decision.
6. Collaborating with the General Statistical Office to issue reporting formats for programmes/projects.

Article 10. The Ministry of Finance shall be responsible for State financial management of NGO aid as well as assume key responsibility for coordinating and managing non-project aid. The Ministry of Finance shall undertake the following tasks:

1. Collaborating with concerned agencies to develop a financial management mechanism for NGO aid within its authority and proposing problems/issues beyond its authority to the Prime Minister for consideration and decision.
2. Arranging counterpart funding in the annual State budget as stipulated in Item 4 of Article 9 of this Regulation.
3. Monitoring and inspecting NGO aid reception, utilization, management and implementation within its technical capacity.
4. Synthesizing information on non-project aid; consolidating final budgets of all NGO aid items; joining the Ministry of Planning and Investment in preparing semi-annual and annual overall reports on NGO aid for submission to the Prime Minister.
5. Participating in the appraisal of programmes/projects which are subject to the Prime Minister's approval.
6. Consolidating comments on non-project aid specified in Items 1.c, 1.d, 1.e and 1.g of Article 6 of this Regulation for submission to the Prime Minister for consideration and decision.
7. Being responsible for organizing the reception, distribution and utilization of emergency relief specified in Item 1.g of Article 6 of this Regulation and reporting its results to the Prime Minister.
8. Collaborating with the Ministry of Planning and Investment and the General Statistical Office to issue reporting formats for non-project aid.

Article 11. The Ministry of Foreign Affairs shall undertake the following tasks:

1. Collaborating with concerned agencies in mobilizing and utilizing NGO aid.
2. Collaborating with the Union of Viet Nam Friendship Organizations in appealing for emergency relief as stipulated in Item 2 of Article 5.

Article 12. The Office of the Government shall undertake the following tasks:

1. Assisting the Prime Minister in monitoring and supervising the implementation of this Regulation.
2. Participating in programme/project appraisal and recommending policies, mechanisms....for such programmes/projects; providing comments on non-project aid proposals which are subject to the Prime Minister's approval prior to their submission to the Prime Minister.

Article 13. The Viet Nam Union of Friendship Organizations shall assume key responsibility for maintaining contacts with and mobilizing aid from the Donor side. The Viet Nam Union of Friendship Organizations shall undertake the following tasks:

1. Collaborating with the Ministry of Foreign Affairs and other concerned agencies to organize NGO aid mobilization, based on priority areas and orientations as well as on the overall national foreign policy.
2. Participating in programme/project appraisal (mainly in terms of providing information and comments on the Donor side's activities....); providing the Ministry of Finance with comments on non-project aid which is subject to the Prime Minister's approval, and participating in monitoring the activities of NGO aid projects.
3. Providing semi-annual and annual reports on NGO aid mobilization to the Ministry of Planning and Investment, which then prepares consolidated reports for submission to the Prime Minister.
4. Collaborating with the Ministry of Foreign Affairs to propose policies for emergency relief mobilization for approval by the Prime Minister.

Article 14. The Ministry of Public Security shall undertake the following tasks:

1. Guiding and assisting national agencies and organizations in complying with security regulations during their NGO aid reception and utilization processes.
2. Providing the Ministry of Planning and Investment and the Ministry of Finance with comments on programme/project and non-project aid proposals concerning State institutions and policies, laws, religions, national defence and security prior to the submission of such proposals to the Prime Minister for consideration and decision.

Article 15. The Government Committee for Religious Affairs shall undertake the task of guiding and assisting national agencies and organizations in implementing the State policy on religious affairs during their NGO aid reception and utilization processes.

Article 16. Ministries, ministerial-level agencies, Government departments, People's Committees of provinces and centrally managed cities and central bodies of civil organizations shall assume the following responsibilities:

1. Identifying their respective subordinate bodies which are fully capable of working as focal points and managing NGO aid in line with realities of each concerned agency and locality.
2. Guiding concerned subordinate bodies in mobilizing and utilizing aid from the Donor side, based on priority areas and orientations identified in their plans for each year or period as well as on the Government's overall foreign policy.
3. Guiding concerned subordinate bodies in preparing programme/project proposals and humanitarian aid proposals for submission to the State management agencies mentioned in Articles 9, 10, 11, 12 and 13 of this Regulation. These proposals shall constitute the basis for NGO aid mobilization and approval.

4. Collaborating with relevant agencies to explore possibilities and establish contacts with the Donor side.

5. Ministers, Heads of ministerial-level agencies, Heads of Government departments, Chairmen of People's Committees of provinces and centrally managed cities and Heads of central bodies of civil organizations shall approve NGO aid within their authority (based on their consultations with each respective concerned ministry, branch and locality prior to approval) as stipulated in Article 6 of this Regulation, and shall be responsible for approving, arranging counterpart funding and managing the implementation of the approved aid. The aid approval decisions (together with supporting documentation) shall be submitted to the Ministry of Planning and Investment and the Ministry of Finance within 15 days from the date of approval.

6. Assuming responsibility for directing, guiding, supervising and monitoring NGO aid reception, management and utilization by concerned subordinate bodies in accordance with existing regulations and commitments agreed upon with the Donor side; detecting, in a timely manner, violations or wrong-doings in terms of religious, security and ethnic matters, management regulations etc. committed during NGO aid reception and implementation processes and dealing with these violations/wrong-doings within their authority or reporting these to the concerned agencies mentioned in Articles from 10 to 15 of this Regulation.

7. Compiling regular, terminal and ad hoc (if necessary) reports on NGO aid implementation by their respective agencies or localities for submission to the Ministry of Planning and Investment, the Ministry of Finance and the General Statistical Office.

8. Compiling reports on the reception, distribution and utilization of emergency relief specified in Item 2.c of Article 6 of this Regulation for submission to the Prime Minister as well as sending these reports to the Ministry of Planning and Investment and the Ministry of Finance.

Chapter IV

NGO AID IMPLEMENTATION

Article 17. Materials, goods, machinery, equipment and vehicles imported or domestically purchased through NGO aid already approved by relevant authorities shall be exempt from the import tax, special consumption tax and VAT (if applicable) according to the existing Tax Law.

Article 18.

1. Items (materials and equipment) included in the prescribed list of goods banned from importation by the Government shall not be received.
2. The recipient agency shall agree to receive used goods only when such goods have been certified by relevant authorities in the Donor side's country to possess at least 80 per cent of their original quality, and shall request the Donor side to deliver the goods only upon receiving reception permit from the relevant national authorities mentioned in Article 6 of this Regulation.

Article 19. Agencies directly receiving and implementing NGO aid shall assume the following responsibilities:

1. Agencies assigned to prepare programmes/projects shall be responsible for drafting the programme/project documents for submission to relevant authorities for approval prior to implementation.
2. Specifying the contents, objectives, value and beneficiaries of non-project aid for submission to relevant authorities for approval prior to reception and utilization.
3. Undertaking the required procedures for the reception of used goods specified in Item 2 of Article 18 of this Regulation.
4. Working with concerned agencies to make the necessary preparations and deliver the required assistance, in collaboration with the Donor side.
5. Implementing the aid items, in line with agreement reached and commitment made with the Donor side, in accordance with the

Government's existing regulations on financial and monetary management, capital construction and bidding procurement as well as with the guidance provided by the higher level authorities mentioned in Item 6 of Article 16 of this Regulation.

6. Preparing periodical, terminal and ad hoc (if necessary) reports on the reception, implementation and financial situation of their respective NGO aid for submission to the higher level authorities, who shall then prepare consolidated reports for submission to the relevant authorities mentioned in Item 2 of Article 20 of this Regulation.

Article 20. Reporting on NGO aid implementation shall be conducted on a periodical basis (semi-annually and annually) and at the completion of the aid items:

1. Ministries, ministerial-level agencies, Government departments, People's Committees of provinces and centrally managed cities and central bodies of civil organizations shall be responsible for compiling reports on the performance and financial situation of all their NGO aid.

2. Within two weeks after six months of implementation and one month after one year of implementation as well as within three months after the completion of all the NGO aid, the above-mentioned reports shall be submitted to the Ministry of Planning and Investment, the Ministry of Finance and the General Statistical Office for their monitoring and preparation of consolidated reports for submission to the Prime Minister.

3. The contents of the reports shall be in accordance with the guidelines provided by the Ministry of Planning and Investment and the Ministry of Finance as stipulated in Item 6 of Article 9 and Item 8 of Article 10 of this Regulation.

Article 21. Monitoring and inspecting NGO aid reception and utilization:

1. The Ministry of Planning Investment shall, in collaboration with the Ministry of Finance, play the lead role in the annual monitoring and inspection of NGO aid.

2. Each relevant authority shall propose and organize ad hoc monitoring and inspection according to specific requirements.

3. Ministers, Heads of ministerial-level agencies, Heads of Government departments, Chairmen of People's Committees of provinces and centrally managed cities and Heads of central bodies of civil organizations shall be responsible for guiding relevant agencies in monitoring and inspecting the performance by branches, levels and agencies of their tasks related to NGO aid reception and utilization as stipulated in this Regulation; as well as for inspecting suspected violations of the provisions prescribed in this Regulation.

All organizations and individuals that violate this Regulation shall be punished according to laws./.

**FOR PRIME MINISTER
DEPUTY PRIME MINISTER**

(signed)

Nguyen Manh Cam