

**The National Assembly**

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**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom - Happiness**

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*Hanoi, November 28, 2013*

## **THE CONSTITUTION**

### **OF THE SOCIALIST REPUBLIC OF VIETNAM**

#### **PREAMBLE**

Throughout their millennia-old history, the Vietnamese People, working diligently and creatively and fighting courageously to build and defend their country, have forged a tradition of patriotism, solidarity, humanity, justice, resilience and indomitableness, and have created the civilization and culture of Vietnam.

Since 1930, under the leadership of the Communist Party of Vietnam founded and trained by President Ho Chi Minh, our People have waged a protracted struggle full of hardship and sacrifice for national independence and freedom and for their own happiness. In the wake of the triumph of the August Revolution, on September 2, 1945, President Ho Chi Minh read the Proclamation of Independence, declaring the birth of the Democratic Republic of Vietnam, now the Socialist Republic of Vietnam. With the will and strength of the entire nation and the assistance of friends around the world, our People have gained great victories in the struggles to liberate the nation, reunify the country, defend the Fatherland and fulfill international duties, and have recorded resounding achievements of historical significance in the cause of renewing and building the country toward socialism.

Institutionalizing the Platform for National Construction during the Period of Transition toward Socialism, and perpetuating the 1946, 1959, 1980 and 1992 Constitutions, the Vietnamese People create, implement and defend this Constitution to achieve the goal of a prosperous people and a strong, democratic, equitable and civilized country.

#### **Chapter I**

### **THE POLITICAL REGIME**

#### **Article 1**

The Socialist Republic of Vietnam is an independent and sovereign country enjoying unity and integrity of territory, including the mainland, islands, seas and airspace.

#### **Article 2**

1. The State of the Socialist Republic of Vietnam is a socialist state ruled by law and of the People, by the People and for the People.
2. The Socialist Republic of Vietnam is the country where the People are the masters; all the state power belongs to the People and is based on the alliance of the working class, the peasantry and the intelligentsia.
3. The state power is unified and delegated to state agencies which coordinate with and control one another in the exercise of the legislative, executive and judicial powers.

### **Article 3**

The State shall guarantee and promote the People's right to mastery; recognize, respect, protect and guarantee human rights and citizens' rights; and pursue the goal of a prosperous people and a strong, democratic, equitable and civilized country, in which all people enjoy an abundant, free and happy life and are given conditions for their comprehensive development.

### **Article 4**

1. The Communist Party of Vietnam - the Vanguard of the working class, concurrently the vanguard of the laboring people and Vietnamese nation, faithfully representing the interests of the working class, laboring people and entire nation, and acting upon the Marxist-Leninist doctrine and Ho Chi Minh Thought, is the force leading the State and society.
2. The Communist Party of Vietnam is closely associated with the People, shall serve the People, shall submit to the supervision of the People, and is accountable to the People for its decisions.
3. Organizations and members of the Communist Party of Vietnam shall operate within the framework of the Constitution and law.

### **Article 5**

1. The Socialist Republic of Vietnam is a unified nation of all ethnicities living together in the country of Vietnam.
2. All the ethnicities are equal and unite with, respect and assist one another for mutual development; all acts of discrimination against and division of the ethnicities are prohibited.
3. The national language is Vietnamese. Every ethnic group has the right to use its own spoken and written language to preserve its own identity and to promote its fine customs, practices, traditions and culture.
4. The State shall implement a policy of comprehensive development and create the conditions for the minority ethnicities to fully utilize their internal strengths and develop together with the country.

### **Article 6**

The People shall exercise the state power in the form of direct democracy and of representative democracy through the National Assembly, People's Councils and other state agencies.

### **Article 7**

1. The elections of deputies to the National Assembly and People's Councils must be conducted on the principle of universal, equal, direct and secret suffrage.
2. A National Assembly deputy or a People's Council deputy may be removed from office by the voters or the National Assembly or the People's Council, when he or she is no longer worthy of the confidence of the People.

### **Article 8**

1. The State shall be organized and operate in accordance with the Constitution and law, manage society by the Constitution and law, and implement the principle of democratic centralism.
2. All state agencies, cadres, civil servants and public employees shall show respect for the People, conscientiously serve the People, maintain close contact with the People, listen to their

opinions and submit to their supervision; resolutely combat corruption, waste, and all manifestations of bureaucracy, arrogance and authoritarianism.

### **Article 9**

1. The Vietnam Fatherland Front is a political alliance and a voluntary union of the political organization, socio-political organizations and social organizations, and prominent individuals representing their class, social strata, ethnicity or religion and overseas Vietnamese.

The Vietnam Fatherland Front shall constitute the political base of the people's administration; represent and protect the lawful and legitimate rights and interests of the People; rally and fully utilize the strength of the great national unity, exercise democracy and promote social consensus; conduct social supervision and criticism; and participate in the building of the Party and the State, and in people's external relations' activities, thus contributing to national construction and defense.

2. The Trade Union of Vietnam, the Vietnam Peasants' Association, the Ho Chi Minh Communist Youth Union, the Vietnam Women's Union and the Vietnam War Veterans' Association are socio-political organizations established on a voluntary basis to represent and protect the lawful and legitimate rights and interests of their members; and, together with other member organizations of the Vietnam Fatherland Front, coordinate and unify action within the Front.

3. The Vietnam Fatherland Front, its member organizations and other social organizations shall operate within the framework of the Constitution and law. The State shall create the conditions for the Vietnam Fatherland Front, its member organizations and other social organizations to operate.

### **Article 10**

The Trade Union of Vietnam is a socio-political organization of the working class and laborers voluntarily established to represent laborers, care for and protect the lawful and legitimate rights and interests of laborers; participate in the state management and socio-economic management; participate in the examination, inspection and supervision of the operations of state agencies, organizations, units and enterprises regarding issues related to the rights and obligations of laborers; and mobilize laborers to learn to improve their professional qualifications and skills, abide by law, and build and defend the Fatherland.

### **Article 11**

1. The Vietnamese Fatherland is sacred and inviolable.

2. All acts against independence, sovereignty, unity and territorial integrity, or against the construction and defense, of the Fatherland must be severely punished.

### **Article 12**

The Socialist Republic of Vietnam shall consistently implement its foreign policy of independence, self-reliance, peace, friendship, cooperation and development; multilateralization and diversification of external relations, proactive and active international integration and cooperation, on the basis of respect for each other's independence, sovereignty and territorial integrity, non-interference in each other's internal affairs, and equality and mutual benefit; abide by the Charter of the United Nations and treaties to which the Socialist Republic of Vietnam is a

contracting party; act as a friend, reliable partner and responsible member of the international community for the sake of national interests, and contribute to the cause of peace, national independence, democracy and social progress in the world.

### **Article 13**

1. The national flag of the Socialist Republic of Vietnam is rectangular in shape, with its width equal to two-thirds of its length; in the middle of a red background is a five-pointed gold star.
2. The national emblem of the Socialist Republic of Vietnam is circular in shape; in the middle of a red background is a five-pointed gold star encircled by rice ears, below which is half a cogwheel and the inscription “The Socialist Republic of Vietnam”.
3. The national anthem of the Socialist Republic of Vietnam is the music and lyrics of the song “*Tien quan ca*” (March to the Front).
4. The National Day of the Socialist Republic of Vietnam is the day of the Proclamation of Independence, the Second of September 1945.
5. The capital of the Socialist Republic of Vietnam is Hanoi.

## **Chapter II**

### **HUMAN RIGHTS, FUNDAMENTAL RIGHTS AND OBLIGATIONS OF CITIZENS**

#### **Article 14**

1. In the Socialist Republic of Vietnam, human rights and citizens’ rights in the political, civil, economic, cultural and social fields shall be recognized, respected, protected and guaranteed in accordance with the Constitution and law.
2. Human rights and citizens’ rights may not be limited unless prescribed by a law solely in case of necessity for reasons of national defense, national security, social order and safety, social morality and community well-being.

#### **Article 15**

1. Citizens’ rights are inseparable from citizens’ obligations.
2. Everyone is obliged to respect others’ rights.
3. Citizens shall perform their obligations toward the State and society.
4. The exercise of human rights and citizens’ rights may not infringe upon national interests and others’ lawful rights and interests.

#### **Article 16**

1. All people are equal before law.
2. No one is subject to discriminatory treatment in political, civil, economic, cultural or social life.

#### **Article 17**

1. A citizen of the Socialist Republic of Vietnam is a person holding Vietnamese citizenship.
2. A Vietnamese citizen may not be expelled and delivered to another state.

3. Vietnamese citizens living abroad shall be protected by the State of the Socialist Republic of Vietnam.

#### **Article 18**

1. Overseas Vietnamese make up an inseparable part of the community of Vietnamese ethnicities.

2. The State of the Socialist Republic of Vietnam shall encourage and create the conditions for overseas Vietnamese to preserve and promote the cultural identity of the Vietnamese nation, maintain close ties with their families and native land, and contribute to the construction of their native land and the country.

#### **Article 19**

Everyone has the right to life. Human life is protected by law. No one may be deprived of life in contravention of law.

#### **Article 20**

1. Everyone has the right to inviolability of his or her body and to the protection by law of his or her health, honor and dignity; no one shall be subjected to torture, violence, coercion, corporal punishment or any form of treatment harming his or her body and health or offending his or her honor and dignity.

2. No one may be arrested without a decision of a People's Court, or a decision or approval of a People's Procuracy, except in case of a flagrant offense. The arrest, holding in custody, or detention, of a person shall be prescribed by a law.

3. Everyone has the right to donate his or her tissues, organs or body in accordance with law. Medical, pharmaceutical and scientific experiments, or any other form of experiments, on the human body must be consented to by the human subject.

#### **Article 21**

1. Everyone has the right to inviolability of private life, personal secrets and family secrets; and has the right to protect his or her honor and reputation.

The security of information about private life, personal secrets or family secrets shall be guaranteed by law.

2. Everyone has the right to privacy of correspondence, telephone conversations, telegrams and other forms of private communication.

No one may illegally break into, control or seize another's correspondence, telephone conversations, telegrams or other forms of private communication.

#### **Article 22**

1. Every citizen has the right to a legal residence.

2. Everyone has the right to inviolability of his or her home. No one may enter the home of another person without his or her consent.

3. The search of homes shall be prescribed by a law.

#### **Article 23**

Citizens have the right to free movement and residence within the country, and the right to leave the country and to return home from abroad.

The exercise of those rights shall be prescribed by law.

#### **Article 24**

1. Everyone has the right to freedom of belief and religion, and has the right to follow any religion or to follow no religion. All religions are equal before law.
2. The State shall respect and protect the freedom of belief and religion.
3. No one may violate the freedom of belief and religion, nor may anyone take advantage of a belief or religion in order to violate the law.

#### **Article 25**

Citizens have the right to freedom of speech and freedom of the press, and have the right of access to information, the right to assembly, the right to association, and the right to demonstrate. The exercise of those rights shall be prescribed by law.

#### **Article 26**

1. Male and female citizens have equal rights in all fields. The State shall adopt policies to guarantee the right to and opportunities for gender equality.
2. The State, society and family shall create the conditions for women to develop comprehensively and to advance their role in society.
3. Gender discrimination is prohibited.

#### **Article 27**

Every citizen who reaches the age of eighteen has the right to vote.

Every citizen who reaches the age of twenty-one has the right to stand for election to the National Assembly or People's Councils. The exercise of those rights shall be prescribed by a law.

#### **Article 28**

1. Citizens have the right to participate in the management of the State and management of society, and to discuss and propose to state agencies issues about their base units, localities and the whole country.
2. The State shall create the conditions for citizens to participate in the management of the State and society; and shall publicly and transparently receive and respond to the opinions and petitions of citizens.

#### **Article 29**

Citizens who reach the age of eighteen have the right to vote in referenda organized by the State.

#### **Article 30**

1. Everyone has the right to lodge complaints or denunciations about illegal acts of agencies, organizations or individuals with competent agencies, organizations or persons.

2. Competent agencies, organizations or persons shall receive and resolve complaints and denunciations. Those suffering damages have the right to material and mental compensation and restoration of honor in accordance with law.

3. Taking revenge on complainants or denunciators, or abusing the right to complaint and denunciation to slander or falsely accuse others, is prohibited.

### **Article 31**

1. A person charged with a criminal offense shall be presumed innocent until proven guilty according to a legally established procedure and the sentence of the court takes legal effect.

2. A person charged with a criminal offense shall be promptly tried in an impartial and public manner by a court within a legally established time limit. In case of a closed trial in accordance with law, the verdict must be publicly pronounced.

3. No one may be tried twice for the same offense.

4. A person who is arrested, held in custody, temporarily detained, charged with a criminal offence, investigated, prosecuted or brought to trial has the right to defend himself or herself in person or choose a defense counsel or another person to defend him or her.

5. A person who is illegally arrested, held in custody, temporarily detained, charged with a criminal offence, investigated, prosecuted, brought to trial or subject to judgment enforcement has the right to compensation for material and mental damages and restoration of honor. A person who violates the law in respect of arrest, detention, holding in custody, laying of charges, investigation, prosecution, trial or judgment enforcement, thereby causing damages to others, shall be punished in accordance with law.

### **Article 32**

1. Everyone has the right to ownership of his or her lawful income, savings, housing, chattels, means of production and capital contributions to enterprises or other economic entities.

2. The right to private ownership and the right to inheritance shall be protected by law.

3. In case of extreme necessity for national defense or security reasons or in the national interest, in a state of emergency or in response to a natural disaster, the State may compulsorily purchase or requisition the property of organizations or individuals and pay compensation at market price.

### **Article 33**

Everyone has the right to freedom of enterprise in the sectors and trades that are not prohibited by law.

### **Article 34**

Citizens have the right to social security.

### **Article 35**

1. Citizens have the right to work and to choose their occupations, employment and workplaces.

2. Employees are guaranteed equal and safe working conditions; and have the right to wages and rest periods.

3. Discriminatory treatment, forced labor or the employment of people below the minimum working age is prohibited.

#### **Article 36**

1. Men and women have the right to marry and divorce. Marriage must adhere to the principles of voluntariness, progressiveness, monogamy, equality and mutual respect between husband and wife.

2. The State shall protect marriage and the family, and protect the interests of mothers and children.

#### **Article 37**

1. Children shall be protected, cared for and educated by the State, family and society; children may participate in child-related issues. Harassing, persecuting, maltreating, abandoning or abusing children, exploiting child labor or other acts that violate children's rights are prohibited.

2. Young people shall be provided by the State, family and society with the conditions for learning, working, entertaining themselves, and developing their physiques and minds, and be educated in morality, national traditions and civic consciousness; and shall take the lead in the cause of creative labor and national defense.

3. The elderly shall be respected and cared for by the State, family and society to promote their role in the cause of national construction and defense.

#### **Article 38**

1. Everyone has the right to health protection and care, and to equality in the use of medical services, and has the obligation to comply with regulations on the prevention of disease and medical examination or treatment.

2. Acts threatening the life or health of other persons and the community are prohibited.

#### **Article 39**

Citizens have the right, as well as the obligation, to learn.

#### **Article 40**

Everyone has the right to conduct scientific or technological research, or literary or artistic creation, and to enjoy the benefits brought about by those activities.

#### **Article 41**

Everyone has the right to enjoy and access cultural values, participate in cultural life, and use cultural facilities.

#### **Article 42**

A citizen has the right to determine his or her ethnicity, use his or her mother tongue and choose his or her language of communication.

#### **Article 43**

Everyone has the right to live in a clean environment and has the obligation to protect the environment.

#### **Article 44**

A citizen has the obligation to be loyal to the Fatherland.

High treason is the most serious crime.

#### **Article 45**

1. It is the sacred duty and the noble right of citizens to defend their Fatherland.
2. A citizen shall perform military service and participate in building a national defense of all the people.

#### **Article 46**

A citizen has the obligation to obey the Constitution and law; participate in the safeguarding of national security and social order and safety, and observe the rules of public life.

#### **Article 47**

Everyone has the obligation to pay taxes in accordance with the law.

#### **Article 48**

Foreigners residing in Vietnam shall abide by the Vietnamese Constitution and law; and have their lives, property, rights and legitimate interests protected by Vietnamese law.

#### **Article 49**

Foreign nationals who are persecuted for taking part in the struggle for freedom and national independence, for socialism, democracy and peace, or for engaging in scientific pursuits may be considered for granting of asylum by the State of the Socialist Republic of Vietnam.

### **Chapter III**

## **ECONOMY, SOCIAL AFFAIRS, CULTURE, EDUCATION, SCIENCE, TECHNOLOGY AND ENVIRONMENT**

#### **Article 50**

The Socialist Republic of Vietnam shall build an independent and self-reliant economy, bringing into full play its internal strengths and international integration and cooperation, in close association with cultural development, social progress and justice, environmental protection, and national industrialization and modernization.

#### **Article 51**

1. The Vietnamese economy is a socialist-oriented market economy with varied forms of ownership and economic sectors; the state economy plays the dominant role.
2. All economic sectors are important components of the national economy. Entities in different economic sectors are equal before law and shall cooperate and compete with one another in accordance with law.
3. The State shall encourage and create the conditions for businesspeople, enterprises or other individuals or organizations to carry out investment, production or business activities; and develop economic branches in a sustainable manner in order to contribute to national

construction. The legal property of individuals and organizations engaged in investment, production or business activities is protected by law and is not subjected to nationalization.

#### **Article 52**

The State shall develop and improve economic institutions, regulate the economy on the basis of respect for market rules; delegate, devolve and decentralize the powers in the state management; promote regional economic links, and ensure the unity of the national economy.

#### **Article 53**

Land, water resources, mineral resources, resources in the sea and airspace, other natural resources, and property managed or invested in by the State are public property, owned by all the people, and represented and uniformly managed by the State.

#### **Article 54**

1. Land is a special national resource and an important resource for national development, and is managed in accordance with law.
2. The State shall allocate or lease land to, and recognize land use rights of, organizations and individuals. Land users may transfer land use rights, exercise their rights, and perform their obligations in accordance with law. Land use rights shall be protected by law.
3. The State may recover land currently used by organizations or individuals in case of extreme necessity prescribed by a law for national defense or security purposes; or socio-economic development in the national or public interest. Land recovery must be public and transparent, and compensation must be paid in accordance with the law.
4. The State may requisition land in cases of extreme necessity prescribed by a law to perform national defense and security tasks or during a state of war or a state of emergency, or in response to a natural disaster.

#### **Article 55**

1. The state budget, national reserve, state financial funds and other public financial resources must be uniformly managed by the State and shall be used in an efficient, fair, public, transparent and lawful manner.
2. The state budget consists of the central budget and local budgets, in which the central budget plays the leading role and ensures national spending needs. State budget revenues and expenditures must be estimated and must be prescribed by a law.
3. The national monetary unit is the Vietnam dong. The State shall ensure the stabilization of the national currency value.

#### **Article 56**

Agencies, organizations and individuals shall practice thrift and combat waste, and prevent and fight corruption in socio-economic activities and the state management.

#### **Article 57**

1. The State shall encourage and create the conditions for organizations and individuals to create jobs.

2. The State shall protect the lawful rights and interests of employees and employers and create the conditions for the establishment of progressive, harmonious and stable employment relations.

#### **Article 58**

1. The State and society shall make investments to further the protection of and care for the People's health, implement the universal health insurance, and adopt policies to prioritize health care for ethnic minority people and people living in mountainous areas, on islands, and in areas that have extremely difficult socio-economic conditions.

2. The State, society and family are responsible for protecting and caring for the health of mothers and children, and for family planning.

#### **Article 59**

1. The State and society shall honor, commend, reward, and implement preferential treatment policies to, people who have rendered meritorious service to the country.

2. The State shall create equal opportunities for citizens to enjoy social welfare, develop the social security system, and adopt policies to support elderly people, people with disabilities, poor people, and other disadvantaged people.

3. The State shall adopt housing development policies and create the conditions for everyone to have his or her own home.

#### **Article 60**

1. The State and society shall care for the creation and development of an advanced Vietnamese culture that is deeply imbued with the national identity and has absorbed the cultural quintessence of humanity.

2. The State and society shall develop literature and the arts in order to meet the diverse and healthy spiritual needs of the People; and develop the mass media to meet the People's demands for information and to serve national construction and defense.

3. The State and society shall create an environment for building prosperous, progressive and happy Vietnamese families, and developing Vietnamese people with good health, cultural qualities, patriotism, a spirit of solidarity, a sense of mastery and civic responsibility.

#### **Article 61**

1. To develop education is a top national policy that aims to increase public intellectual standards, develop human resources, and nurture talented people.

2. The State shall prioritize investment in, and attract other investment sources for, education; care for pre-school education; and ensure free compulsory primary education; gradually universalize secondary education; develop higher education and vocational education; and implement reasonable scholarship and school fee policies.

3. The State shall prioritize the development of education in mountainous areas, on islands, in ethnic minority areas, and in areas that have extremely difficult socio-economic conditions; prioritize the employment and development of talented people; and create the conditions for people with disabilities and poor people to receive education and vocational training.

#### **Article 62**

1. To develop science and technology is a top national policy, playing the key role in national socio-economic development.
2. The State shall prioritize investment in, and encourage organizations and individuals to invest in, research, development, transfer and effective application of scientific and technological achievements; guarantee the right to conduct scientific and technological research; and protect intellectual property rights.
3. The State shall create the conditions for everyone to participate in, and to enjoy the benefits from, scientific and technological activities.

### **Article 63**

1. The State shall adopt environmental protection policies; manage and use natural resources in an efficient and sustainable manner; conserve nature and biodiversity; and take the initiative in preventing and controlling natural disasters and responding to climate change.
2. The State shall encourage all activities for environmental protection and the development and use of new energy and renewable energy.
3. Organizations and individuals that cause environmental pollution, natural resource exhaustion or biodiversity depletion shall be strictly punished and shall rectify and compensate for damage.

## **Chapter IV**

### **DEFENSE OF THE FATHERLAND**

#### **Article 64**

To defend the socialist Vietnamese Fatherland is the mission of all the people.

The State shall consolidate and strengthen national defense by all the people and the people's security, with the people's armed forces as the core; and fully utilize the total strength of the country to defend firmly the Fatherland, thereby contributing to protecting peace in the region and around the world.

All agencies, organizations and citizens shall fulfill their national defense and security tasks.

#### **Article 65**

The people's armed forces shall show absolute loyalty to the Fatherland, the People, the Party and the State; protect the independence, sovereignty, unity and territorial integrity of the Fatherland, national security, and social order and safety; safeguard the People, the Party, the State and the socialist regime; and join the entire people in national construction and the performance of international duties.

#### **Article 66**

The State shall build a revolutionary People's Army that is regular, well-trained and gradually modernized, which has an appropriate permanent force, a large and powerful reserve force, and a strong and extensive self- defense and militia force, as the core for performing national defense tasks.

#### **Article 67**

The State shall build a revolutionary People's Public Security force that is regular, well-trained and gradually modernized, as the core to safeguard national security, ensure social order and safety, and prevent and fight crime.

#### **Article 68**

The State shall promote the People's patriotism and revolutionary heroism and educate the entire people in national defense and security; build the national defense and security industry; ensure proper equipment for the people's armed forces, and combine national defense and security with economic activities and *vice versa*; implement policies regarding military families; ensure the material and spiritual lives of the officers, soldiers, workers and employees consistent with the nature of the activities of the People's Army and People's Public Security force; and build powerful people's armed forces and unceasingly strengthen their national defense capability.

### **Chapter V**

#### **THE NATIONAL ASSEMBLY**

#### **Article 69**

The National Assembly is the highest representative body of the People and the highest state power body of the Socialist Republic of Vietnam.

The National Assembly shall exercise constitutional and legislative powers, decide on important issues for the country, and conduct the supreme oversight over the activities of the State.

#### **Article 70**

The National Assembly has the following tasks and powers:

1. To make and amend the Constitution; to make and amend laws;
2. To exercise the power of supreme oversight over the observance of the Constitution, laws and resolutions of the National Assembly; to review work reports of the President, Standing Committee of the National Assembly, Government, Supreme People's Court, Supreme People's Procuracy, National Election Council, State Audit Office, and other agencies established by the National Assembly;
3. To decide on the country's major goals, targets, policies and tasks for socio-economic development;
4. To decide on fundamental national financial and monetary policies; to introduce, change or abolish taxes; to decide on the division of revenues and expenditures between the central and local budgets; to decide on the safe limits for national, public and government debts; to decide on state budget estimates and the allocation of the central budget; and to approve the final accounts of the state budget;
5. To decide on state policies on ethnicities and religion;
6. To regulate the organization and operation of the National Assembly, President, Government, People's Courts, People's Procuracies, National Election Council, State Audit Office, local administrations, and other agencies established by the National Assembly;
7. To elect, relieve from duty or remove from office the President, Vice Presidents, Chairperson and Vice Chairpersons of the National Assembly, members of the Standing Committee of the National Assembly, Chairperson of the Ethnic Council, Chairpersons of the Committees of the

National Assembly, Prime Minister, Chief Justice of the Supreme People's Court, Procurator General of the Supreme People's Procuracy, Chairperson of the National Election Council, State Auditor General, and heads of other agencies established by the National Assembly; to approve proposals on the appointment, relief from duty or dismissal of the Deputy Prime Ministers, Ministers or other members of the Government, and Judges of the Supreme People's Court; and to approve the lists of members of the National Defense and Security Council and the National Election Council.

After being elected, the President, Chairperson of the National Assembly, Prime Minister, and Chief Justice of the Supreme People's Court shall take an oath of loyalty to the Fatherland, the People and the Constitution;

8. To conduct votes of confidence on persons holding positions elected or approved by the National Assembly;
9. To decide on the establishment or abolition of ministries or ministerial-level agencies of the Government; to establish, dissolve, consolidate, separate or adjust the administrative boundaries of, provinces, centrally run cities and special administrative-economic units; or to establish or abolish other agencies in accordance with the Constitution and law;
10. To annul documents of the President, Standing Committee of the National Assembly, Government, Prime Minister, Supreme People's Court and Supreme People's Procuracy that contravene the Constitution, laws or resolutions of the National Assembly;
11. To decide on a general amnesty;
12. To stipulate the titles and ranks in the people's armed forces, diplomatic titles and ranks, and other state titles and ranks; to institute orders, medals, and state honorary titles;
13. To decide on issues of war and peace; to determine states of emergency and other special measures to ensure national defense and security;
14. To decide on fundamental foreign policies; to ratify, or decide on the accession to, or withdrawal from, treaties related to war, peace, national sovereignty or the membership of the Socialist Republic of Vietnam in important international and regional organizations, treaties on human rights or fundamental rights and obligations of citizens, and other treaties that are not consistent with the laws or resolutions of the National Assembly;
15. To decide to hold referenda.

#### **Article 71**

1. The term of the National Assembly is five years.
2. Sixty days before the expiration of the term of the National Assembly, a new National Assembly must be elected.
3. In special cases, the National Assembly may decide to shorten or extend its term, at the proposal of the Standing Committee of the National Assembly, if at least two-thirds of the total number of the National Assembly deputies vote for it. The extension of the term of the National Assembly must not exceed twelve months, except in wartime.

#### **Article 72**

The Chairperson of the National Assembly shall preside over National Assembly sessions; authenticate by his or her signature the Constitution, laws and resolutions of the National Assembly; lead the work of the Standing Committee of the National Assembly; organize the conduct of the external relations of the National Assembly; and maintain a relationship with National Assembly deputies.

Vice Chairpersons of the National Assembly shall assist the Chairperson in his or her work as assigned by the Chairperson.

### **Article 73**

1. The Standing Committee of the National Assembly is the permanent body of the National Assembly.
2. The Standing Committee of the National Assembly is composed of the Chairperson, Vice Chairpersons and Members.
3. The number of members of the Standing Committee of the National Assembly shall be decided by the National Assembly. A member of the Standing Committee of the National Assembly may not concurrently be a member of the Government.
4. The Standing Committee of the National Assembly shall perform its tasks and exercise its powers until a new Standing Committee is elected by the succeeding National Assembly.

### **Article 74**

The Standing Committee of the National Assembly has the following tasks and powers:

1. To prepare, convene and preside over sessions of the National Assembly;
2. To enact ordinances on issues assigned to it by the National Assembly; to interpret the Constitution, laws and ordinances;
3. To oversee the implementation of the Constitution, laws and resolutions of the National Assembly and ordinances and resolutions of the Standing Committee of the National Assembly; to oversee the activities of the Government, Supreme People's Court, Supreme People's Procuracy, State Audit Office, and other agencies established by the National Assembly;
4. To suspend the implementation of documents of the Government, Prime Minister, Supreme People's Court or Supreme People's Procuracy that contravene the Constitution, or laws or resolutions of the National Assembly, and refer those documents to the National Assembly to decide on their annulment at the next session; to annul documents of the Government, Prime Minister, Supreme People's Court or Supreme People's Procuracy that contravene ordinances or resolutions of the Standing Committee of the National Assembly;
5. To direct, harmonize and coordinate the activities of the Ethnic Council and the Committees of the National Assembly; to guide and ensure the conditions for the work of National Assembly deputies;
6. To propose the National Assembly to elect, relieve from duty or remove from office the President, Chairperson or Vice Chairpersons of the National Assembly, Members of the Standing Committee of the National Assembly, Chairperson of the Ethnic Council, Chairpersons of the Committees of the National Assembly, Chairperson of the National Election Council, or State Auditor General;

7. To supervise and guide the work of the People's Councils; to annul resolutions of the People's Councils of provinces or centrally run cities that contravene the Constitution, laws or documents of state agencies at higher levels; to dissolve the People's Councils of provinces or centrally run cities in case they cause serious damage to the interests of the People; 8. To decide on the establishment, dissolution, consolidation, separation, or adjustment of the boundaries of, the administrative units under the provinces or centrally run cities;
9. To decide to declare a state of war in case the National Assembly cannot meet, and report it to the National Assembly for decision at its next session;
10. To decide on general or partial mobilization; to declare or cancel a state of emergency throughout the country or in a particular locality;
11. To conduct the external relations of the National Assembly;
12. To approve proposals on the appointment or relief from duty of ambassadors extraordinary and plenipotentiary of the Socialist Republic of Vietnam;
13. To organize referenda in pursuance to decisions of the National Assembly.

#### **Article 75**

1. The Ethnic Council is composed of the Chairperson, Vice Chairpersons and Members. The Chairperson of the Ethnic Council shall be elected by the National Assembly; Vice Chairpersons and Members of the Ethnic Council shall be approved by the Standing Committee of the National Assembly.
2. The Ethnic Council shall study and make proposals on ethnic issues to the National Assembly; exercise the power of overseeing the implementation of policies on ethnic groups, programs and plans for socio-economic development in mountainous and ethnic minority areas.
3. The Chairperson of the Ethnic Council may be invited to attend Government meetings to discuss the implementation of policies on ethnic groups. The Government shall consult the Ethnic Council before promulgating regulations on the implementation of policies on ethnic groups.
4. The Ethnic Council has additional tasks and powers similar to those of the Committees of the National Assembly set out in Clause 2, Article 76.

#### **Article 76**

1. A Committee of the National Assembly is composed of the Chairperson, Vice Chairpersons and Members. Chairpersons of the Committees shall be elected by the National Assembly; Vice Chairpersons and Members of the Committees shall be approved by the Standing Committee of the National Assembly.
2. The Committees of the National Assembly shall verify draft laws, proposals on laws, other drafts, and reports as assigned by the National Assembly or the Standing Committee of the National Assembly; exercise the oversight power within the scope of their powers and tasks prescribed by a law; and make proposals on issues that fall within the scope of their activities.
3. The establishment or dissolution of the Committees shall be decided by the National Assembly.

#### **Article 77**

1. The Ethnic Council or the Committees of the National Assembly may request members of the Government, Chief Justice of the Supreme People's Court, Procurator General of the Supreme People's Procuracy, State Auditor General or concerned individuals to make reports, give explanations or provide documents on necessary matters. The persons who receive requests shall respond.

2. State agencies shall study and respond to the proposals made by the Ethnic Council and the Committees of the National Assembly.

### **Article 78**

The National Assembly may, as necessary, establish an ad-hoc Committee to study and verify a certain project or investigate a certain issue.

### **Article 79**

1. A National Assembly deputy shall represent the will and aspirations of the People of his or her constituency and of the whole country.

2. A National Assembly deputy shall maintain close ties with voters and submit to their supervision; collect and truthfully convey their views and aspirations to the National Assembly and concerned agencies or organizations; meet and report to the voters on his or her activities and activities of the National Assembly; respond to the requests and petitions of voters; monitor and press for the settlement of complaints and denunciations, and guide and assist in the exercise of the right to complaint or denunciation.

3. A National Assembly deputy shall inform the People of, and mobilize them to implement, the Constitution and laws.

### **Article 80**

1. National Assembly deputies have the right to raise questions to the President, Chairperson of the National Assembly, Prime Minister, Ministers and other members of the Government, Chief Justice of the Supreme People's Court, Procurator General of the Supreme People's Procuracy or State Auditor General.

2. The questioned persons shall present their answers before the National Assembly at a session of the National Assembly or, when the National Assembly is in recess, at a meeting of the Standing Committee of National Assembly; the National Assembly and the Standing Committee of the National Assembly may, as necessary, allow the questioned persons to submit written answers.

3. National Assembly deputies have the right to request agencies, organizations or individuals to provide information and documents related to the latter's tasks. The heads of agencies or organizations, or individuals shall answer questions raised by deputies within the time limit prescribed by a law.

### **Article 81**

No National Assembly deputy may be arrested, held in custody, detained or prosecuted without the consent of the National Assembly or, when the National Assembly is in recess, without the consent of the Standing Committee of the National Assembly. In the case a deputy is detained for a flagrant offense, the agency holding the deputy in custody shall immediately report the case

to the National Assembly or the Standing Committee of the National Assembly for consideration and decision.

#### **Article 82**

1. National Assembly deputies shall fully perform their tasks; and have the right to participate as members in the Ethnic Council or a Committee of the National Assembly.
2. The Standing Committee of the National Assembly, Prime Minister, Deputy Prime Ministers, Ministers, Heads of ministerial-level agencies or other agencies of the State shall create the conditions for National Assembly deputies to perform their tasks.
3. The State shall ensure funding for the activities of National Assembly deputies.

#### **Article 83**

1. The National Assembly shall hold sessions in public. The National Assembly may, when necessary and at the request of the President, Standing Committee of the National Assembly, Prime Minister or at least one-third of the total number of the National Assembly deputies, decide to conduct a closed session.
2. The National Assembly shall hold two sessions a year. The National Assembly shall hold an extraordinary session when so requested by the President, Standing Committee of the National Assembly, Prime Minister or at least one-third of the total number of the National Assembly deputies. The Standing Committee of the National Assembly shall convene sessions of the National Assembly.
3. The first session of a newly elected National Assembly must be convened within sixty days from the date of election of the National Assembly deputies; this session must be opened and presided over by the Chairperson of the outgoing National Assembly until the new National Assembly elects its Chairperson.

#### **Article 84**

1. The President, Standing Committee of the National Assembly, Ethnic Council and Committees of the National Assembly, Government, Supreme People's Court, Supreme People's Procuracy, State Audit Office, Central Committee of the Vietnam Fatherland Front, and central bodies of the Front's member organizations have the right to submit draft laws to the National Assembly or submit draft ordinances to the Standing Committee of the National Assembly.
2. National Assembly deputies have the right to submit their proposals on laws and ordinances, or draft laws and draft ordinances, to the National Assembly or the Standing Committee of the National Assembly.

#### **Article 85**

1. Laws and resolutions of the National Assembly must be voted for by more than half of the total number of the National Assembly deputies; the making or amendment of the Constitution, decisions to shorten or extend the term of the National Assembly or to remove from office one of its deputies must be voted for by at least two-thirds of the total number of the National Assembly deputies.

Ordinances and resolutions of the Standing Committee of the National Assembly must be approved by more than half of the total number of its members.

2. Laws and ordinances must be promulgated within fifteen days of their passage, unless the President requests reconsideration of an ordinance.

## **Chapter VI**

### **THE PRESIDENT**

#### **Article 86**

The President is the Head of State and shall represent the Socialist Republic of Vietnam internally and externally.

#### **Article 87**

The President shall be elected by the National Assembly from among its deputies.

The President is responsible, and shall report on his or her work, to the National Assembly.

His or her term of office follows the term of the National Assembly. At the expiration of the term of the National Assembly, the President shall remain in office until a new President is elected by the succeeding National Assembly.

#### **Article 88**

The President has the following tasks and powers:

1. To promulgate the Constitution, laws and ordinances; to request the Standing Committee of the National Assembly to reconsider its ordinances, within ten days of their passage; if those ordinances are still voted for by the Standing Committee of the National Assembly and disapproved by the President, the President shall refer the matter to the National Assembly for decision at its next session;
2. To propose to the National Assembly to elect, relieve from duty or remove from office the Vice President or Prime Minister; and, based on resolutions of the National Assembly, to appoint, relieve from duty or dismiss Deputy Prime Ministers, Ministers or other members of the Government;
3. To propose the National Assembly to elect, relieve from duty or remove from office the Chief Justice of the Supreme People's Court or Procurator General of the Supreme People's Procuracy; and, based on resolutions of the National Assembly, to appoint, relieve from duty or dismiss Judges of the Supreme People's Court; to appoint, relieve from duty or dismiss Deputy Chief Justices of the Supreme People's Court, Judges of other Courts or Deputy Procurators General or Procurators of the Supreme People's Procuracy; to decide on a special amnesty; or, based on resolutions of the National Assembly, to proclaim a general amnesty;
4. To decide on the award of orders, medals, state prizes or state honorary titles; to decide to permit naturalization in Vietnam, renunciation of Vietnamese citizenship, restoration of Vietnamese citizenship or deprivation of Vietnamese citizenship;
5. To assume command of the people's armed forces and hold the office of Chairperson of the National Defense and Security Council; to decide on the award, promotion, demotion or deprivation of the ranks of general, naval rear admiral, naval vice admiral and naval admiral; to appoint, relieve from duty or dismiss the Chief of the General Staff or the Director of the Political General Department of the Vietnamese People's Army; based on resolutions of the National Assembly or the Standing Committee of the National Assembly, to promulgate or annul

decisions to declare a state of war; based on resolutions of the Standing Committee of the National Assembly, to issue an order on general mobilization or partial mobilization, to declare or cancel a state of emergency; or, in case the Standing Committee of the National Assembly cannot meet, to declare or cancel a state of emergency nationwide or in a particular locality;

6. To receive foreign ambassadors extraordinary and plenipotentiary; based on resolutions of the Standing Committee of the National Assembly, to appoint, relieve from duty; decide to send or recall ambassadors extraordinary and plenipotentiary of the Socialist Republic of Vietnam; to confer the ambassadorial title and rank; to decide on the negotiation and conclusion of treaties in the name of the State; to submit to the National Assembly for ratification of, or decision on the accession to, or withdrawal from, the treaties specified in Clause 14, Article 70; to decide on the ratification of, accession to, or withdrawal from, other treaties in the name of the State.

### **Article 89**

1. The National Defense and Security Council is composed of the Chairperson, Vice Chairperson and Members. The list of members of the National Defense and Security Council shall be submitted by the President to the National Assembly for approval.

The National Defense and Security Council shall work on a collegial basis and make its decisions by a vote of the majority.

2. The National Defense and Security Council shall propose the National Assembly or, when the National Assembly cannot meet, the Standing Committee of the National Assembly to decide on a state of war; mobilize all forces and capacity of the country to defend the Fatherland; perform special tasks and exercise special powers assigned to and vested in it by the National Assembly in case of war; and decide on the participation of the people's armed forces in peacekeeping operations in the region and around the world.

### **Article 90**

The President may attend meetings of the Standing Committee of the National Assembly and meetings of the Government.

The President may request the Government to meet to discuss issues that he or she considers necessary to fulfill his or her tasks or exercise his or her powers.

### **Article 91**

The President shall issue orders and decisions for the performance of his or her tasks or the exercise of his or her powers.

### **Article 92**

The Vice President shall be elected by the National Assembly from among its deputies.

The Vice President shall assist the President in his or her work and may be delegated certain tasks by the President to perform on behalf of the President.

### **Article 93**

When the President is incapacitated from work over a long period of time, the Vice President shall succeed as acting President.

In case of vacancy of the Presidency, the Vice President shall serve as acting President until a new President is elected by the National Assembly.

## **Chapter VII**

### **THE GOVERNMENT**

#### **Article 94**

The Government is the highest state administrative body of the Socialist Republic of Vietnam, shall exercise executive power, and is the executive body of the National Assembly.

The Government is responsible to the National Assembly and shall report on its work to the National Assembly, the Standing Committee of the National Assembly and the President.

#### **Article 95**

1. The Government is composed of the Prime Minister, Deputy Prime Ministers, Ministers, and Heads of ministerial-level agencies.

The structure and number of members of the Government shall be decided by the National Assembly.

The Government shall work on a collegial basis and make its decisions by a vote of the majority.

2. The Prime Minister is the head of the Government and responsible to the National Assembly for the work of the Government and assigned tasks; and shall report on the work of the Government and the Prime Minister to the National Assembly, the Standing Committee of the National Assembly and the President.

3. Deputy Prime Ministers shall assist the Prime Minister in his or her work as assigned by the Prime Minister, and are responsible to the Prime Minister for their assigned tasks. In the absence of the Prime Minister, a Deputy Prime Minister delegated by the Prime Minister shall lead the work of the Government on behalf of the Prime Minister.

4. Ministers and Heads of ministerial-level agencies are personally responsible to the Prime Minister, Government and National Assembly for the sectors and fields under their charge and, together with other members of Government, shall assume the collective responsibility for the work of the Government.

#### **Article 96**

The Government has the following tasks and powers:

1. To organize the implementation of the Constitution, laws and resolutions of the National Assembly, ordinances and resolutions of the Standing Committee of the National Assembly, and orders and decisions of the President;

2. To propose and formulate policies to be submitted to the National Assembly or the Standing Committee of the National Assembly for decision or decide on policies according to its competence, for the performance of its tasks and the exercise of its powers set out in this Article; to submit draft laws, draft state budget estimates and other projects to the National Assembly; and to submit draft ordinances to the Standing Committee of the National Assembly;

3. To perform the unified management of the economy, culture, social affairs, education, health, science, technology, environment, information, communications, external relations, national defense, national security, and social order and safety; to carry out orders on general mobilization or partial mobilization or orders to proclaim a state of emergency, and take other necessary measures to defend the Fatherland and to protect the People's lives and property;

4. To propose the National Assembly for decision the establishment or abolition of ministries or ministerial-level agencies; the establishment, dissolution, consolidation, separation, or adjustment of the administrative boundaries of, provinces, centrally run cities or special administrative-economic units; to propose the Standing Committee of the National Assembly for decision the establishment, dissolution, consolidation, separation or adjustment of the boundaries of, administrative units under the provinces and centrally run cities;
5. To perform the unified management of the national administration system; to manage cadres, civil servants, public employees, and the public service in state agencies; to organize inspection and control work, the settlement of complaints and denunciations, and the fight against bureaucracy and corruption in the state apparatus; to lead the work of the ministries, ministerial-level agencies, government-attached agencies, and People's Committees at all levels; to guide and examine the People's Councils in their implementation of the documents of state agencies at higher levels, to create the conditions for the People's Councils to perform their tasks and exercise their powers which are prescribed by a law;
6. To protect the rights and interests of the State and society, human rights and citizens' rights; and to ensure social order and safety;
7. To negotiate and conclude treaties in the name of the State, as authorized by the President; to decide on the conclusion, accession to, ratification of, or withdrawal from, treaties in the name of the Government, except for treaties to be submitted to the National Assembly for ratification as specified in Clause 14, Article 70; to protect the interests of the State and the legitimate interests of Vietnamese organizations or citizens in foreign countries;
8. To coordinate with the Central Committee of the Vietnam Fatherland Front and central bodies of the socio-political organizations in the performance of the tasks and the exercise of the powers of the Government.

#### **Article 97**

The term of the Government follows the term of the National Assembly. At the expiration of the term of the National Assembly, the Government shall remain in office until a new Government is elected by the succeeding National Assembly.

#### **Article 98**

The Prime Minister shall be elected by the National Assembly from among its deputies.

The Prime Minister has the following tasks and powers:

1. To lead the work of the Government; to lead the formulation of policies and organize the implementation of laws;
2. To lead and take responsibility for the work of the state administration system from the central to the local level, ensuring the consistency and continuity of the national administration system;
3. To submit to the National Assembly for approval proposals on the appointment, relief from duty or dismissal of Deputy Prime Ministers, Ministers or other members of the Government; to appoint, relieve from duty or dismiss Deputy Ministers or officials of equal rank of ministries or ministerial-level agencies; to approve the election and relief from duty, and to decide on the transfer or dismissal of Chairpersons and Vice Chairpersons of the People's Committees of provinces or centrally run cities;

4. To suspend the implementation of, or annul the documents, of Ministers, Heads of ministerial-level agencies, People's Committees, Chairpersons of the People's Committees of provinces or centrally run cities that contravene the Constitution, laws or documents of state agencies at higher levels; to suspend the implementation of resolutions of the People's Councils of provinces or centrally run cities that contravene the Constitution, laws or documents of state agencies at higher levels and, at the same time, to propose the Standing Committee of the National Assembly to annul them;
5. To decide on and direct the negotiation of, and to direct the conclusion, and accession to, or ratification of, treaties within the scope of the tasks and powers of the Government; to organize the implementation of treaties to which the Socialist Republic of Vietnam is a contracting party;
6. To make reports to the People through the mass media on important issues falling within the competence of the Government and the Prime Minister.

#### **Article 99**

1. Ministers and Heads of ministerial-level agencies are members of the Government, shall preside over their ministries or ministerial-level agencies, and shall lead the work of their ministries or ministerial-level agencies; shall perform the state management of the sectors and fields under their charge; and shall organize and monitor nationwide the implementation of laws concerning their sectors and fields.
2. Ministers and Heads of ministerial-level agencies shall report on their work to the Government and Prime Minister; and make reports to the People on important issues under their management.

#### **Article 100**

The Government, the Prime Minister, Ministers, and Heads of ministerial-level agencies shall promulgate legal documents to perform their tasks and exercise their powers, review the implementation of those documents, and deal with unlawful documents in accordance with law.

#### **Article 101**

The President of the Central Committee of the Vietnam Fatherland Front and heads of central bodies of socio-political organizations may be invited to meetings of the Government that discuss relevant issues.

### **Chapter VIII**

#### **THE PEOPLE'S COURTS AND THE PEOPLE'S PROCURACIES**

#### **Article 102**

1. The People's Courts are the judicial bodies of the Socialist Republic of Vietnam and exercise judicial power.
2. The People's Courts include the Supreme People's Court and other Courts prescribed by a law.
3. The People's Courts have the duty to safeguard justice, human rights, citizens' rights, the socialist regime, the interests of the State, and the lawful rights and interests of organizations and individuals.

#### **Article 103**

1. Except in the case of trial by summary procedure, Assessors shall participate in first-instance trials by the People's Courts.
2. During a trial, the Judges and Assessors are independent and shall obey only the law. Agencies, organizations or individuals are prohibited from interfering in a trial by Judges and Assessors.
3. The People's Courts shall hold their hearings in public. In a special case which requires protection of state secrets, conformity with the fine customs and traditions of the nation, protection of minors or protection of private life and at the legitimate request of an involved party, the People's Court may hold a closed hearing.
4. Except in the case of a trial by summary procedure, the People's Courts shall try cases on a collegial basis and make decisions by a vote of the majority.
5. The adversarial principle shall be guaranteed in trials.
6. The first-instance and appellate hearing system shall be guaranteed.
7. The right of the accused or defendants to a defense, and the right of involved parties to protect their lawful interests, shall be guaranteed.

#### **Article 104**

1. The Supreme People's Court is the highest judicial body of the Socialist Republic of Vietnam.
2. The Supreme People's Court shall supervise the judicial work of other Courts, unless otherwise prescribed by a law.
3. The Supreme People's Court shall make overall assessment of adjudicating practices, ensuring the uniform application of law in trial.

#### **Article 105**

1. The term of office of the Chief Justice of the Supreme People's Court follows the term of the National Assembly. The appointment, relief from duty, dismissal, and term of office of the Chief Justices of other Courts shall be prescribed by a law.
2. The Chief Justice of the Supreme People's Court is responsible, and shall report on his or her work, to the National Assembly. When the National Assembly is in recess, he or she is responsible, and shall report on his or her work, to the Standing Committee of the National Assembly and the President.

The reporting regime applicable to the Chief Justices of other Courts shall be prescribed by a law.

3. The appointment, approval, relief from duty, dismissal, and term of office of Judges, and the election and term of office of Assessors, shall be prescribed by a law.

#### **Article 106**

The judgments and decisions of the People's Courts which have taken legal effect must be respected by agencies, organizations and individuals and must be strictly observed by the concerned agencies, organizations or individuals.

#### **Article 107**

1. The People's Procuracies shall exercise the power to prosecute and supervise judicial activities.
2. The People's Procuracies include the Supreme People's Procuracy and other Procuracies as prescribed by a law.
3. The People's Procuracies have the duty to safeguard the law, human rights, citizens' rights, the socialist regime, the interests of the State, and the lawful rights and interests of organizations and individuals, thus contributing to ensuring the strict and unified observance of the law.

#### **Article 108**

1. The term of office of the Procurator General of the Supreme People's Procuracy follows the term of the National Assembly. The appointment, relief from duty, dismissal, and term of office of the Chief Procurators of other Procuracies and of Procurators shall be prescribed by a law.
2. The Procurator General of the Supreme People's Procuracy is responsible, and shall report on his or her work, to the National Assembly.

When the National Assembly is in recess, he or she is responsible, and shall report on his or her work, to the Standing Committee of the National Assembly and the President. The reporting regime applicable to the Chief Procurators of other Procuracies shall be prescribed by a law.

#### **Article 109**

1. The People's Procuracies shall be led by their Chief Procurators. The Chief Procurator of a People's Procuracy is subject to the leadership of the Chief Procurator of the People's Procuracy at a higher level. The Chief Procurators of Procuracies at lower levels are subject to the unified leadership of the Procurator General of the Supreme People's Procuracy.
2. When exercising the power to prosecute or to supervise judicial activities, a Procurator shall abide by the law and is subject to the direction by the Chief Procurator of the People's Procuracy.

### **Chapter IX**

#### **LOCAL ADMINISTRATION**

#### **Article 110**

1. The administrative units of the Socialist Republic of Vietnam shall be defined as follows:

The country shall be divided into provinces and centrally run cities; A province shall be divided into rural districts, towns, and provincial cities; a centrally run city shall be divided into urban districts, rural districts, towns, and equivalent administrative units;

A rural district shall be divided into communes and townships; a town or provincial city shall be divided into wards and communes; and an urban district shall be divided into wards.

Special administrative-economic units may be established by the National Assembly.

2. The establishment, dissolution, consolidation, separation or adjustment of the boundaries of, an administrative unit must be consulted with local People and must comply with the process and procedures prescribed by a law.

#### **Article 111**

1. Local administrations shall be organized in administrative units of the Socialist Republic of Vietnam.
2. Local administration levels composed of the People's Council and People's Committee shall be organized consistent with the characteristics of the rural areas, urban areas, islands or special administrative-economic units prescribed by a law.

#### **Article 112**

1. Local administrations shall organize and ensure implementation of the Constitution and law in their localities; decide on local issues prescribed by a law; and submit to the examination and supervision by state agencies at higher levels.
2. The tasks and powers of local administrations shall be determined on the basis of determining the powers between state agencies at the central and local levels and for each level of local administration.
3. Local administrations may, as necessary, be assigned certain tasks of state agencies at higher levels, along with the necessary means to ensure the performance of those tasks.

#### **Article 113**

1. The People's Council is the local state power body, representing the will, aspirations and right to mastery of the local People, shall be elected by the local People, and is responsible to the local People and state agencies at higher levels.
2. The People's Council shall decide on local issues as prescribed by a law; and supervise the observance of the Constitution and law in its locality and the implementation of its own resolutions.

#### **Article 114**

1. The People's Committee at a local administration level, which shall be elected by the People's Council of the same level, is the executive body of the respective People's Council and is the local state administrative body, and is responsible to the People's Council and state administrative agencies at higher levels.
2. The People's Committee shall organize implementation of the Constitution and law in its locality and implementation of the resolutions of the People's Council, and perform the tasks assigned to it by state agencies at higher levels.

#### **Article 115**

1. A People's Council deputy shall represent the will and aspirations of local People; shall maintain close ties with voters and be subject to their supervision, meet and report to voters on his or her own activities and activities of the People's Council, respond to their requests and petitions; and consider and press for the settlement of complaints and denunciations. A People's Council deputy has the task of mobilizing the People to implement the Constitution, law, policies of the State, and resolutions of the People's Council, and encouraging the People to participate in the state management.
2. A People's Council deputy has the right to raise questions to the Chairperson or other members of the People's Committee, Chief Justice of the People's Court, Chief Procurator of the People's Procuracy, and Heads of the agencies of the People's Committee. The questioned

persons shall present their answers before the People's Council. A People's Council deputy has the right to make proposals to state agencies, organizations, and units in the locality. The heads of those agencies, organizations or units shall receive the deputy, then consider and resolve the issues raised in his or her proposals.

#### **Article 116**

1. The People's Council and the People's Committee shall report on the local situation to the Vietnam Fatherland Front and mass organizations, listen to the opinions and proposals of those organizations for strengthening the local administration and socio-economic development; and coordinate with the Vietnam Fatherland Front and mass organizations in encouraging the People, together with the State, to perform socio-economic, national defense and security tasks in the locality.
2. The President of the Vietnam Fatherland Front and heads of socio-political organizations in the locality may be invited to sessions of the People's Council and to meetings of the People's Committee of the same level that discuss relevant issues.

#### **Chapter X**

##### **THE NATIONAL ELECTION COUNCIL, THE STATE AUDIT OFFICE**

#### **Article 117**

1. The National Election Council shall be established by the National Assembly and has the task of organizing the election of National Assembly deputies, and directing and guiding the election of deputies to People's Councils at all levels.
2. The National Election Council is composed of the Chairperson, Vice Chairpersons and Members.
3. The organization and specific tasks and powers of the National Election Council and the number of its members shall be prescribed by a law.

#### **Article 118**

1. The State Audit Office shall be established by the National Assembly, operate independently, abide only by the law, and audit the management and use of public finance and assets.
2. The State Auditor General is the head of the State Audit Office and shall be elected by the National Assembly. The term of office of the State Auditor General shall be prescribed by a law. The State Auditor General is responsible, and shall report on audit results and his or her work, to the National Assembly. When the National Assembly is in recess, he or she is responsible, and shall report on his or her work, to the Standing Committee of the National Assembly.
3. The organization and specific tasks and powers of the State Audit Office shall be prescribed by a law.

#### **Chapter XI**

##### **EFFECTIVENESS OF THE CONSTITUTION AND AMENDMENT TO THE CONSTITUTION**

#### **Article 119**

1. The Constitution is the fundamental and supreme law of the Socialist Republic of Vietnam.

All other legal documents must conform to the Constitution.

All violations of the Constitution shall be dealt with.

2. The National Assembly and its agencies, the President, the Government, People's Courts, People's Procuracies, other agencies of the State and all the People shall defend the Constitution.

The mechanism to defend the Constitution shall be prescribed by a law.

### **Article 120**

1. The President, the Standing Committee of the National Assembly, the Government or at least one-third of the total number of the National Assembly deputies have the right to propose the making of, or an amendment to, the Constitution. The National Assembly shall decide on the making of, or amendment to, the Constitution when at least two-thirds of the total number of the National Assembly deputies vote for it.

2. The National Assembly shall establish a Constitution Drafting Committee. The composition and number of members, tasks and powers of the Constitution Drafting Committee shall be decided by the National Assembly at the proposal of the Standing Committee of the National Assembly.

3. The Constitution Drafting Committee shall draft the Constitution, collect the opinions of the People on the draft, and submit it to the National Assembly.

4. The Constitution shall be adopted when at least two-thirds of the total number of the National Assembly deputies vote for it. The holding of a referendum on the Constitution shall be decided by the National Assembly.

5. The time limit for the promulgation and effective date of the Constitution shall be decided by the National Assembly.

*This Constitution was adopted on November 28, 2013, by the XIIIth National Assembly of the Socialist Republic of Vietnam, at its 6th session.-*

### **CHAIRPERSON OF THE NATIONAL ASSEMBLY**

**Nguyen Sinh Hung**

**THE NATIONAL  
ASSEMBLY**

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No. 77/2015/QH13

**THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness**

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*Hanoi, June 19, 2015*

**LAW**

**ORGANIZING THE LOCAL GOVERNMENT**

*Pursuant to the Constitution of the Socialist Republic of Vietnam;*

*The National Assembly hereby passes the Law on organizing the local government.*

**Chapter I**

**GENERAL PROVISIONS**

**Article 1. Scope of application**

This Law shall provide regulations on administrative units, and organization and operation of local governments at administrative units.

**Article 2. Administrative unit**

Administrative units of the Socialist Republic of Vietnam shall include:

1. Municipalities and provinces (hereinafter referred to as province or provincial level);
2. Suburban, urban districts and provincial cities, and municipality-controlled cities (hereinafter referred to as district or district level);
3. Communes, wards or commune-level towns (hereinafter referred to as commune or communal level);
4. Special administrative – economic units.

**Article 3. Classification of administrative units**

1. Classification of administrative units serves as a basis for drawing up socio-economic developmental plans and strategies; establishing the mechanism, system and policies for officials and public servants working at local governments in conformity with each type of administrative unit.

2. Classification of administrative units should be based on criteria such as population scale, natural area, the number of affiliated administrative units, socio-economic development level and particular elements of each administrative unit at rural, urban areas and islands.

3. Administrative units shall be classified as follows:

a) Hanoi and Ho Chi Minh city are special-grade province-level administrative units; the rest of administrative units shall be categorized into three grades: grade I, grade II and grade III;

b) District-level administrative units shall be categorized into three grades: grade I, grade II and grade III;

c) Commune-level administrative units shall be categorized into three grades: grade I, grade II and grade III.

4. Pursuant to regulations laid down in Clause 2 and Clause 3 of this Article, the Government shall suggest specific provisions on standards of each criterion, delegated authority and procedure concerning classification of administrative units to the Standing committee of the National Assembly.

#### **Article 4. Organization of local governments at administrative units**

1. The local government level shall include the People's Council and the People's Committee organized at administrative units of the Socialist Republic of Vietnam as stipulated in Article 2 hereof.

2. Rural local government shall include the local government of provinces, rural districts and communes.

3. Urban local government shall include the local government of municipalities, urban districts, district-level towns, provincial cities, municipality-controlled cities, wards and commune-level towns.

#### **Article 5. Principles of organization and operation of local governments**

1. Comply with the Constitutions and laws, and govern society by laws; adhere to the democratic concentration principle.

2. Be modern, transparent, and intended for the people, and be subject to the people's supervision.

3. The People's Council shall perform their tasks through the process of meeting and according to the majority rule.

4. The People's Committee shall operate according to the collective system in which the People's Committee is combined with the responsibilities of the President of the People's Committee.

## **Article 6. People's Council**

1. The People's Council is joined by delegates of the People's Council elected by the local electorate, act as the local organ of state power, represent the will, aspirations and mastery of the people as well as bear responsibility to the local people and superior-level state organs.
2. Delegates of the People's Council shall represent wills and desires of the local people, and take responsibility to local voters and the People's Council for exercising powers and performing duties of a delegate.

Delegates of the People's Council shall be all equal to discuss and decide issues that fall within the duties and powers of the People's Council.

3. The standing People's Council is the standing committee of the People's Council exercising powers and performing duties in accordance with provisions laid down in this Law and other relevant legal regulations; bearing responsibility and reporting their task performance to the People's Council.

Members of the standing People's Council are not simultaneously members of the People's Committee at the same level.

4. The committee of the People's Council is the division of the People's Committee and is tasked with verifying the draft resolution, report or plan before submitting it to the People's Council, and supervising and suggesting issues that fall within the remit of the Committee; bear responsibility and report its task performance to the People's Council.

## **Article 7. Standards of conduct of delegates of the People's Council**

1. Show their loyalty towards the Country, People and Constitution, and strive to accomplish the reform task with a view to achieving the goal of a prosperous people, a strong country, and an equitable, democratic and civilized society.
2. Demonstrate their good moral character, diligence, frugality, justice, frugality, and be a good law-abiding citizen; have a strong determination to struggle against corruption, restrain luxury or extravagance, and prevent bureaucratic, imperious and authoritarian behaviors and other violations against laws.
3. Meet vigorous academic and professional standards, and have capability, good health and working experience as well as prestige to perform duties of a delegate; prove eligible to get involved in operations of the People's Council.
4. Stay closely connected to the People, listen to opinions of constructive advice from the People and gain the People's confidence.

## **Article 8. People's Committee**

1. The People's Committee is elected by the People's Council at the same level, is the executive organ of the People's Council, is the State administrative agency within localities, and assume responsibility to the local People, the People's Council at the same level and the State administrative agency at the higher level.

2. The People's Committee shall be composed of the President, Vice Presidents and members. The specific number of Vice Presidents of the People's Committees at all levels shall be regulated by the Government.

### **Article 9. Professional affiliates of the People's Committee**

1. Professional affiliates of the People's Committee are organized at the provincial and district level, and are advisory divisions and assist the People's Committee in performing its state management functions in specific industries or sectors at localities, and perform duties or exercise powers decentralized or delegated by the superior-level state organs.

2. Professional affiliates of the People's Committee shall be subject to the supervision and management of the People's Committee in terms of their organization, personnel and tasks, as well as the direction and inspection of the superior industry- or sector-related state management agency in terms of professional practices.

3. The organization of professional affiliates of the People's Committee must ensure relevance to the features of rural, urban and island areas as well as socio-economic developmental conditions and state in each locality; ensure the simplicity, appropriacy, transparency, efficacy and efficiency for the industry- or sector-related state management from the central to grassroots level; prevent their duties and powers from overlapping with these of the superior-level state organs located within the same areas.

4. The Government shall provide specific provisions on organization and operation of these professional affiliates of the People's Committee at the provincial or district level.

### **Article 10. Tenure of the People's Council and the People's Committee**

1. The term of the People's Council is 05 years that last from the first meeting held in this term of the People's Council to the first meeting held in the successive term of the People's Council. Not later than 45 days before the end of term of the People's Council, the new-term People's Council must have been already elected.

The shortening or extension of the term of the People's Council shall be decided if called for by the National Assembly Standing Committee.

2. The term of office of delegates of the People's Council shall coincide with the tenure of the People's Committee. Delegates of the People's Council who are additionally elected shall begin their duties from the date of the meeting following the additional election to the date of the first meeting of the subsequent term of the People's Council.

3. The term of the Standing Committee of the People's Council, the People's Committee and other committees of the People's Council shall coincide with the term of the People's Council at the same level. Whenever the term of the People's Council ends, the Standing Committee of the People's Council, the People's Committee and other committees of the People's Council, shall remain on duty until the new term of the People's Council elects the new Standing Committee of the People's Council, the People's Committee and other committees of the new-term People's Council.

### **Article 11. Segmentation of powers of local governments**

1. Duties and powers of local governments at all levels shall be determined on the basis of distinction of powers between centrally-governed state organs and local ones, and between levels of local governments in the form of delegation and decentralization.

2. The segmentation of powers shall be carried out according to the following rules:

a) Ensure that the state management is carried out consistently with institutions, policies, strategies and planning in different industries and sectors; ensure the consistency and transparency of the national administrative system;

b) Enable local governments at administrative units to exercise their autonomy and responsible autonomy to perform state management duties within particular areas in accordance with legal regulations;

c) Firmly combine state management by sectors with this by territories, and clearly distinguish duties to state management of socio-economic operations taking place throughout a geographical region which is taken on by local governments at different levels;

d) Segmentation of powers must conform to rural, urban and island conditions and features as well as particular characteristics of industries and sectors;

dd) Issues involving more than two commune-level administrative units shall be tackled under the authority of district-level local governments; those involving more than two district-level administrative units shall be tackled under the authority of province-level local governments; those involving more than two province-level administrative units shall be tackled under the authority of centrally-governed state organs, unless otherwise stipulated by laws, resolutions of the National Assembly, ordinances, resolutions of the National Assembly Standing Committee and Government's decrees;

e) Local governments shall be given resources to carry out duties and powers which have been decentralized or delegated as well as take responsibility within these delegated and decentralized duties and powers.

3. The National Assembly and the all-level People's Council within their duties and powers shall be responsible for supervising locally-controlled state organs in carrying out their delegated duties and powers.

## **Article 12. Delegation of powers to local governments**

1. Delegation of powers to local governments at each level must be stipulated by laws.
2. Local governments shall exercise the autonomy and responsible autonomy to perform their delegated duties and powers.
3. The superior-level state organs within their duties and powers shall be responsible for examining and inspecting the constitutionality and legality in carrying out their duties and powers delegated to local governments at different levels.
4. Laws on specifying duties and powers of local governments, and their affiliates, must stick to the rules stipulated in Clause 2 Article 11 of this Law and must be relevant to duties and powers of local governments as prescribed by this Law.

## **Article 13. Decentralization of powers to local governments**

1. Based on working requirements, possibility and conditions, and specific states of each locality, central and locally-governed state organs shall be entitled to decentralize one or several duties and powers within their competence to inferior-level local governments or state organs in a continual and regular manner, unless otherwise prescribed by laws.
2. Decentralization must adhere to principles stipulated in Clause 2 Article 11 hereof and must be prescribed in legislative documents issued by decentralizing state organs which should specify duties and powers decentralized to local governments or inferior-level state organs, and responsibilities of decentralizing and decentralized state organs.
3. Superior-level state organs, when decentralizing duties and powers to local governments or inferior-level state organs, must ensure necessary resources and conditions to be provided to perform these decentralized duties or exercise these decentralized powers, and inspect and provide guidance on implementation of decentralized duties and powers as well as bear responsibility for the result of this implementation.
4. Decentralized state organs shall be held responsible to decentralizing state organs for implementation of decentralized duties and powers. Based on actual conditions of each locality, locally-controlled state organs shall be entitled to re-decentralize duties and powers decentralized by superior-level state organs to inferior-level local governments or state organs but must obtain consent from initial-decentralization state organs.

## **Article 14. Delegation of powers to local State administrative agencies**

1. When necessary, superior-level State administrative agencies are able to give a written authorization to inferior-level People's Committee or other agencies or organizations to carry out one or several of their duty(duties) and power(s) within a specified period whereby specific terms and conditions should be included.

2. Superior-level government agencies, when authorizing inferior-level People's Committees or other agencies or organizations, must ensure necessary resources and conditions to be provided to carry out delegated duties and powers, and inspect and provide guidance on such implementation as well as bear responsibility for the implementation result.

3. Authorized agencies or organizations should abide by authorized contents and bear responsibility to superior-level State administrative agencies for implementation of delegated duties and powers. Authorized agencies or organizations shall not be allowed to re-authorize other agencies or organizations to perform duties and exercise powers as delegated by superior-level State administrative agencies.

### **Article 15. Work relationship between local governments and local Vietnam Fatherland Front Committee and socio-political organizations**

1. Local governments shall assist the Vietnam Fatherland Front Committee and socio-political organizations in encouraging the People to get involved in building and strengthening the people's government, organizing the implementation of State policies and laws, and carrying out the social supervision and judgement of local government's activities.

2. The Chairperson of the Vietnam Fatherland Front Committee and the Head of a local socio-political organization shall be invited to participate in meetings of the People's Council, meeting sessions of the same-level People's Committee when discussing related issues.

3. The People's Council and the People's Committee shall implement regulations on providing the Vietnamese Fatherland Front Committee and same-level socio-political organizations with updated information about their locality.

4. Local governments shall be responsible for listening to, dealing with and responding to recommendations of local Vietnam Fatherland Front Committee and socio-political organizations on government construction and socio-economic development at local areas.

## **Chapter II**

### **RURAL LOCAL GOVERNMENT**

#### **Section 1: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE PROVINCE**

##### **Article 16. Local government of the province**

Local government of the province is the level of local government composed of the People's Council and the People's Committee at the provincial level.

##### **Article 17. Duties, powers of the local government of the province**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout a province.

2. Make a decision on issues in a province within their decentralized or delegated powers as stipulated by this Law and other law regulations.
3. Carry out duties and powers delegated by central State administrative agencies.
4. Examine and supervise organization and operation of local governments at administrative units within a province.
5. Assume responsibility to superior-level state organs for the result of implementation of duties and powers of the local government at the provincial level.
6. Cooperate with centrally and locally-governed state organs in enhancing economic connections between regions, and implement the regional planning and ensure the consistency in the national economy.
7. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security maintenance throughout a province.

#### **Article 18. Organizational structure of the province-level People's Council**

1. The province-level People's Council shall be composed of delegates elected by voters residing in a province.

Total delegates of the province-level People's Council shall be determined according to the following rules:

- a) Mountainous and elevated provinces populated by less than five hundred thousand of inhabitants shall be allowed to elect 50 delegates; as for those populated by more than five hundred thousand of inhabitants, one delegate will be additionally elected for an increase by thirty thousand of inhabitants but the total number of delegates to be elected is restricted to eighty five delegates;
- b) Provinces not mentioned in Point a of this Clause and populated by less than one million of inhabitants shall be allowed to elect fifty delegates; as for those populated by more than one million of inhabitants, one delegate will be additionally elected for an increase by fifty thousand of inhabitants but the total number of delegates to be elected is restricted to ninety five delegates.

2. The Standing Committee of the province-level People's Council shall be composed of the Chairperson of the People's Council, two Vice Chairpersons and members who hold the position as the Heads of committees of the People's Council and the Chief of the Office of the province-level People's Council. The Chairperson of the province-level People's Council may be the full-time delegate of the People's Council; the Vice Chairperson of the province-level People's Council may be the full-time delegate of the People's Council.

3. The province-level People's Council shall establish the Committee on Legislation, Economy – Budget, Culture – Society; as for ethnic minority provinces, the Committee on Ethnic Minority shall be established. The National Assembly Standing Committee shall regulate criteria and conditions for establishment of the Committee on Ethnic Minority stipulated in this Clause.

Each committee of the province-level People's Council shall be composed of the Head and a maximum of two Vice Heads and Members. The number of members of Committees of the province-level People's Council shall be decided by the People's Council. The Head of the Committee of the province-level People's Council may be the full-time delegate of the People's Council; the Vice Head of the Committee of the province-level People's Council may be the full-time delegate of the People's Council.

4. Delegates of the province-level People's Council elected from one or various electoral unit(s) shall constitute the Delegate Coalition of the People's Council. The number of the Delegate Coalitions of the People's Council, the Coalition Leader and Vice Leader, shall be decided by the Standing Committee of the province-level People's Council.

#### **Article 19. Duties and powers of the provincial-level People's Council**

1. During the process of organizing and ensuring the implementation of the Constitution and legislation, the province-level People's Council shall perform its duties and exercise its powers as follows:

a) Promulgate the resolution on issues that fall within duties and powers of the province-level People's Council;

b) Decide on measures to maintain social order and safety, and prevent and combat crimes and other law violations, and prevent and struggle against bureaucracy or corruption under its delegated authority; measures to secure assets owned by agencies or organizations, and protect human life, freedom, honor, dignity, property and other lawful rights and interests of civilians residing in the province;

c) Decide measures to perform duties and exercise powers decentralized by superior-level state organs; decide to decentralize duties and powers of province-level governments to district-level and commune-level local governments and inferior-level government agencies;

d) Abolish part or all of law-breaking documents issued by the province-level People's Committee and the President of the province-level People's Committee; abolish part or all of law-breaking documents issued by the district-level People's Council;

dd) Dissolve the district-level People's Council if this People's Council causes serious harm to the People's interests and request National Assembly Standing Committee to approve this dissolution; approve resolutions of the district-level People's Council on dissolution of the commune-level People's Council.

2. In the course of the government construction, the province-level People's Council shall implement the following duties and powers:

a) Elect, discharge and dismiss the Chairperson of the People's Council, Vice Chairperson of the People's Council, Head, Vice Head of the Committee of the province-level People's Council, and Chief of the Office of the province-level People's Council, from office; elect, discharge and dismiss the President of the People's Committee, Vice President of the People's Committee, and members of the province-level People's Committee, from office; elect, discharge and dismiss jurors of the province-level People's Court from office;

b) Hold a vote on and cast its vote for confidence in present incumbents elected by the province-level People's Council in accordance with regulations laid down in Article 88 and Article 89 enshrined in this Law;

c) Dismiss delegates of the province-level People's Council from office and accept the resignation of delegates of the province-level People's Council from office;

d) Issue a decision to establish or dissolve professional divisions of the province-level People's Committee;

dd) Grant a decision on the structure of civil servants working for divisions of the People's Council, the People's Committee and public administrative units of the all-level People's Committee within the province according to the permitted number of personnel approved by the Government; the number and level of allowances paid to part-time position holders working at communes, villages, residential quarters, and approve the total number of employees working for public administrative units that fall within the remit of province-level authorities in accordance with the Government's regulations;

e) Make a decision to establish, dissolve, merge and split villages and residential quarters; choose or change names of villages, residential quarters, streets, alleys, squares and public structures at local areas in accordance with legal regulations.

3. In the economic, natural resource and environment sectors, the province-level People's Council shall implement the following duties and powers:

a) Decide the long-term, midterm and annual socio-economic development plan in the province; decide the planning and proposal for development of industries and sectors in the province within their delegated powers;

b) Decide the plan of government revenues in the province; decide the plan of local government revenues and expenditures, and budget distribution according to the budget plan applied at their administrative level; adjust the plan of local government budget when necessary; approve the local government budget balance. Decide the investment plan, program or project in the province in accordance with legal regulations.

c) Decide issues relating to fee and charge in accordance with laws; the People's contributions; application for domestic loan capital through issuance of local government bonds, municipal bonds, construction bonds and other forms of capital mobilization in accordance with legal regulations;

d) Decide specific plan and measures to encourage and mobilize economic sectors to get involved in providing public services throughout the provincial territory in accordance with legal regulations;

dd) Decide other measures to facilitate the socio-economic growth throughout the province in accordance with legal regulations;

e) Decide the construction and urban planning within their delegated powers in accordance with laws; the regional economic link between local governments at different levels which is appropriate for the current conditions and characteristics of provinces and ensures the consistency of the national economy;

g) Decide the planning for development of industrial, agricultural, forestry and fishery extension service organizations, and commercial, service, tourism and traffic network throughout the province in accordance with legal regulations;

h) Approve the planning and proposal for land use in the province before requesting the Government to grant its approval; decide measures to manage, use land, water and mineral resources, and source of income gained from sea, air and other natural resources as well as protect environment within their delegated powers.

4. In the field of education, training, science, technology, culture, information, sports and physical activities, the province-level People's Council shall implement the following duties and powers:

a) Decide measures to develop the network of educational facilities and conditions to ensure educational and training operations within their delegated powers; decide educational and training service price to be applied at public educational and training establishments that fall within the remit of provincial authorities in accordance with laws;

b) Decide measures to encourage scientific research development, promote creative ideas, technical improvements and apply scientific or technological advances throughout the province;

c) Decide measures to enhance the development of culture, information, physical activities and sports; measures to protect and uphold the values of local cultural heritages; measures to assure activities pertaining to culture, information, advertising, press, publication, physical exercise and sports in the province within their delegated powers.

5. In the field of healthcare, labor and implementation of social policies, the province-level People's Council shall implement the following duties and powers:

- a) Decide measures to develop the network of healthcare establishments at provinces, districts and communes;
- b) Decide the healthcare service price to be applied at state-owned healthcare establishments that fall within the remit of province-level authorities in accordance with laws;
- c) Decide measures to protect, take care of the People's health; protect and look after mothers, children, the elderly, the disabled, the poor and homeless orphans and the underprivileged. Decide measures to prevent and control diseases and epidemics; measures to implement policies on the population and family planning in the province;
- d) Decide measures to manage, use and develop human resources in the province; measures to generate employments, raise productivity, increase income and improve work conditions and assure the occupational safety and hygiene;
- dd) Decide incentive policies for civil servants, public employees and laborers to work in the provinces which must be relevant to local government budget capacity and regulations laid down by superior-level state organs;
- e) Decide measures to implement preferential policies for persons who performed meritorious services during the revolution; measures to implement social security and welfare policies, and measures to eradicate hunger and reduce poverty.

6. With respect to ethnic minority and religion affairs, the province-level People's Council shall implement the following duties and powers:

- a) Decide measures to implement ethnic minority policies, improve material and spiritual life, and raise intellectual standards of ethnic minorities, and ensure the racial equality and promote solidarity among people as well as support or mutual assistance amongst ethnic groups in the province;
- b) Decide measures to implement religion policies within their delegated powers; measures to ensure the religious equality, belief and religious freedom within the province.

7. In the field of national defense, security, social order and safety assurance, the province-level People's Council shall implement the following duties and powers:

- a) Decide measures to assure performance of national defense and security duties in accordance with laws; uphold the political security, combat, prevent and control corruption, crimes and other violations against laws, and assure social order and safety in the province;
- b) Decide plans and measures to develop local potential to build solid all-people national defence and people's security, and build a firm stronghold to meet all requirements during the peace and war time;

c) Decide plans and measures to build self-defense forces, militia, reserve forces, locally-governed communal police; decide plans and measures to connect economy with national defense and security, and shift local socio-economic activities from peacetime to wartime;

d) Decide measures to maintain the public order and traffic safety in the provincial territory.

8. The province-level People's Council shall perform its duties and exercise its powers to supervise the compliance with the Constitution and legislation in the province, the implementation of its resolutions; supervise operations of the Standing Committee of the People's Council, the People's Committee, the People's Court, the People's Procuracy at the same level, Committees of the same-level People's Council; supervise legislative documents provided by the People's Committee and other instruments issued by the district-level People's Council.

9. The province-level People's Council shall perform other duties and exercise other powers in accordance with laws.

#### **Article 20. Organizational structure of the provincial-level People's Committee**

1. The People's Committee shall be composed of the President, Vice Presidents and members.

The first-grade provincial People's Committee shall be composed of a maximum of four Vice Presidents; the second- and third-grade provincial People's Committee shall be composed of a maximum of three Vice Presidents.

The province-level People's Committee's members shall be composed of members who are heads of its professional divisions, those in charge of military affairs and those in charge of public security affairs.

2. Article 9. Professional affiliates of the province-level People's Committee shall comprise departments and department-level agencies.

#### **Article 21. Duties and powers of the provincial-level People's Committee**

1. Formulate and submit contents stipulated in Point a, b and c Clause 1, and Point d, dd and e Clause 2, and Clause 3, 4, 5, 6 and 7 Article 19 enshrined in this Law to the province-level People's Council, and organize the implementation of resolutions issued by the province-level People's Council.

2. Regulate the organizational structure, and duties and powers of professional affiliates of the province-level People's Committee.

3. Execute the provincial budget, perform duties to socio-economic, industrial, construction, commerce, service, tourism, agriculture, forestry, fishery, traffic and irrigation system development; take measures to manage and use lands, forests, mountains, lakes, rivers, water and mineral resources, and sources of income gained from sea, air and other natural resources; take

measures to prevent, control natural disasters, protect environment in the province within its delegated powers.

4. Develop and organize the implementation of provincial programs, projects and proposals for ethnic minority regions or areas faced with extremely difficult socio-economic conditions.

5. Implement measures to build the all-people national defence disposition in connection with the people's security posture in the province; provide guidelines to execute the plan to build a firm stronghold in the province; organize classes or courses to train in national defence and security and military activities in the province; formulate and execute the fighting tactics of local soldiers, self-defence forces; build military reserve forces and mobilize forces to secure task fulfillment in accordance with laws; launch the movement of all-people national security protection in the province.

6. Perform duties to organization and guarantee of the enforcement of the Constitution and legislation, and government construction, administrative division, education, training, science, technology, culture, information, physical activities, sports, healthcare, labor, social policies, ethnic and religion affairs, national defence, security, social order and safety, justice administration, justice assistance as well as other duties, and exercise other powers in accordance with laws.

7. Carry out duties and powers decentralized and delegated by centrally-governed state organs.

8. Decentralize and delegate duties and powers of the provincial People's Committee to the inferior-level People's Committee and other agencies or organizations.

## **Article 22. Duties and powers of the President of the provincial People's Committee**

The President of the provincial People's Committee is the Head of the provincial People's Committee and has the following duties and powers:

1. Lead and direct tasks of the provincial People's Committee and members of the provincial People's Committee; take on the leadership over and direct professional divisions of the provincial People's Committee;

2. Approve the result of election, discharge and dismissal from office of the President of the People's Committee, the Vice President of the district-level People's Committee; dispatch, suspend or dismiss the President of the People's Committee, and the Vice President of the district-level People's Committee, from office; Delegate powers to the President of the district-level People's Committee in the event that there is a vacancy for the President of the district-level People's Committee in between two sessions of the district-level People's Council; request the district-level People's Committee to suspend or dismiss the President of the People's Committee, and the Vice President of the inferior-level People's Committee, from office when they fail to fulfill their assigned duties or commit any violation against laws; designate, discharge, dispatch, dismiss, reward and sanction civil servants and public employees that fall within his/her remit in accordance with laws;

3. Lead and direct the performance of duties to enforcement of the Constitution, laws and instruments issued by superior-level state organs, the provincial People's Council and the provincial People's Committee; perform duties to national defense and security, and maintain social order and safety, and prevent and combat crimes and other violations against laws, and prevent and struggle against bureaucracy or corruption; organize the implementation of measures to secure assets owned by agencies or organizations, and protect human life, freedom, honor, dignity, property and other lawful rights and interests of citizens; implement measures to manage inhabitants living in the province in accordance with legal regulations;
4. Lead and bear responsibility for operations of the state administrative system from the provincial to grassroots level, and ensure the consistency and transparency of the administrative system; direct reforms in the administrative, working and personnel structure which constitutes the local state administrative system;
5. Suspend the enforcement or abolish law-breaking instruments issued by professional affiliates of the provincial People's Committee, the district-level People's Committee and the Chairperson of the district-level People's Council. Suspend the enforcement of law-breaking instruments issued by the district-level People's Council, and send a report to the provincial People's Committee to request the provincial People's Council to allow abolishment of these instruments;
6. Cooperate with superior-level state organs located in the provinces in performance of duties and exercise of powers in accordance with legal regulations;
7. Direct the President of the district-level People's Committee; authorize the Vice Presidents of the provincial People's Committee or the Heads of professional affiliates of the provincial People's Committee to perform duties and exercise powers that fall within the remit of the President of the provincial People's Committee;
8. Manage and use working offices, assets and equipment and allocated government budget in an effective manner in the province as stipulated by laws;
9. Direct application of measures to protect environment, and prevent and control fire and explosion; provide directions on and apply measures to deal with unscheduled tasks and emergencies in preventing and responding to natural disasters, diseases and epidemics, and issues relating to social security, order and safety in the province as prescribed by laws;
10. Conduct inspection, examination and settlement of complaints, denunciations and violations against laws as well as hold receptions for citizens in accordance with legal regulations;
11. Carry out duties and powers decentralized and delegated by centrally-governed state organs.

## **Section 2: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE RURAL DISTRICT**

### **Article 23. Local government of the rural district**

Local government of the rural district is the level of local government composed of the district-level People's Council and the district-level People's Committee.

#### **Article 24. Duties, powers of the local government of the rural district**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the district.
2. Make a decision on issues in the district within their decentralized or delegated powers as stipulated by this Law and other relevant legal regulations.
3. Carry out duties and powers delegated by superior-level State organs.
4. Examine and supervise organization and operation of local governments at the communal level.
5. Assume responsibility to provincial-level governments for the result of implementation of duties and powers of the local government at the district level.
6. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance throughout the district's territory.

#### **Article 25. Organizational structure of the district-level People's Council**

1. The district-level People's Council shall be composed of delegates elected by civil electorate living in the district.

Total number of delegates of the district-level People's Council shall be determined according to the following rules:

- a) Mountainous, highland and island districts populated by less than forty thousand of inhabitants shall be allowed to elect thirty delegates; as for those populated by more than forty thousand of inhabitants, one delegate will be additionally elected for an increase by five thousand of inhabitants but the total number of delegates to be elected is restricted to forty delegates;
- b) Districts not mentioned in Point a of this Clause and populated by less than eighty thousand of inhabitants shall be allowed to elect thirty delegates; as for those populated by more than eighty thousand of inhabitants, one delegate will be additionally elected for an increase by ten thousand of inhabitants but the total number of delegates to be elected is restricted to forty delegates;
- c) The number of elected delegates of the People's Council governing the district comprising more than thirty communal-level administrative units shall be decided by the National Assembly Standing Committee as requested by the Standing Committee of the provincial-level People's Council, but shall be restricted to forty five delegates.

2. The Standing Committee of the district-level People's Council shall be composed of the Chairperson, two Vice Chairpersons of the district-level People's Council and members who hold the position as the Heads of committees of the district-level People's Council. The Chairperson of the district-level People's Council may be the full-time delegate of the People's Council; the Vice Chairperson of the district-level People's Council may be the full-time delegate of the People's Council.

3. The district-level People's Council shall establish the Committee on Legislation, Economy – Society; as for ethnic minority districts, the Committee on Ethnic Minority should be established. The National Assembly Standing Committee shall regulate criteria and conditions for establishment of the Committee on Ethnic Minority stipulated in this Clause.

Each committee of the district-level People's Council shall be composed of the Head and one Vice Head and Members. The number of members of Committees of the district-level People's Council shall be decided by the district-level People's Council. The Head of the Committee of the district-level People's Council may be the full-time delegate of the People's Council; the Vice Head of the Committee of the district-level People's Council is the full-time delegate of the People's Council.

4. Delegates of the district-level People's Council elected from one or various electoral unit(s) shall constitute the Delegate Coalition of the People's Council. The number of the Delegate Coalitions of the People's Council, the Coalition Leader and Vice Leader, shall be decided by the Standing Committee of the district-level People's Council.

## **Article 26. Duties and powers of the district-level People's Council**

1. In the course of organization and assurance of the enforcement of the Constitution, laws and in the field of national defence, security and government construction, the district-level People's Council shall implement the following duties and powers:

a) Promulgate the resolution on issues that fall within duties and powers of the district-level People's Council;

b) Decide on measures to carry out duties to national defence and security; measures to maintain social order and safety, and prevent and combat crimes and other law violations, and prevent and struggle against bureaucracy or corruption under its delegated authority; measures to secure assets owned by agencies or organizations, and protect human life, freedom, honor, dignity, property and other lawful rights and interests of citizens residing in the district as prescribed by laws;

c) Decide measures to carry out duties and powers decentralized by superior-level state organs; decide to decentralize duties and powers of district-level governments to be implemented by inferior-level governments and state organs;

d) Elect, discharge and dismiss the Chairperson of the People's Council, Vice Chairperson of the People's Council, Head, Vice Head of the Committee of the district-level People's Council, from

office; elect, discharge and dismiss the President of the People's Committee, Vice President of the People's Committee and members of the People's Committee at the district level, from office; elect, discharge and dismiss jurors of the district-level People's Court from office;

dd) Hold a vote on and cast its vote on confidence in office-holders elected by the People's Council in accordance with regulations laid down in Article 88 and Article 89 enshrined in this Law;

e) Abolish part or all of law-breaking instruments issued by the People's Committee and the President of the People's Committee at the district level; abolish part or all of law-breaking instruments issued by the communal-level People's Council;

g) Issue a decision to establish or dissolve professional affiliates of the district-level People's Committee;

h) Dissolve the communal-level People's Council in the event that this People's Council causes serious harm to the People's interests and request the provincial-level People's Council to grant its approval prior to commencement;

i) Dismiss delegates of the district-level People's Council from office and accept the resignation of delegates of the district-level People's Council from office.

2. In the economic, natural resource and environment sectors, the district-level People's Council shall implement the following duties and powers:

a) Approve the midterm and annual plan for socio-economic development in the district, and the planning and proposal for land use in the district before submitting them to the provincial-level People's Committee for approval;

b) Decide the plan of government revenues in the district; decide the plan of local government revenues and expenditures, and budget distribution according to the budget plan of the district; adjust the local government budget plan when necessary; approve the local government budget balance. Decide the investment plan, program or project in the district in accordance with legal regulations;

c) Decide the plan for development of industries and sectors in the district within its delegated powers;

d) Decide on measures to manage and use lands, forests, mountains, rivers, lakes, water, underground resources and sources of income gained from sea and other natural resources; measures to protect and improve environment, and prevent, control and mitigate the consequence of natural disasters, hurricanes and floods that may happen in the district as stipulated by laws.

3. Decide on measures to develop nursery, elementary and secondary education system; measures to develop cultural, information, physical exercise and sports affairs; measures to protect and take care of the people's health, and prevent and control diseases and epidemics, and

implement policies on population, family planning; measures to multiply employments, and implement incentive policies for persons who performed meritorious services during the revolution, and policies on social security, hunger eradication and poverty reduction; measures to assure the implementation of policies on ethnic minorities and religion in the district as stipulated by laws.

4. Carry out its duties and powers to supervise the compliance with the Constitution and legislation in the district, the implementation of resolutions issued by the district-level People's Council; supervise operations of the Standing Committee of the People's Council, the People's Committee, the People's Court, the People's Procuracy at the same level, and Committees of the same-level People's Council; supervise legislative documents adopted by the same-level People's Committee and other instruments issued by the communal-level People's Council.

5. Carry out other duties and powers in accordance with laws.

#### **Article 27. Organizational structure of the district-level People's Committee**

1. The district-level People's Committee shall be composed of the President, Vice Presidents and members.

The first-grade district-level People's Committee shall be composed of a maximum of three Vice Presidents; the second- and third-grade district-level People's Committee shall be composed of a maximum of two Vice Presidents.

The district-level People's Committee's members shall be composed of members who are heads of its professional affiliates, those in charge of military affairs and those in charge of public security affairs.

2. Professional affiliates of the district-level People's Committee shall comprise divisions and division-level agencies.

#### **Article 28. Duties and powers of the district-level People's Committee**

1. Formulate and submit contents stipulated in Point a, b, c and g Clause 1, Clause 2 and Clause 3 Article 26 hereof to the district-level People's Council, and organize the implementation of resolutions issued by the district-level People's Council.

2. Regulate the organizational structure, and specific duties and powers of professional affiliates of the district-level People's Committee.

3. Execute the budget of the district; perform duties to socio-economic, industrial, construction, commerce, service, tourism, agriculture, forestry, fishery, traffic and irrigation system development, and construction of rural residential points; manage and use lands, forests, mountains, lakes, rivers, water and mineral resources, and sources of income gained from sea and other natural resources; protect environment in the district as prescribed by laws.

4. Perform duties to organization and guarantee of the enforcement of the Constitution and legislation, and government construction, administrative division, education, training, science, technology, culture, information, physical activities, sports, healthcare, labor, social policies, ethnic and religion affairs, national defence, security, social order and safety, justice administration, justice assistance as well as other duties, and exercise other powers in accordance with laws.

5. Implement duties and powers decentralized and delegated by superior-level State organs.

6. Decentralize and delegate duties and powers of the district-level People's Committee to be implemented by the communal-level People's Committee and other agencies or organizations.

### **Article 29. Duties and powers of the President of the district-level People's Committee**

The President of the district-level People's Committee is the Head of the district-level People's Committee and has the following duties and powers:

1. Lead and direct tasks of the district-level People's Committee and members of the district-level People's Committee; take on the leadership over and direct professional affiliates of the district-level People's Committee;

2. Approve the result of election, discharge and dismissal of the President of the People's Committee, the Vice President of the communal-level People's Committee; dispatch, suspend or dismiss the President of the People's Committee and the Vice President of the communal-level People's Committee from office; delegate powers to the President of the communal-level People's Committee in the event that there is a vacancy for the President of the communal-level People's Committee in between two sessions of the communal-level People's Council; dispatch, dismiss, reward and sanction civil servants and public employees that fall within his/her remit in accordance with laws;

3. Lead and direct the performance of duties to enforcement of the Constitution, laws and instruments issued by superior-level state organs, the People's Council and the People's Committee at the district level; assure national defence and maintain social order and safety; secure assets owned by agencies or organizations, and protect human life, freedom, honor, dignity, property and other lawful rights and interests of citizens; implement measures to manage inhabitants living in the district;

4. Lead and bear responsibility for operations of the state administrative system from the district to grassroots level, and ensure the consistency and transparency of the administrative system; direct reforms in the administrative, working and personnel structure which constitutes the local state administrative system in the district;

5. Suspend the enforcement or abolish law-breaking instruments issued by professional affiliates of the district-level People's Committee, the district-level People's Committee and the President of the People's Committee at the communal level. Suspend the enforcement of law-breaking instruments issued by the communal-level People's Council, and send a report to the district-

level People's Committee to request the district-level People's Council to allow abolishment of such instruments;

6. Direct the President of the communal-level People's Committee; authorize the Vice President of the district-level People's Committee or the Heads of professional affiliates of the district-level People's Committee to carry out duties and powers that fall within the remit of the President of the district-level People's Committee;

7. Manage and employ organized ways to use working offices, assets and equipment and allocated government budget in an effective manner in the district as stipulated by laws;

8. Conduct inspection, examination and settlement of complaints, denunciations and violations against laws as well as hold receptions for citizens in accordance with legal regulations;

9. Direct application of measures to protect environment, and prevent and control fire and explosion; provide directions on and apply measures to deal with unscheduled tasks and emergencies in preventing and responding to natural disasters, diseases and epidemics, and issues relating to social security, order and safety in the district as prescribed by laws;

10. Implement duties and powers decentralized and delegated by superior-level State organs.

### **Section 3: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE COMMUNE**

#### **Article 30. Local government of the commune**

Local government of the commune is the level of local government composed of the communal-level People's Council and the communal-level People's Committee.

#### **Article 31. Duties and powers of the local government of the commune**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the commune.

2. Make a decision on issues at the commune within their decentralized or delegated powers as stipulated by this Law and other relevant law regulations.

3. Implement duties and powers delegated by superior-level State organs.

4. Assume responsibility to district-level governments for the result of implementation of duties and powers of the local government at the communal level.

5. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance throughout the commune's territory.

## **Article 32. Organizational structure of the communal-level People's Council**

1. The communal-level People's Council shall be composed of the People's Council's delegates elected by civil electorate residing at the commune.

Total number of delegates of the communal-level People's Council shall be determined according to the following rules:

a) Mountainous, highland and island communes populated by less than one thousand of inhabitants shall be allowed to elect fifteen delegates;

b) Mountainous, highland and island communes populated by more than one thousand of inhabitants shall be allowed to elect twenty delegates;

c) Mountainous, highland and island districts populated by more than two thousand of inhabitants shall be allowed to elect twenty five delegates; as for those populated by more than three thousand of inhabitants, one delegate will be additionally elected for an increase by one thousand of inhabitants but the total number of delegates to be elected is restricted to thirty five delegates;

d) Communes not mentioned in Point a, b and c of this Clause and populated by less than four thousand of inhabitants shall be allowed to elect twenty five delegates; as for those populated by more than four thousand of inhabitants, one delegate will be additionally elected for an increase by two thousand of inhabitants but the total number of delegates to be elected is restricted to thirty five delegates.

2. The Standing Committee of the commune-level People's Council shall be composed of the Chairperson of the People's Council, one Vice Chairperson of the People's Council. The Vice Chairperson of the communal-level People's Council is the full-time delegate of the People's Council.

3. The district-level People's Council shall establish the Committee on Legislation, Economy – Society. Each committee of the communal-level People's Council shall be composed of the Head, one Vice Head and members. The number of members working for such committees of the communal-level People's Council shall be determined by the communal-level People's Council. The Head, Vice Head and members of committees of the communal-level People's Council shall work under the dual office holding regime.

## **Article 33. Duties and powers of the communal-level People's Council**

1. Promulgate the resolution on issues that fall within duties and powers of the communal-level People's Council.

2. Decide on measures to maintain social order and safety, and prevent and combat crimes and other law violations, and prevent and struggle against bureaucracy or corruption under its delegated authority; measures to secure assets owned by agencies or organizations, and protect

human life, freedom, honor, dignity, property and other lawful rights and interests of citizens residing at the commune.

3. Elect, discharge and dismiss the Chairperson of the People's Council, Vice Chairperson of the People's Council, Head, Vice Head of the Committee of the People's Council at the communal level, from office; elect, discharge and dismiss the President of the People's Committee, Vice President of the People's Committee and members of the People's Committee at the communal level, from office.

4. Decide the plan of government revenues at the commune; decide the plan of communal government revenues and expenditures; adjust the communal government budget plan when necessary; approve the communal government budget balance. Decide the investment plan, program or project of the commune within its delegated powers.

5. Supervise the compliance with the Constitution and legislation throughout the commune, the implementation of resolutions issued by the communal-level People's Council; supervise operations of the Standing Committee of the People's Council, the People's Committee at the same level, and Committees of the same-level People's Council; supervise legislative documents adopted by the same-level People's Committee.

6. Hold a vote on and cast its vote on confidence in office-holders elected by the communal-level People's Council in accordance with regulations laid down in Article 88 and Article 89 hereof.

7. Discharge delegates of the communal-level People's Council from office and accept the resignation from office of delegates of the communal-level People's Council.

8. Abolish part or all of law-breaking instruments issued by the People's Committee and the President of the People's Committee at the communal level.

#### **Article 34. Organizational structure of the communal-level People's Committee**

The communal-level People's Committee shall be composed of the President, Vice President and members charged with military affairs and those charged with public security affairs.

The first-grade communal-level People's Committee shall be composed of a maximum of two Vice Presidents; The second- and third-grade communal-level People's Committee shall have only one Vice President.

#### **Article 35. Duties and powers of the communal-level People's Committee**

1. Formulate and submit contents stipulated in Clause 1, 2 and 4 Article 33 hereof to the communal-level People's Council, and organize the implementation of resolutions issued by the communal-level People's Council.

2. Organize the local budget execution.

3. Implement duties and powers decentralized and delegated by superior-level State organs.

### **Article 36. Duties and powers of the President of the communal People's Committee**

The President of the communal People's Committee is the Head of the communal People's Committee and has the following duties and powers:

1. Lead and direct tasks of the communal People's Committee and members of the communal People's Committee;
2. Lead and direct the performance of duties to enforcement of the Constitution, laws and instruments issued by superior-level state organs, the People's Council and the People's Committee at the communal level; perform duties to national defense and security, and maintain social order and safety, and prevent and combat crimes and other violations against laws, and prevent and struggle against bureaucracy or corruption; organize the implementation of measures to secure assets owned by agencies or organizations, and protect human life, freedom, honor, dignity, property and other lawful rights and interests of citizens; implement measures to manage inhabitants living at the commune in accordance with legal regulations;
3. Manage and employ organized ways to use working offices, assets and equipment and allocated government budget in an effective manner as stipulated by laws;
4. Settle complaints, denunciations and violations against laws as well as hold receptions for citizens in accordance with legal regulations;
5. Authorize the Vice President of the communal People's Committee to carry out duties and powers that fall within the remit of the President of the People's Committee;
6. Direct implementation of measures to protect environment, and prevent and control fire and explosion; apply measures to deal with unscheduled tasks and emergencies in preventing and responding to natural disasters, diseases and epidemics, and issues relating to social security, order and safety at the commune as prescribed by laws;
7. Implement duties and powers decentralized and delegated by superior-level State organs.

## **Chapter III**

### **URBAN LOCAL GOVERNMENT**

#### **Section 1: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE CENTRALLY-GOVERNED CITY**

##### **Article 37: Local government of the centrally-governed city**

The local government of the centrally-governed city is the level of local government composed of the People's Council and the People's Committee at the municipal level.

### **Article 38: Duties and powers of the local government of the centrally-governed city**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the territory of the centrally-governed city.
2. Make a decision on issues arising in the centrally-governed city within their decentralized or delegated powers as stipulated by this Law and other relevant law regulations.
3. Implement duties and powers delegated by central State administrative agencies.
4. Examine and supervise organization and operation of local governments at administrative units within that centrally-governed city.
5. Assume responsibility to superior-level state organs for the result of implementation of duties and powers of the local government of that centrally-governed city.
6. Cooperate with centrally and locally-controlled state organs in enhancing economic connections between regions, and implement the regional planning and ensure the consistency of the national economy.
7. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance across the territory of that centrally-governed city.

### **Article 39. Organizational structure of the municipal People's Council**

1. The municipal People's Council shall be composed of the People's Council's delegates elected by the electorate living in the centrally-governed city.

Total number of delegates of the municipal People's Council shall be determined according to the following rules:

- a) Centrally-governed cities populated by less than one million of inhabitants shall be allowed to elect fifty delegates; as for those populated by more than one million of inhabitants, one delegate will be additionally elected for an increase by fifty thousand of inhabitants but the total number of delegates to be elected is restricted to ninety five delegates;
- b) Hanoi capital city and Ho Chi Minh city shall be allowed to elect one hundred and five delegates.

2. The Standing Committee of the municipal People's Council shall be composed of the Chairperson of the People's Council, two Vice Chairpersons and members who hold the position as the Heads of committees of the People's Council and the Chief of the Office of the People's Council at the municipal level. The Chairperson of the municipal People's Council may be the full-time delegate of the People's Council; the Vice Chairperson of the municipal People's Council is the full-time delegate of the People's Council.

3. The municipal People's Council shall establish the Committee on Legislation, Economy – Budget, Culture – Society, and Urban Affairs.

Each committee of the municipal People's Council shall be composed of the Head and a maximum of two Vice Heads and Members. The number of members of each Committee of the municipal People's Council shall be decided by the municipal People's Council. The Head of the committee of the municipal People's Council may be the full-time delegate of the People's Council; the Vice Head of the committee of the municipal People's Council is the full-time delegate of the People's Council.

4. Delegates of the municipal People's Council elected from one or various electoral unit(s) shall constitute the Delegate Coalition of the People's Council. The number of the Delegate Coalitions of the People's Council, the Coalition Leader and Vice Leader, shall be decided by the Standing Committee of the municipal People's Council.

#### **Article 40: Duties and powers of the municipal People's Council**

1. Carry out the duties and powers stipulated in Article 19 hereof.
2. Grant a decision on the planning and proposal for land use in the centrally-affiliated city, including the planning and proposal for land use in its districts and wards.
3. Issue a decision on urban construction and development within its delegated powers.
4. Decide on measures to promote its role as the socio-economic center in a connection with localities in a(n) area, region and across the nation in accordance with legal regulations.
5. Decide on measures to manage city dwellers and organize the people's life at the urban area; adjust residential areas according to the urban zoning, and guarantee lawful rights and interests of the people.

#### **Article 41. Organizational structure of the municipal People's Committee**

1. The municipal People's Committee shall be composed of the President, Vice Presidents and Members.

Hanoi capital city and Ho Chi Minh city shall be composed of a minimum of five Vice Presidents of the People's Committee; other centrally-governed cities shall be composed of a maximum of four Vice Presidents of the People's Committee.

The municipal People's Committee's members shall be composed of members who hold the position as heads of professional affiliates of the municipal People's Committee, those in charge of military affairs and those in charge of public security affairs.

2. Professional affiliates of the municipal People's Committee shall comprise departments and department-level agencies.

## **Article 42: Duties and powers of the municipal People's Committee**

1. Carry out the duties and powers stipulated in Article 21 hereof.
2. Formulate and request the municipal People's Council to decide as well as organize the implementation of Clause 2, 3,4 and 5 Article 40 hereof.
3. Implement the plan and measure to create financial sources and mobilize funds for urban development purpose; consistently construct and manage urban infrastructural system as stipulated by laws.
4. Decide on the incentive policies on urban facility development throughout the centrally-governed city.

## **Article 43: Duties and powers of the President of the municipal People's Committee**

1. Carry out the duties and powers stipulated in Article 22 hereof.
2. Direct and organize the implementation of the plan for urban infrastructural construction and development within the centrally-governed city.
3. Manage the urban land reserve, and use of this reserve for the purpose of developing urban infrastructural facilities in accordance with legal regulations.
4. Manage urban houses; manage real estate business operations; use the reserve of state-owned houses of the city to develop houses for city dwellers; direct the inspection of compliance with laws in respect of development and construction of houses as well as urban construction projects.
5. Provide directions for arranging urban trading, service and tourism network.
6. Adopt the plan and measure to create employments; prevent and combat social evils at urban areas.
7. Direct and organize the implementation of measures to manage urban residential areas and organize the people's life at urban areas.
8. Implement measures to manage, protect urban space, architecture and landscape; organize and direct the implementation of duties to public order, traffic safety assurance and traffic jam alleviation.

## **Section 2: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE URBAN DISTRICT**

### **Article 44. Local government of the urban district**

Local government of the urban district is the level of local government composed of the district-level People's Council and the district-level People's Committee.

#### **Article 45. Duties and powers of the local government of the district**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the district.
2. Make a decision on district-related issues within their decentralized or delegated powers as stipulated by this Law and other relevant law regulations.
3. Implement duties and powers delegated by superior-level State organs.
4. Examine and supervise organization and operation of the local government of the ward.
5. Assume its responsibility to the local government of the centrally-governed city for the result of implementation of duties and powers of the local government of that district.
6. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance throughout the district's territory.

#### **Article 46. Organizational structure of the district-level People's Council**

1. The district-level People's Council shall be composed of the People's Council's delegates elected by civil electorate residing in the district.

Total number of delegates of the district-level People's Council shall be determined according to the following rules:

- a) Districts populated by less than eighty thousand of inhabitants shall be allowed to elect thirty delegates; as for those populated by more than eighty thousand of inhabitants, one delegate will be additionally elected for an increase by ten thousand of inhabitants but the total number of delegates to be elected is restricted to forty delegates;
- b) The number of elected delegates of the People's Council governing the district comprising more than thirty wards shall be decided by the National Assembly Standing Committee as requested by the Standing Committee of the municipal People's Council, but the total number of delegates to be elected shall be restricted to forty five delegates.

2. The Standing Committee of the district-level People's Council shall be composed of the Chairperson, two Vice Chairpersons of the district-level People's Council and members who hold the position as the Heads of committees of the district-level People's Council. The Chairperson of the district-level People's Council may be the full-time delegate of the People's Council; the Vice Chairperson of the district-level People's Council may be the full-time delegate of the People's Council.

3. The district-level People's Council shall establish the Committee on Legislation, Economy – Society. Each committee of the district-level People's Council shall be composed of the Head, one Vice Head and Members. The number of members working for such committees of the district-level People's Council shall be decided by the district-level People's Council. The Head of each committee of the district-level People's Council may be the full-time delegate of the People's Council; the Vice Head of each committee of the district-level People's Council is the full-time delegate of the People's Council.

4. Delegates of the district-level People's Council elected from one or various electoral unit(s) shall constitute the Delegate Coalition of the People's Council. The number of the Delegate Coalitions of the People's Council, the Coalition Leader and Vice Leader, shall be decided by the Standing Committee of the district-level People's Council.

#### **Article 47. Duties and powers of the district-level People's Council**

1. Promulgate resolutions on issues that fall within duties and powers of the district-level People's Council.

2. Elect, discharge and dismiss the Chairperson of the People's Council, Vice Chairperson of the People's Council, Head, Vice Head of the Committee of the district-level People's Council, from office; elect, discharge and dismiss the President of the People's Committee, Vice President of the People's Committee and members of the People's Committee at the district level, from office; elect, discharge and dismiss jurors of the district-level People's Court;

3. Approve the midterm and annual plan for socio-economic development in the district before submitting it to the municipal People's Committee for approval.

4. Decide the plan of government revenues within the district; decide the plan of local government revenues and expenditures, and budget distribution according to the budget plan of the district; adjust the local government budget plan when necessary; approve the local government budget balance; decide intentions to make investment in programs and projects throughout the district within its delegated powers.

5. Decide on measures to implement duties and powers decentralized by superior-level government agencies; decide to decentralize the implementation of duties and powers of district-level local governments to inferior-level local governments and state organs.

6. Issue a decision to establish or dissolve professional affiliates of the district-level People's Committee.

7. Supervise the compliance with the Constitution and legislation in the district, the implementation of resolutions issued by the district-level People's Council; supervise operations of the Standing Committee of the People's Council, the People's Committee, the People's Court, the People's Procuracy at the same level, and Committees of the same-level People's Council; supervise legislative documents adopted by the same-level People's Committee and other instruments issued by the ward-level People's Council.

8. Hold a vote on and cast its vote on confidence in office-holders elected by the district-level People's Council in accordance with regulations laid down in Article 88 and Article 89 hereof.

9. Abolish part or all of law-breaking instruments issued by the People's Committee and the President of the People's Committee at the district level; abolish part or all of law-breaking instruments issued by the ward-level People's Council.

10. Dissolve the ward-level People's Council in the event that this People's Council causes serious harm to the People's interests and request the municipal People's Council to grant its approval.

11. Discharge delegates of the district-level People's Council from office and accept the resignation from office of delegates of the district-level People's Council.

#### **Article 48. Organizational structure of the district-level People's Committee**

1. The district-level People's Committee shall be composed of the President, Vice Presidents and Members.

The first-grade district-level People's Committee shall be composed of a maximum of three Vice Presidents; the second- and third-grade district-level People's Committee shall be composed of a maximum of two Vice Presidents.

The district-level People's Committee's members shall be composed of members who hold the position as heads of its professional affiliates of the district-level People's Committee, those in charge of military affairs and those in charge of public security affairs.

2. Professional affiliates of the district-level People's Committee shall comprise divisions and division-level agencies.

#### **Article 49. Duties and powers of the district-level People's Committee**

1. Formulate and request the district-level People's Council to grant its decision on contents stipulated in Clause 1, 3, 4, 5 and 6 Article 47 hereof, and organize the implementation of resolutions issued by the district-level People's Council.

2. Regulate the organizational structure, and specific duties and powers of professional affiliates of the district-level People's Committee.

3. Perform duties to organization and assurance of the enforcement of the Constitution and legislation, and government construction, administrative division, education, training, science, technology, culture, information, physical activities, sports, healthcare, labor, social policies, ethnic and religion affairs, national defence, security, social order and safety, justice administration, justice assistance as well as implement other duties and powers in accordance with laws.

4. Implement duties and powers decentralized and delegated by superior-level State organs.
5. Delegate and decentralize the implementation of duties and powers of the district-level People's Committee by the ward-level People's Committee and other agencies or organizations.

#### **Article 50. Duties and powers of the President of the district-level People's Committee**

1. Carry out the duties and powers stipulated in Article 29 hereof.
2. Direct and organize the implementation of the planning for urban infrastructural development, construction and urban space, architecture and landscape; manage urban residence in the district as decentralized and authorized by superior-level state organs.

### **Section 3: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE DISTRICT-LEVEL TOWN, PROVINCIAL CITY AND MUNICIPALITY-CONTROLLED CITY**

#### **Article 51. Local government of the district-level town, provincial city and municipality-controlled city**

The local government in the district-level town, provincial city and municipality-controlled city is the level of local government composed of the People's Council of the district-level town, provincial city and municipality-controlled city, and the People's Committee of the district-level town, provincial city and municipality-controlled city.

#### **Article 52. DUTIES AND POWERS OF THE LOCAL GOVERNMENT OF THE DISTRICT-LEVEL TOWN, PROVINCIAL CITY AND MUNICIPALITY-CONTROLLED CITY**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the territory of the district-level town, provincial city and municipality-controlled city.
2. Make a decision on issues arising in the district-level town, provincial city and municipality-controlled city within their decentralized or delegated powers as stipulated by this Law and other relevant law regulations.
3. Implement duties and powers delegated by superior-level State organs.
4. Examine and supervise organization and operation of local governments at the communal level.
5. Assume its responsibility to the provincial local government for the result of implementation of duties and powers of the local government governing the district-level town, provincial city and municipality-controlled city.

6. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance across the territory of that district-level town, provincial city and municipality-controlled city.

**Article 53. Organizational structure of the People's Council of the district-level town, provincial city and municipality-controlled city**

1. The People's Council of the district-level town, provincial city and municipality-controlled city shall be composed of the People's Council's delegates elected by civil electorate living in that district-level town, provincial city and municipality-controlled city.

Total number of delegates of the People's Council of the district-level town, provincial city and municipality-controlled city shall be determined according to the following rules:

a) District-level towns populated by less than seventy thousand of inhabitants shall be allowed to elect thirty delegates; as for those populated by more than seventy thousand of inhabitants, one delegate will be additionally elected for an increase by ten thousand of inhabitants but the total number of delegates to be elected is restricted to forty delegates;

b) Provincial cities, or municipality-controlled cities, populated by less than one hundred thousand of inhabitants shall be allowed to elect thirty delegates; as for those populated by more than one hundred thousand of inhabitants, one delegate will be additionally elected but the total number of delegates to be elected is restricted to forty delegates;

c) The number of elected delegates of the People's Council in the district-level town, provincial city and municipality-controlled city comprising more than thirty communal-level administrative units shall be decided by the National Assembly Standing Committee as requested by the Standing Committee of the provincial People's Council, but the total number of delegates to be elected shall be restricted to forty five delegates.

2. The Standing Committee of the People's Council of the district-level town, provincial city and municipality-controlled city shall be composed of the Chairperson of the People's Council, two Vice Chairpersons and members who hold the position as the Heads of committees of the People's Council. The Chairperson of the People's Council of the district-level town, provincial city and municipality-controlled city may be the full-time delegate of the People's Council; the Vice Chairperson of the People's Council of the district-level town, provincial city and municipality-controlled city is the full-time delegate of the People's Council.

3. The People's Council of the district-level town, provincial city and municipality-controlled city shall establish the Committee on Legislation, Economy – Society. In the district-level town or provincial city mainly populated by ethnic minorities, it shall establish the Committee on Ethnic Minority. The National Assembly Standing Committee shall regulate criteria and conditions for establishment of the Committee on Ethnic Minority as stipulated in this Clause.

Each committee of the People's Council of the district-level town, provincial city and municipality-controlled city shall be composed of the Head, one Vice Head and Members. The number of members working for such committee of the People's Council shall be decided by the People's Council of the district-level town, provincial city and municipality-controlled city. The Head of the committee of the People's Council of the district-level town, provincial city and municipality-controlled city may be the full-time delegate of the People's Council; the Vice Head of the committee of the People's Council of the district-level town, provincial city and municipality-controlled city is the full-time delegate of the People's Council.

4. Delegates of the People's Council elected from one or various electoral unit(s) shall constitute the Delegate Coalition of the People's Council. The number of the Delegate Coalitions of the People's Council, the Coalition Leader and Vice Leader, shall be decided by the Standing Committee of the People's Council of the district-level town, provincial city and municipality-controlled city.

#### **Article 54. Duties and powers of the People's Council of the district-level town, provincial city and municipality-controlled city**

1. Carry out the duties and powers stipulated in Article 26 hereof.
2. Grant a decision on the planning for urban construction and development based on the planning developed by centrally-affiliated cities and provinces for the purpose of requesting competent state organs to consider and approve this planning; make a decision on urban investment and construction projects within these areas as prescribed by laws.
3. Decide the appropriate mechanism and policy to call for investments in urban development, and programs and proposals for construction and development of urban infrastructural and traffic facilities.
4. Direct on measures to manage urban residential areas and organize the people's life at urban areas as well as ensure that public order and urban landscape meet statutory requirements.

#### **Article 55. Organizational structure of the People's Committee of the district-level town, provincial city and municipality-controlled city**

1. The People's Committee of the district-level town, provincial city and municipality-controlled city shall be composed of the President, Vice Presidents and Members.

The People's Committee of the first-grade district-level town, provincial city and municipality-controlled city shall be composed of a maximum of three Vice Presidents; the People's Committee of the second- and third-grade district-level town, provincial city and municipality-controlled city shall be composed of a maximum of two Vice Presidents.

Members of the People's Committee of the district-level town, provincial city and municipality-controlled city shall be composed of members who hold the position as heads of professional

affiliates of the People's Committee of that district-level town, provincial city and municipality-controlled city, those in charge of military affairs and those in charge of public security affairs.

2. Professional affiliates of the People's Committee of the district-level town, provincial city and municipality-controlled city shall comprise divisions and division-level agencies.

**Article 56. Duties and powers of the People's Committee of the district-level town, provincial city and municipality-controlled city**

1. Carry out the duties and powers stipulated in Article 28 hereof.

2. Formulate and request the People's Council of the district-level town, provincial city and municipality-controlled city to decide contents stipulated in Clause 2, 3 and 4 Article 54 hereof, and organize the implementation of resolutions issued by the People's Council of the district-level town, provincial city and municipality-controlled city.

3. Decide on the incentive policies on urban infrastructural development throughout the district-level town, provincial city and municipality-controlled city as stipulated by laws.

4. Decide the plan for urban infrastructural construction and the planning for urban development as stipulated by laws.

**Article 57. Duties and powers of the President of the People's Committee of the district-level town, provincial city and municipality-controlled city**

1. Carry out the duties and powers stipulated in Article 29 hereof.

2. Direct and organize the implementation of the planning and proposal for urban infrastructural development; manage urban space, architecture and landscape throughout this district-level town, provincial city and municipality-controlled city.

3. Manage the urban land reserve; use this land reserve for urban infrastructural construction; manage urban houses; manage residential house business; use the reserve of state-owned houses for urban housing development; direct inspection of the compliance with laws during the process of urban housing construction and development.

4. Provide directions for arranging urban trading, service and tourism network; implement measures to manage urban residential areas and organize the urban people's life.

5. Direct and organize the implementation of duties to public order and traffic safety assurance; prevent and control fire, explosion and traffic jams throughout this district-level town, provincial city and municipality-controlled city.

**Section 4. DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE WARD**

## **Article 58. Local government of the ward**

Local government of the ward is the level of local government composed of the ward-level People's Council and the ward-level People's Committee.

## **Article 59. Duties and powers of the local government of the ward**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the ward.
2. Make a decision on ward-related issues within its decentralized or delegated powers as stipulated by this Law and other relevant law regulations.
3. Implement duties and powers delegated by superior-level State organs.
4. Assume its responsibility to the local government of the district-level town, provincial city and municipality-controlled city for the result of implementation of duties and powers of the local government of that ward.
5. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance within the ward.

## **Article 60. Organizational structure of the ward-level People's Council**

1. The ward-level People's Council shall be composed of the People's Council's delegates elected by civil electorate residing at that ward.

The total number of delegates of the ward-level People's Council shall be determined according to the following rules:

a) Wards populated by less than eight thousand of inhabitants shall be allowed to elect twenty five delegates;

b) As for wards populated by more than eight thousand of inhabitants, one delegate shall be additionally elected for an increase by four thousand of inhabitants, but the total number of delegates to be elected is restricted to thirty five delegates.

2. The Standing Committee of the ward-level People's Council shall be composed of the Chairperson of the ward-level People's Council, one Vice Chairperson of the ward-level People's Council. The Vice Chairperson of the ward-level People's Council is the full-time delegate of the People's Council.

3. The ward-level People's Council shall establish the Committee on Legislation, Economy – Society. Each committee of the ward-level People's Council shall be composed of the Head, one Vice Head and members. The number of members working for such committees of the ward-level People's Council shall be determined by the ward-level People's Council. The Head, Vice

Head and members of committees of the ward-level People's Council shall work under the dual office holding regime.

### **Article 61. Duties and powers of the ward-level People's Council**

1. Promulgate its resolutions on issues that fall within duties and powers of the ward-level People's Council.
2. Elect, discharge and dismiss the Chairperson of the People's Council, Vice Chairperson of the People's Council, Head, Vice Head of the Committee of the People's Council at the ward level, from office; elect, discharge and dismiss the President of the People's Committee, Vice President of the People's Committee and members of the People's Committee at the ward level, from office.
3. Decide the plan of government revenues at the ward; decide the plan of government revenues and expenditures within the ward; adjust the government budget plan of the ward when necessary; approve the ward's government budget balance. Decide the intention to invest in programs or projects taking place within the ward in accordance with legal regulations.
4. Supervise the compliance with the Constitution and legislation throughout the ward, the implementation of resolutions issued by the ward-level People's Council; supervise operations of the Standing Committee of the People's Council, the People's Committee at the same level, and Committees of the same-level People's Council; supervise legislative documents adopted by the People's Committee at the same level.
5. Hold a vote on and cast its vote on confidence in office-holders elected by the ward-level People's Council in accordance with regulations laid down in Article 88 and Article 89 hereof.
6. Dismiss delegates of the ward-level People's Council and accept the resignation from office of delegates of the ward-level People's Council.
7. Abolish part or all of law-breaking instruments issued by the People's Committee and the President of the People's Committee at the ward level.

### **Article 62. Organizational structure of the ward-level People's Committee**

The ward-level People's Committee shall be composed of the President, Vice President and members charged with military affairs and members charged with public security affairs.

The first-grade ward-level People's Committee shall be composed of a maximum of two Vice Presidents; the second- and third-grade ward-level People's Committee shall have only one Vice President.

### **Article 63. Duties and powers of the ward-level People's Committee**

1. Formulate and request the ward-level People's Council to decide contents stipulated in Clause 1, Clause 3 Article 61 hereof, and organize the implementation of resolutions issued by the ward-level People's Council.
2. Organize the local budget execution.
3. Implement duties and powers decentralized and delegated by superior-level State organs.

#### **Article 64. Duties and powers of the President of the ward-level People's Committee**

1. Carry out the duties and powers stipulated in Article 36 hereof.
2. Cooperate with competent agencies or organizations in the implementation of the planning for urban infrastructural development, construction and transportation, and prevent and control fire, explosion, and protect urban environment, space, architecture and landscape within the ward.
3. Manage urban residence within the ward as prescribed by laws.

### **Section 5: DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE LOCAL GOVERNMENT OF THE COMMUNE-LEVEL TOWN**

#### **Article 65. Local government of the commune-level town**

The local government of the commune-level town is the level of local government composed of the People's Council and the People's Committee of the commune-level town.

#### **Article 66. Duties and powers of the local government of the commune-level town**

1. Arrange and ensure the enforcement of the Constitution and legislation throughout the commune-level town.
2. Make a decision on issues of the commune-level town within its decentralized or delegated powers as stipulated by this Law and other relevant law regulations.
3. Implement duties and powers delegated by superior-level State organs.
4. Assume responsibility to the district-level government for the result of implementation of duties and powers of the local government of the commune-level town.
5. Decide and organize the implementation of measures to promote the People's mastery, and mobilize social resources to serve the purpose of socio-economic construction and development, national defense and security assurance throughout the commune-level town's territory.

#### **Article 67. Organizational structure of the People's Council of the commune-level town**

1. The People's Council of the commune-level town shall be composed of delegates elected by electorate residing in that commune-level town.

The total number of delegates of the People's Council of the commune-level town shall be determined in accordance with Clause 1 Article 32 hereof.

2. The Standing Committee of the People's Council of the commune-level town shall be composed of the Chairperson and Vice Chairperson of the People's Council of the commune-level town. The Vice Chairperson of the People's Council of the commune-level town is the full-time delegate of the People's Council.

3. The People's Council of the commune-level town shall establish the Committee on Legislation, Economy – Society. Each committee of the People's Council of the commune-level town shall be composed of the Head, one Vice Head and members. The number of members working for such committees of the People's Council of the commune-level town shall be determined by the People's Council of the commune-level town. The Head, Vice Head and members of committees of the People's Council of the commune-level town shall work under the dual office holding regime.

#### **Article 68. Duties and powers of the People's Council of the commune-level town**

1. Promulgate resolutions on issues that fall within duties and powers of the People's Council of the commune-level town.

2. Elect, discharge and dismiss the Chairperson of the People's Council, Vice Chairperson of the People's Council, Head, Vice Head of the Committee of the People's Council of the commune-level town, from office; elect, discharge and dismiss the President, Vice President and members of the People's Committee of the commune-level town, from office.

3. Decide the plan of government revenues at the commune-level town; decide the plan of government revenues and expenditures of the commune-level town; adjust the local government budget plan when necessary; approve the local government budget balance at the commune-level town. Decide the intention to invest in programs or projects taking place within the commune-level town in accordance with legal regulations.

4. Supervise the compliance with the Constitution and legislation throughout the commune-level town, the implementation of resolutions issued by the People's Council of the commune-level town; supervise operations of the Standing Committee of the People's Council, the People's Committee at the same level, and Committees of the People's Council at the same level; supervise legislative documents adopted by the same-level People's Committee.

5. Hold a vote on and cast its vote on confidence in office-holders elected by the People's Council of the commune-level town in accordance with regulations laid down in Article 88 and Article 89 hereof.

6. Dismiss delegates of the People's Council of the commune-level town from office and accept the resignation from office of delegates of the People's Council of the commune-level town.

7. Abolish part or all of law-breaking instruments issued by the People's Committee and the President of the People's Committee of the commune-level town.

#### **Article 69. Organizational structure of the People's Committee of the commune-level town**

The People's Committee of the commune-level town shall be composed of the President, Vice President and members charged with military affairs as well as those charged with public security affairs.

The People's Committee of the first-grade commune-level town shall be composed of a maximum of two Vice Presidents; the People's Committee of the second- and third-grade commune-level town shall have only one Vice President.

#### **Article 70. Duties and powers of the People's Committee of the commune-level town**

1. Formulate and request the People's Council of the commune-level town to decide contents stipulated in Clause 1, Clause 3 Article 68 hereof, and organize the implementation of resolutions issued by the People's Council of the commune-level town.

2. Organize the local budget execution.

3. Implement duties and powers decentralized and delegated by superior-level State organs.

#### **Article 71. Duties and powers of the President of the People's Committee of the commune-level town**

1. Carry out the duties and powers stipulated in Article 36 hereof.

2. Collaborate with competent agencies or organizations in the implementation of the planning for urban infrastructural development, construction and transportation, and prevent and control fire, explosion, and protect urban environment, space, architecture and landscape within the commune-level town's territory.

3. Manage urban residence within the commune-level town as prescribed by laws.

### **Chapter IV**

## **LOCAL GOVERNMENT IN THE ISLANDS**

#### **Article 72. Local government in the islands**

1. Depending on the geographical conditions and population features as well as the demands for socio-economic development, and national defense and security assurance, single islands and

archipelagos can be combined into an administrative unit as prescribed in Clause 2, Clause 3 Article 2 hereof.

Organizing the special administrative – economic unit in the islands shall follow regulations laid down in Chapter V hereof.

2. The district-level island administrative unit shall organize the level of local government composed of the People's Council and the People's Committee. In case the district-level administrative unit is divided into commune-level administrative units, the commune-level administrative unit shall organize the level of local government composed of the People's Council and the People's Committee.

3. The organizational structure of affiliates of the local government in the islands shall take the form of the organizational structure of affiliates of the local government at the equivalent administrative unit stipulated in this Law.

### **Article 73. Duties and powers of the local government in the islands**

1. The district-level local government in the islands shall implement equivalent duties and powers of the local government of the rural, urban district, district-level town, provincial city and municipality-controlled city stipulated in Section 2 Chapter II, Section 2 and Section 3 Chapter III hereof.

2. The commune-level local government in the islands shall implement equivalent duties and powers of the local government of the commune, ward and commune-level town stipulated in Section 3 Chapter II, Section 4 and Section 5 Chapter III hereof.

3. Regulations on specific duties and powers of the local government at administrative units in the islands enshrined in other legislative documents must ensure the enhancement of the autonomy, responsible autonomy of local state organs, the flexibility and initiative in responding any sudden events, situations and emergencies with a view to a firm defense of national independence, sovereignty, and territorial integrity on the territorial waters and islands, and promotion of advantages and potentials for the marine economy, integration into the international economy, and encouragement to civilians to live in, protect and develop the islands.

## **Chapter V**

### **LOCAL GOVERNMENT AT THE SPECIAL ADMINISTRATIVE – ECONOMIC UNIT**

#### **Article 74. Special administrative – economic units**

The special administrative – economic unit shall be established by the National Assembly, and be entitled to enjoy special socio-economic mechanism and policies as well as organize the local government relevant to the socio-economic characteristics, requirements and objectives of that special administrative – economic unit.

## **Article 75. Organization of local government at the special administrative – economic unit**

1. The local government at the special administrative – economic unit shall be composed of the People's Council and the People's Committee. The principles of organization and method of operation of the People's Council and the People's Committee at the special administrative - economic unit shall conform to regulations enshrined in this Law.
2. The number of delegates of the People's Council, the People's Committee, and the organizational structure of the People's Council, the People's Committee, and specific duties and powers of the People's Council, the People's Committee of the special administrative – economic unit shall be decided by the National Assembly upon the establishment of that special administrative – economic unit.

## **Article 76. Procedure and process for grant of the decision on establishment of the special administrative – economic unit**

1. The Government shall prepare the proposal for establishment of the special administrative – economic unit for submission to the National Assembly. The people's opinions on the proposal for establishment of the special administrative – economic unit must be obtained in accordance with regulations laid down in Article 131 hereof.
2. The National Assembly's committee on legislation shall be responsible for assessing the proposal for establishment of the special administrative – economic unit submitted by the Government.

When necessary, the National Assembly shall establish the provisional committee to assess the proposal for establishment of the special administrative – economic unit.

3. The National Assembly Standing Committee shall consider and give their opinions on the proposal for establishment of the special administrative – economic unit before submitting it to the National Assembly.
4. The National Assembly shall consider and approve the proposal for establishment of the special administrative – economic unit according to the procedure stipulated in one or various session(s) of the National Assembly.

## **Article 77. Dissolution of the special administrative – economic unit**

1. The Government shall submit the decision on dissolution of the special administrative – economic unit to the National Assembly.

Process and procedure for consideration of dissolution of the special administrative - economic unit shall meet regulations laid down in Article 76 hereof.

2. When granting the decision to dissolve the special administrative – economic unit, the National Assembly shall decide to establish administrative units on the basis of geographical

borders of administrative divisions and population of that dissolved special administrative – economic unit.

## **Chapter VI**

### **OPERATION OF LOCAL GOVERNMENT**

#### **Section 1. Operations of the People’s Council**

##### **Article 78. Meeting sessions of the People’s Council**

1. The People’s Council shall convene at least two plenary meetings every year.

The People’s Council shall make its decision on the plan to hold regular sessions at the first plenum of the People's Council that takes place in the first year of its tenure, and at the previous year’s last plenum of the People's Council that takes place in the following years of its tenure upon the request of the Standing Committee of the People’s Council.

2. The unscheduled meeting of the People’s Council will be convened by the Standing Committee of the People’s Council if requested by the Standing Committee of the People's Council or the President of the People's Committee at the same level, or at least one third of delegates of the People’s Council.

3. Electors living at communes, wards or commune-level towns shall be vested with the right to file a petition to the People’s Council of these communes, wards or commune-level towns to convene a meeting to discuss and decide issues arising at these administrative units. If this petition is signed by more than ten percent of electorate living in such communes, wards or commune-level towns according to the electoral register of electors eligible to elect delegates of the communal-level People's Council in the latest election, the Standing Committee of the communal-level People’s Committee shall be responsible for convening the unscheduled plenum of the People’s Council to discuss contents mentioned in the petition. The petition of electors shall be considered valid if it provides all of their signature, full name, birth date and address of each petitioner. Those who sign their name in the petition shall appoint one person as a representative to attend the meeting of the People's Council on contents mentioned in the petition.

4. The People’s Council shall hold the open meeting. When necessary or if requested by the Standing Committee of the People's Council or the President of the People's Committee at the same level, or at least one third of delegates of the People’s Council, the closed meeting will be decided by the People’s Council.

##### **Article 79. Meeting agenda of the People’s Council**

1. Based on the resolution of the People’s Council, upon the request of the President of the People’s Committee, the Chairperson of Vietnam Fatherland Front Committee, the Chief Justice of the People’s Court, the Head of the People’s Procuracy, committees of the People’s Council

and delegates of the People's Council at the same level, and the Standing Committee of the People's Council, shall propose the agenda of the People's Council's meeting.

The first session agenda of the new-term People's Council shall be proposed by the Standing Committee of the previous-term People's Council. Committees of the previous-term People's Council shall assess contents mentioned in the proposed agenda of the first meeting session of the new-term People's Council, and present the assessment result to the Standing Committee of the previous-term People's Council to have it considered in the first meeting of the new-term People's Council.

2. The People's Council shall decide the meeting agenda. When necessary or as requested by the President of the People's Committee, the Chairperson of the Vietnam Fatherland Front Committee, the Chief Justice of the People's Court, the Head of the People's Procuracy, committees of the People's Council and delegates of the People's Council at the same level, the People's Council shall make a decision on any amendment or modification to the approved agenda.

#### **Article 80. Convening of the meeting session of the People's Council**

1. The first meeting session of the new-term People's Council shall be convened not later than 45 days as of the date of the election of delegates to the People's Council; with regard to local areas that require the re-election, additional election or election date delay, the permitted duration of this convening shall begin on the re-election and additional election date.

The first session held in each term of the People's Council shall be convened by the previous-term People's Council. In case there is an absence of the Chairperson of the People's Council, one Vice Chairperson of the previous-term People's Council shall be authorized to convene the meeting; if both the Chairperson of the People's Council and the Vice Chairperson of the People's Council are absent, the Standing Committee of the superior-level People's Council shall directly appoint an officer to convene the meeting. At the provincial level, the National Assembly Standing Committee shall appoint an officer to convene the meeting of the People's Council.

2. Within its term, the Standing Committee of the People's Council shall decide to convene the regular meeting session not later than 20 days, and the unscheduled meeting session not later than 07 days prior to the opening of the meeting. In case there is an absence of the Standing Committee of the People's Council, the Standing Committee of the People's Council at the superior level shall directly appoint an officer to convene the meeting. At the provincial level, the National Assembly Standing Committee shall appoint an officer to convene the meeting and chair the meeting of the People's Council.

3. The proposed agenda of the People's Council's meeting shall be sent to delegates of the People's Council together with the decision to convene the meeting.

The decision to convene the meeting and the proposed agenda of the People's Council's meeting shall be disseminated through means of mass media at local areas not later than 10 days prior to

the opening of the regular meeting, and if it is an unscheduled meeting, this decision will be sent not later than 03 days prior to the opening of such meeting.

### **Article 81. Composition of participants in the meeting session of the People's Council**

1. Representatives of the Standing Committee of the People's Council and the People's Committee at the directly superior level, elected deputies of the National Assembly, and delegates of the superior-level People's Council elected at local areas, shall be invited to attend the meeting of the People's Council; representatives of the National Assembly Standing Committee and the Government shall be invited to attend the meeting of the provincial People's Council.

2. Members of the People's Committee, the Chief Justice of the People's Court, and the Head of the same-level People's Procuracy who are not delegates of the People's Council, shall be invited to attend the People's Council's meetings; shall be responsible for attending the general meeting session of the People's Council on issues related to the industries and sectors put under their authority. Participants in the People's Council's meeting shall be entitled to raise their opinions on issues related to industries and sectors put under their authority if obtaining the meeting chair's agreement, or shall be responsible for giving their opinions as requested by the People's Council or the meeting chair.

3. Representatives of Government agencies, political organizations, the Vietnam Fatherland Front Committee and socio-political organizations shall be invited to attend the open meeting session of the People's Council which discusses relevant issues.

4. Representatives of the People's armed forces, social and economic organizations, international audiences, press agencies and civilians may be invited to attend the open meeting session of the People's Council.

### **Article 82. Responsibility of the Chair of the People's Council's meeting session**

The Chairperson of the People's Council who deliver the opening and closing speech at the meeting, and the Chair of the People's Council's meeting, shall ensure the compliance with the meeting agenda and regulations on the People's Council's meetings. The Vice Chairperson of the People's Council shall assist the Chairperson of the People's Council in chairing the meeting as assigned by the Chairperson of the People's Council.

In the first meeting held in each term of the People's Council, the person charged with convening the meeting of the People's Council in accordance with Clause 1 Article 80 hereof shall give his/her opening speech and chair meeting sessions to help the People's Council to elect the Chairperson of the new-term People's Council.

### **Article 83. Election of incumbents of the People's Council and the People's Committee**

1. In the first meeting held in each term of the People's Council, the People's Council shall elect one of the People's Council's delegates as the Chairperson of the People's Council according to the recommendation of the meeting chair.

Within the term, the People's Council shall elect one of the People's Council's delegates as the Chairperson of the People's Council according to the recommendation of the Standing Committee of the People's Council. In case the Standing Committee of the People's Council is absent, the People's Council shall elect one of the People's Council's delegates as the Chairperson of the People's Council according to the recommendation of the meeting chair as stipulated in Clause 2 Article 80 hereof.

2. The People's Council shall elect one of the People's Council's delegates as the Vice Chairperson of the People's Council, the Head and the Vice Head of the Committee of the People's Council according to the recommendation of the Chairperson of the People's Council. The provincial People's Council shall elect one of the People's Council's delegates as the Chief of the Office of the provincial People's Council according to the recommendation of the Chairperson of the provincial People's Council.

3. The People's Council shall elect the President of the People's Committee according to the recommendation of the Chairperson of the People's Council. The President of the People's Committee elected in the first meeting of the People's Council must be the People's Council's delegate. The President of the People's Committee elected within the term shall not necessarily be the People's Council's delegate.

4. The People's Council shall elect the Vice President and members of the People's Committee according to the recommendation of the President of the People's Committee. The Vice President and members of the People's Committee shall not necessarily be the People's Council's delegates.

5. The Chairperson of the People's Council and the President of the People's Committee shall not be entitled to hold their position in more than two consecutive terms at the same administrative unit.

6. The result of the election of the People's Council's Chairperson must be ratified by the National Assembly Standing Committee; the result of the election of the Chairperson and Vice Chairperson of the district-level People's Council must be ratified by the Standing Committee of the provincial People's Council; the result of the election of the Chairperson and Vice Chairperson of the communal-level People's Council must be ratified by the Standing Committee of the district-level People's Council.

7. The result of the election of the President and Vice President of the provincial People's Committee must be approved by the Prime Minister; the result of the election of the President and Vice President of the district-level People's Committee must be ratified by the President of the provincial People's Committee; the result of the election of the President and Vice President of the communal-level People's Committee must be ratified by the President of the district-level People's Committee.

8. During the People's Council's election of incumbents as stipulated in this Article, if there is any delegate of the People's Council standing for such election, or if the People's Council wishes to recommend any eligible candidate to stand for such election who does not belong to the electoral register of eligible electors already recommended by competent agencies or individuals, the Standing Committee of the People's Council shall send a request to the People's Council for its consideration and decision; if this election occurs in the first meeting held in each term of the People's Council, the meeting chair will be charged with sending this request to the People's Council for its consideration and decision.

9. Officer holders stipulated in Clause 1, 2, 3 and 4 of this Article shall implement their duties and powers immediately after winning the election of the People's Council.

10. Within 05 days from the date of the election of the Chairperson of the People's Council, Vice Chairperson of the People's Council, President of the People's Committee and Vice President of the People's Committee, the People's Council shall send the election result to competent agencies or individuals as stipulated in Clause 6 and Clause 7 of this Article for approval. Within 10 working days of receipt of the election result, competent agencies or individuals shall be obliged to consider and approve it; in case of disapproval, they will send a written response which clearly state reasons for such refusal, and request the People's Council to hold the re-election of disapproved position-holders.

#### **Article 84. Resignation, discharge and dismissal of office holders elected by the People's Council**

1. If elected position-holders of the People's Council fail to continue their work, they can resign from their post on the grounds of health problems or for any other reasons.

The resignation letter shall be submitted to agencies or individuals having the authority to recommend an eligible candidate to be elected to hold that post by the People's Council. Agencies or individuals having the authority to recommend an eligible candidate to be elected to hold that post by the People's Council shall be obliged to request the People's Council to discharge persons submitting their resignations from office in the next meeting of the People's Committee.

2. The People's Council shall discharge and dismiss the Chairperson, Vice Chairperson of the People's Council, the Head and the Vice Head of the Committee of the People's Council as requested by the Standing Committee of the People's Council.

3. The People's Council shall discharge and dismiss the President of the People's Committee as requested by the Chairperson of the People's Council; discharge and dismiss the Vice President and members of the People's Committee as requested by the President of the People's Committee.

4. The result of the discharge and dismissal from office of the Chairperson, Vice Chairperson of the People's Council, and the President and Vice President of the People's Committee must be approved in accordance with regulations laid down in Clause 6, 7 and 10 Article 83 hereof.

### **Article 85. Procedure for passing draft resolutions, proposals and reports in the meeting of the People's Council**

1. Representatives of agencies or organizations submitting draft resolutions, proposals and reports shall make a presentation to the People's Council.
2. Representatives of committees of the People's Council assigned to assess draft resolutions, proposals and reports shall present the assessment report to the People's Council.
3. The People's Council starts discussion. Before discussion, the People's Council at provincial and district level can hold a discussion at the Coalition of delegates of the People's Council.
4. During the process of discussion held in the general meeting session, the meeting chair can raise contentious issues so that the People's Council takes them into consideration and make its decision. When necessary, the People's Council shall be entitled to request related agencies to explain any issue that delegates of the People's Council concern about.
5. The People's Council shall take a vote on these draft resolutions, proposals and reports by single-issue, entire-issue and one-time voting.

### **Article 86. Introduction of resolutions, proposals, reports and minutes in the meeting of the People's Council**

1. Resolutions of the People's Council shall be authenticated by appending the signature of the Chairperson of the People's Council or the meeting chair.
2. Minutes of the People's Council's meetings shall be signed by the Chairperson of the People's Council or the meeting chair.
3. Not later than 10 days as of the closing of the meeting, resolutions, proposals, reports and minutes generated by the meeting of the People's Council must be submitted by the Standing Committee of the People's Council to the Standing Committee of the People's Council and the People's Committee at the directly superior level; as for the meeting held at the provincial level, these documents must be submitted to the National Assembly Standing Committee and the Government.
4. Resolutions of the People's Council must be submitted to relevant agencies or organizations for the implementation purpose. Resolutions of the People's Council shall be published on the local Official Gazette, disseminated through local means of mass media, and publicly posted and filed in accordance with legal regulations.

### **Article 87. Supervisory operations of the People's Council**

1. The People's Council shall exercise its supervisory power in the People's Council's meeting and this exercise of power must be based on supervisory operations of the Standing Committee

of the People's Council, Committees of the People's Council, Delegate Coalitions of the People's Council and delegates of the People's Council.

2. The People's Council shall decide supervisory contents upon the request submitted by the Standing Committee of the People's Council on the basis of recommendations offered by Committees of the People's Council, Delegate Coalitions of the People's Council, delegates of the People's Council, Vietnam Fatherland Front Committee at the same level as well as opinions and recommendations offered by the local electorate.

3. The People's Council shall exercise their supervisory power through the following actions:

a) Consider task performance reports made by the Standing Committee of the People's Council, the People's Committee, the People's Court and the People's Procuracy at the same level;

b) Consider reports of the People's Committee at the same level on the enforcement of the Constitution and legislative documents issued by the superior-level state organs and resolutions of the People's Council at the same level;

c) Consider reports of the People's Committee at the same level on the enforcement of the Constitution and legislative documents issued by the superior-level state organs and resolutions of the People's Council at the same level;

d) Consider query responses from the President of the People's Committee, the Vice President of the People's Committee, members of the People's Committee, Chief Justice of the People's Court, the Head of the People's Procuracy at the same level;

dd) Establish the Commission of Supervision of a single issue when necessary and consider the supervision result produced by the Commission of Supervision.

4. Based on the supervision result, the People's Council shall have the following powers:

a) Request the People's Committee, the President of the People's Committee at the same level to issue documents to enforce the Constitution, legislation and resolutions of the People's Council;

b) Abolish part or all of documents issued by the People's Committee and the President of the People's Committee at the same level in breach of the Constitution and legislative documents issued by the superior-level state organs and resolutions of the People's Council;

c) Pass the resolution on query responses and responsibilities of persons charged with responding to queries when necessary.

d) Discharge and dismiss the Chairperson of the People's Council, the Vice Chairperson of the People's Council, the Head, the Vice Head of the Committee of the People's Council, the President of the People's Committee, the Vice President of the People's Committee and members of the People's Committee, from office.

### **Article 88. Taking a vote of confidence**

1. The People's Council shall take a vote of confidence in the following incumbents:
  - a) The Chairperson, Vice Chairperson, Head of the Committee of the People's Council; the Chief of the Office of the People's Council, if it is the People's Council at the provincial level;
  - b) The President, Vice President and members of the People's Committee.
2. Voting Deadline, date and procedure applied to target persons subjected to the vote of confidence held by the People's Council shall be stipulated by the National Assembly.

### **Article 89. Casting a vote of confidence**

1. The People's Council shall cast a vote of confidence on office-holders elected by the People's Council.
2. The Standing Committee of the People's Council shall request the People's Council to cast a vote of confidence under the following circumstances:
  - a) At least one third of delegates of the People's Council give their recommendation;
  - b) The Vietnam Fatherland Front Committee at the same level gives its recommendation;
  - c) Target persons subjected to the vote of confidence have received votes of low confidence from more than two thirds of delegates of the People's Council.
3. Target persons subjected to the vote of confidence who have gained votes of no confidence from more than half of delegates of the People's Council shall be allowed to resign from office. In case these persons refuse to resign, agencies or individuals having powers to recommend them to be elected by the People's Council shall be responsible for requesting the People's Council to consider and decide the discharge of such persons from office.

### **Article 90. Consideration of the aggregate report on opinions and recommendations of the local electorate**

1. The People's Council shall consider the aggregate report on opinions and recommendations of the local electorate.
2. Relevant State organs, organizations and units shall be responsible for carefully examining, handling and responding to recommendations of the local electorate as well as reporting to the People's Council on the handling result.
3. At the first meeting held in each tenure of the People's Council, the Vietnam Fatherland Front Committee at the same level shall submit the aggregate report on opinions and recommendations from the local electorate in the vote for the People's Council's delegates to the People's Council.

At meetings following the first one, the Standing Committee of the People's Council in conjunction with the Vietnam Fatherland Front Committee at the same level shall submit the aggregate report on opinions and recommendations from the local electorate to the People's Council; the Standing Committee of the People's Council shall report on the result of supervision of handling of recommendations submitted by the local electorate to the People's Council in the previous meeting.

When necessary, the People's Committee shall discuss and adopt the resolution on handling of opinions and recommendations from the electorate.

#### **Article 91. Voting at general meetings**

1. The People's Council shall decide issues at general meeting sessions in the form of a voting. Delegates of the People's Council shall have the right to cast their yes, no or abstention votes. Delegates of the People's Council shall not be allowed to act on behalf of other delegates to vote.
2. The People's Council shall decide to apply one of the voting methods as follows:
  - a) Open voting;
  - b) Secret voting.
3. The resolution of the People's Council shall be passed when more than half of delegates of the People's Council vote in favor of it; meanwhile, the resolution to dismiss delegates of the People's Council from office shall be passed when at least two thirds of delegates of the People's Council vote in favor of it.

#### **Article 92. Materials circulated at the People's Council's meetings**

1. The Chairperson of the People's Council shall decide which materials are circulated in the meeting of the People's Council.
2. Materials circulated at the People's Council's meetings must be handed out to delegates of the People's Council not later than 05 days prior to the opening of the meeting, unless otherwise stipulated by laws.
3. Delegates of the People's Council shall be responsible for implementing regulations on use and storage of materials at the meeting; disclosure of contents of confidential materials or closed meeting sessions of the People's Council is strictly prohibited.
4. Resolutions, files and other instruments at each meeting of the People's Council shall be safekept in accordance with regulations on file storage.

#### **Article 93. Responsibilities for attending the meeting session of the People's Council**

1. Delegates of the People's Council shall be responsible for attending all meetings and sessions of the People's Council, participating in discussion and voting on issues that fall within the remit of the People's Council.

2. Delegates of the People's Council who fail to attend meetings or sessions must clearly state reasons and report to the Chairperson of the People's Council in advance. Where delegates of the People's Council have not attended meetings for 01 consecutive year without any acceptable reasons, the Standing Committee of the People's Council must report to the People's Council to dismiss them from office.

#### **Article 94. Responsibilities of the People's Council's delegates for communicating with the electorate**

1. Delegates of the People's Council must keep a close contact with the electorate of their electoral units, be overseen by them and be charged with collecting and communicating their opinions, aspirations and recommendations in an honest manner; protect lawful rights and interests of the electorate; implement regulations on contact with the electorate, and report to the electorate on their activities and those of the People's Council to which they are elected at least once a year, and respond to requests and recommendations from the electorate.

2. After each meeting of the People's Council, delegates of the People's Council shall be responsible for reporting to their electorate on the result of that meeting, disseminating and explaining the resolution of the People's Council, and encouraging and collaborating with the people to implement such resolution.

#### **Article 95. Responsibilities of the People's Council's delegates for holding receptions for citizens, receiving and handling complaints, denunciations and recommendations of citizens**

1. The People's Council's delegates shall be responsible for holding receptions for citizens as prescribed by laws.

2. Upon receipt of complaints, denunciations and recommendations from citizens, delegates of the People's Council shall be responsible for carefully examining and promptly forwarding them to competent individuals to find solutions as well as notifying petitioners of this; expediting, monitoring and overseeing the handling process. The in-charge person shall be obliged to notify delegates of the People's Council of the handling result within the statutory duration.

3. On seeing that handling of complaints, denunciations and recommendations is in breach of laws, delegates of the People's Council shall have the right to meet with the head of relevant agency, organization or unit to seek any explanation or to request reconsideration; when necessary, delegates of the People's Council is able to request the head of agency, organization or unit directly superior to the abovementioned one to get them handled.

#### **Article 96. Rights of delegates of the People's Council to ask questions**

1. Delegates of the People's Council shall be vested with the right to put questions to the President of the People's Committee, the Vice President of the People's Committee, members of the People's Committee, Chief Justice of the People's Court and the Head of the People's Procuracy at the same level. Questioned persons shall be obliged to answer questions of delegates of the People's Council.

2. During the meeting, delegates of the People's Council shall send questions to the Standing Committee of the People's Committee at the same level. Questioned persons shall be obliged to answer questions to the People's Council in that meeting. In case any investigation or verification is required, the People's Council can decide whether questions will be answered at the next meeting of the People's Council, or written answers will be sent to questioning delegates and the Standing Committee of the People's Council.

3. In between sessions of the People's Council, questions of delegates of the People's Council shall be sent to the Standing Committee of the People's Council at the same level to forward them to questioned persons and deadline for answering questions shall be decided as well.

#### **Article 97. Rights of delegates of the People's Council to give recommendations**

1. Delegates of the People's Council shall be vested with the right to make recommendations to the People's Council to take the vote of confidence for incumbents elected by the People's Council, convene unscheduled or recommendation-sending meetings and make other recommendations that delegates find necessary.

2. Recommendations from delegates of the People's Council shall be sent in writing to the Standing Committee of the People's Council in which reasons and contents must be clearly stated.

The Standing Committee of the People's Council shall be responsible for aggregating and handling recommendations from delegates of the People's Council within its jurisdiction and report to the People's Council under the circumstances stipulated in Clause 3 of this Article or others that the Standing Committee of the People's Council finds necessary.

3. In case more than one third of delegates of the People's Council make recommendations to the People's Council on the vote of confidence towards position-holders elected by the People's Council, or on unscheduled or closed meetings held by the People's Council, the Standing Committee of the People's Council shall report to the People's Council for consideration and decision.

4. The number of necessary recommendations stipulated in Clause 3 of this Article is total recommendations received by the Standing Committee of the People's Council within the period from the opening date of this meeting to the opening date of the next meeting, or to the pre-session date, on relevant contents in the event that delegates of the People's Council recommend the People's Council to hold the closed meeting.

5. Delegates of the People's Council shall be vested with the right to recommend agencies, organizations or individuals to apply necessary measures to implement the Constitution and legislation, and protect rights and interests of the State, human rights and lawful rights and interests of citizens.

#### **Article 98. Rights of delegates of the People's Council to take actions against law violations**

1. When discovering law violations that may cause harm to the State interests, lawful rights and interests of organizations and individuals, delegates of the People's Council shall have the right to request relevant agencies or organizations to take necessary measures to promptly terminate such violations.

2. Within a permitted duration of 15 days of receipt of requests from delegates of the People's Council as prescribed in Clause 1 of this Article, agencies or organizations must take action to deal with these violations and notify delegates of the People's Council of this. If these agencies or organizations have not responded to them by the deadline, delegates of the People's Council shall have the right to request the head of these agencies or organizations at the superior level for consideration and solution.

#### **Article 99. Rights of delegates of the People's Council to request provision of information**

1. Within their duties and powers, delegates of the People's Council shall be entitled to request agencies, organizations or individuals to provide information and materials relating to the duties and powers of these agencies, organizations or individuals.

2. The head of these agencies, organizations or individuals shall be responsible for answering questions posed by delegates of the People's Council in accordance with legal regulations.

#### **Article 100. Immunities of delegates of the People's Council**

1. Delegates of the People's Council shall not be subjected to imprisonment, custody, detention, prosecution, or house or office search within the meeting of the People's Council, or without consent from the People's Council or the Standing Committee of the People's Council.

2. In case delegates of the People's Council is temporarily suspended because of criminals caught in the act, the detaining authority must immediately report to the People's Council or the Standing Committee of the People's Council for consideration and decision.

#### **Article 101. Discontinuity of duties, temporary cessation and loss of rights of delegates of the People's Council**

1. Within their term of office, if delegates of the People's Council have not worked any more and are not residing at administrative units from which they are delegates, they are required to apply for their duty discontinuity. Delegates of the People's Council can request discontinuity of their duties on grounds of health problems or for other reasons.

Agreeing to the discontinuity of duties of delegates of the People's Council shall be considered and decided by the People's Council at the same level.

2. Where delegates of the People's Council are being prosecuted, the Standing Committee of the People's Council shall decide to temporarily suspend these delegates from implementation of duties and powers.

Delegates of the People's Council shall be reinstated as delegates with their duties and powers as well as their lawful interests shall also be reinstated, if competent authorities halt the investigation or the case against these delegates, or as from the effective date of the court verdict or judgement whereby these delegates have been judged not guilty or exempted from criminal liability.

3. If delegates of the People's Council have been charged by the court verdict or judgement, it is obvious that they will lose their delegate's rights as from the date on which this verdict or judgement enters into force.

4. Delegates of the People's Council who have discontinued delegate's duties or lost delegate's rights, it is certain that they are also discharged from office in the Standing Committee of the People's Council and committees of the People's Council.

#### **Article 102. Dismiss of delegates of the People's Council from office**

1. If delegates of the People's Council have not met accepted standards any more, or no longer deserved the People's confidence, the People's Council or the electorate will vote to dismiss them from office.

2. The Standing Committee of the People's Council shall decide to call for the vote of the People's Council for dismissal of delegates of the People's Council from office, or follow the request of the Vietnam Fatherland Front Committee at the same level for the vote of the electorate for this dismissal.

3. Under the first circumstance, at least two thirds of delegates of the People's Council vote for this dismissal.

4. Under the latter circumstance, the dismissal shall be carried out in conformity with the procedure stipulated by the National Assembly Standing Committee.

#### **Article 103. Necessary conditions for activities of delegates of the People's Council**

1. Full-time delegates of the People's Council shall be assigned tasks, paid salary, allowances and entitled to other benefits to facilitate their activities.

2. Part-time delegates of the People's Council are required to spare at least one third of working hours per year for implementation of their assigned duties or delegated powers. Working hours per year that part-time delegates of the People's Council spend on performing their duties shall

be included in total hours that such delegates have spent on working at their agencies, organizations or units and are paid salary, allowance and entitled to other benefits covered by these agencies, organizations and units. The head of agencies, organizations or units where delegates work shall be responsible for arranging work and creating necessary conditions for task performance of the People's Council's delegates.

3. The People's Committee at different levels, agencies, organizations, units or individuals, within their assigned duties and delegated powers, shall be responsible for creating favorable conditions for activities of delegates of the People's Council.

4. The Vietnam Fatherland Front Committee and its member organizations shall create necessary conditions to enable delegates of the People's Council to communicate with electors, collect opinions, aspirations and recommendations of the People to the People's Council.

5. Delegates of the People's Council shall be paid all monthly costs incurred by their activities and provided with necessary support to facilitate their activities as well.

6. The Government shall request the National Assembly Standing Committee to specify regulations, policies and conditions for activities of delegates of the People's Council.

#### **Article 104. Duties and powers of the Standing Committee of the People's Council**

1. Convene meetings of the People's Council; cooperate with the People's Committee in making arrangements for meetings of the People's Council.

2. Expedite, examine the compliance of the People's Committee and other state organs with resolutions of the People's Council.

3. Supervise the compliance with the Constitution and legislation within their areas.

4. Direct, control and coordinate operations of committees of the People's Council; examine the supervision result of committees of the People's Council when necessary and report to the People's Council in the next meeting; keep close contact with delegates of the People's Council; aggregate questions posed by delegates of the People's Council to report to the People's Council; request agencies, organizations or individuals to explain issues concerning duties and powers of the Standing Committee of the People's Council in the meeting of the Standing Committee of the People's Council.

5. Make necessary arrangements so that delegates of the People's Council can hold receptions for citizens in accordance with laws; expedite, inspect and assess handling of recommendations, complaints and allegations received from civilians; aggregate opinions and aspirations of the people to report to the People's Council in the meeting.

6. Approve the list of members of committees of the People's Council in the number of delegates of the People's Council, and discharge of these members from office upon the request of the Heads of committees of the People's Council.

7. Request the People's Council to take or cast a vote of confidence for incumbents elected by the People's Council in accordance with Article 88 and 89 hereof.
8. Decide whether the dismissal of delegates of the People's Council from office will be voted for by the People's Council or the electorate.
9. Report on performance of the People's Council at the same level to the People's Council and the People's Committee at the directly superior level; the Standing Committee of the People's Council shall report on their performance to the National Assembly Standing Committee and the Government.
10. Keep close contact with and cooperate with the Standing Committee of the Vietnam Fatherland Front Committee at the same level in performing tasks; notify the Vietnam Fatherland Front Committee at the same level of performance of the People's Council twice a year.

#### **Article 105. Duties and powers of members of the Standing Committee of the People's Council**

1. The Chairperson of the People's Council shall lead operations of the Standing Committee of the People's Council at the same level, act on behalf of the Standing Committee of the People's Council to keep contact with the People's Committee, state organs, the Standing Committee of the Vietnam Fatherland Front Committee, member organizations of the Vietnam Fatherland Front Committee at the same level, other social organizations and citizens.
2. The Vice Chairperson of the People's Council shall assist the Chairperson of the People's Council in executing duties and powers as assigned and delegated by the Chairperson of the People's Council.
3. Members of the Standing Committee of the People's Council shall be collectively responsible for implementing duties and powers of the Standing Committee of the People's Council; solely responsible to the Standing Committee of the People's Council for implementing duties and powers assigned and delegated by the Standing Committee of the People's Council; attend meetings held by the Standing Committee of the People's Council, discuss and decide issues within assigned duties and delegated powers of the Standing Committee of the People's Council.

#### **Article 106. Meeting sessions held by the Standing Committee of the People's Council**

1. Meeting sessions held by the Standing Committee of the People's Council are major activities of the Standing Committee of the People's Council. At each meeting session, the Standing Committee of the People's Council shall discuss and decide issues that fall within their assigned duties and delegated powers in accordance with legal regulations.
2. The Standing Committee of the People's Council shall convene the regular meeting once a month. When necessary, the Standing Committee of the People's Council can convene the unscheduled meeting as requested by the Chairperson of the People's Council. Meeting sessions

held by the Standing Committee of the People's Council must be attended by at least two thirds of members of the Standing Committee of the People's Council.

3. The Chairperson of the People's Council shall decide the meeting time and agenda, and make all necessary preparations and preside over the meeting; if the Chairperson of the People's Council is absent, one Vice Chairperson of the People's Council shall be authorized by the Chairperson to chair the meeting instead.

4. Members of the Standing Committee of the People's Council shall be responsible for attending all of meeting sessions. For some special reasons for their absence from such sessions, they are required to report to the Chairperson of the People's Council for consideration and decision.

5. Representatives of the People's Committee, the Vietnam Fatherland Front Committee at the same level shall be invited to attend meetings held by the Standing Committee of the People's Council. The Head of the National Assembly Delegation shall be invited to attend meetings of the provincial People's Council.

6. Representatives of the People's Court, the People's Procuracy and heads of professional affiliates of the People's Committee, and representatives of socio-political organizations at the same level, relevant agencies and organizations, may be invited to attend meeting sessions of the Standing Committee of the People's Council to discuss related issues.

7. The People's Committee, the People's Court, the People's Procuracy and Committees of the People's Council, the Heads of professional affiliates of the People's Committee, and related agencies and organizations, shall be responsible for preparing projects, proposals and reports appropriate for the meeting agenda as assigned by the Standing Committee of the People's Council at the same level, or according to the duties and powers stipulated by laws.

#### **Article 107. Receptions for citizens held by the Standing Committee of the People's Council**

1. The Standing Committee of the People's Council shall be responsible for making arrangements for receptions for citizens held by delegates of the People's Council; set out regulations on, procedures for citizen receptions in compliance with laws and in relevance to local conditions; set the schedule for citizen receptions of delegates of the People's Council; appoint competent and qualified civil servants who have a good command of laws to hold receptions for citizens; make necessary arrangements for receptions for citizens living at local areas where candidates call for election.

2. The Chairperson of the People's Council must keep his/her citizen reception schedule. Depending on the work requirements, the Chairperson of the People's Council can decide the frequency of citizen reception within a month. The Chairperson of the People's Council can authorize the Vice Chairperson of the People's Council or members of the Standing Committee of the People's Council to hold receptions for citizens, but in at least one quarter of the year, the Chairperson of the People's Council should spare 01 day to meet with citizens in person.

## **Article 108. Sectors managed by Committees of the People's Council**

1. The Committee on Legislation managed by the People's Council at the provincial, district and communal level shall be responsible for sectors such as enforcement of the Constitution and legislation, national defence, social security, order and safety, and local government construction and administrative division management affairs in this local area.
2. The Committee on Culture – Society managed by the People's Council at the provincial level shall be responsible for sectors such as education, healthcare, culture, society, information, physical exercise, sports affairs and policies on religion in this local area.
3. The Committee on Economy – Budget managed by the provincial People's Council shall be responsible for sectors such as economy, budget, urban, transportation, construction, science, technology, natural resources and environment affairs throughout the province.
4. The Committee on Economy – Budget managed by the People's Council of the centrally-governed city shall be responsible for sectors such as economy, budget, science, technology and natural resources affairs throughout the centrally-governed city.
5. The Committee on Urban Affairs managed by the People's Council of the centrally-governed city shall be responsible for sectors such as urban planning, technical and social infrastructural development, transportation, construction, environment and public service rendering affairs throughout the centrally-governed city.
6. The Committee on Economy – Society managed by the People's Council at the district and communal level shall be responsible for sectors such as economy, budget, urban, transportation, construction, education, healthcare, culture, society, information, physical exercise, sports, science, technology, natural resources, environment affairs and religious policies in this local area.
7. The Committee on Ethnic Affairs managed by the People's Council at the provincial and district level shall be responsible for the ethnic sector in this area.
8. In case the People's Council at the provincial and district level have not established the Committee on Ethnic Affairs, the Committee on Culture - Society managed by the People's Council at the provincial level, and the Committee on Economy – Society managed by the People's Council at the district level shall be responsible for the ethnic sector in this area.

## **Article 109. Duties and powers of Committees of the People's Council**

1. Get involved in preparing contents of the People's Council's meetings in relation to their in-charge sectors.
2. Examine draft resolutions, reports and proposals relating to their in-charge sectors as assigned by the People's Council or the Standing Committee of the People's Council.

3. Assist the People's Council in supervising operations of the People's Court and the People's Procuracy at the same level; supervising operations of the People's Committee and professional affiliates of the People's Committee at the same level in their in-charge sectors; supervising legislative documents that fall within their remit.

4. Organize activities to assess the implementation of regulations enshrined in laws on their in-charge sectors as assigned by the People's Council or the Standing Committee of the People's Council.

5. Report on the supervision result to the People's Council and the Standing Committee of the People's Council.

6. Committees of the People's Council shall be accountable for their performance to the People's Council; during the off-meeting time, report on their performance to the Standing Committee of the People's Council.

#### **Article 110. Collaboration between Committees of the People's Council**

1. Committees of the People's Council shall coordinate their tasks and share operational experience relating to related issues.

2. Committees of the People's Council at the provincial level shall be responsible for collaborating with the Ethnic Council and Committees of the National Assembly and Committees of the National Assembly Standing Committee when these entities pay a visit to their local areas.

3. The Ethnic Council and Committees of the National Assembly and Committees of the National Assembly Standing Committee shall share experience of task performance with equivalent Committees of the provincial People's Council.

4. Committees of the People's Committee shall appoint members to participate in operations of the Standing Committee of the People's Council at the same level as requested by the Standing Committee of the People's Council.

5. The People's Committee, its professional affiliates, the People's Court, the People's Procuracy at the same level, relevant agencies or organizations at their local areas shall be responsible for providing information and materials on issues requested by Committees of the People's Council.

#### **Article 111. Examination of draft resolutions, reports and proposals made by Committees of the People's Council**

1. In order to make preparations for this examination, a Committee of the People's Council shall designate its members to get involved in studying draft resolutions, reports and proposals; request formulation agencies and relevant agencies to provide materials and give explanations for issues that it is examining; convene the meeting to collect opinions from those who expertise

in such issues; assess actual situations that may arise in its local area in terms of contents concerning draft resolutions, reports and proposals.

2. A Committee shall carry out the examination of draft resolutions, reports and proposals by going through the following procedures:

a) Representatives of agencies or organizations submitting draft resolutions, proposals and reports make their presentation;

b) Relevant agencies or organizations voice their opinions;

c) Members of that Committee enter into a discussion;

d) Representatives of agencies or organizations submitting draft resolutions, proposals and reports voice their opinions if necessary;

dd) The meeting chair draws his/her conclusion.

3. The examination report should include assessment of the relevance of draft resolutions, reports and proposals to the Communist Party's guidelines and intentions, the state policies and laws, socio-economic development situations and conditions in the local area; clarify viewpoints and propose measures to deal with discrepancies.

### **Article 112. Duties and powers of the Delegate Coalition of the People's Council at the provincial and district level**

1. The Delegate Coalition of the People's Council shall oversee the compliance with the Constitution, legislation and instruments issued by the superior-level state organs, and resolutions of the People's Council at the same level in the area, or issues as assigned by the People's Council or the Standing Committee of the People's Council.

2. The Delegate Coalition of the People's Council shall be responsible for studying materials, preparing opinions contributed in the meeting of the People's Council at the same level; making arrangements to enable delegates of the People's Council to hold receptions for citizens, collect opinions and recommendations from the electorate prior to the opening of the People's Council's meeting, and to report to the electorate on the result of the meeting following the People's Council's one.

## **Section 2: OPERATIONS OF THE PEOPLE'S COMMITTEE**

### **Article 113. Meeting session of the People's Committee**

1. The People's Committee shall convene the meeting once a month.

2. The People's Committee shall convene the unscheduled meeting under the following circumstances:

- a) The meeting is convened by the decision of the President of the People's Committee;
- b) The meeting is requested by the President of the People's Committee at the directly superior level. If it is the meeting of the provincial People's Committee, it will be requested by the Prime Minister;
- c) At least one third of members of the People's Committee make their request.

#### **Article 114. Convening of the meeting of the People's Committee**

1. The President of the People's Committee shall specifically decide the meeting date, agenda and contents.
2. Members of the People's Committee shall be responsible for attending all meeting sessions of the People's Committee. In case they are absent, they have to report to and ask the President of the People's Committee for leave of absence.
3. Meeting sessions held by the People's Committee shall be commenced only if at least two thirds of members of the People's Committee attend.
4. Meeting agenda, time and materials presented in the meeting must be sent to members of the People's Committee not later than 03 working days prior to the opening date of the regular meeting and not later than 01 working day prior to the opening date of the unscheduled meeting.

#### **Article 115. Responsibility of the People's Committee for presiding at the meeting**

1. The President of the People's Committee shall preside at the People's Committee's meeting and ensure the compliance with the meeting agenda and regulations. If the President of the People's Committee is absent, one Vice President of the People's Committee shall be designated to preside at the meeting by the President of the People's Committee.
2. The President of the People's Committee, or the Vice President of the People's Committee designated by the President of the People's Committee, shall chair discussions on specific contents presented at the People's Committee's meeting.

#### **Article 116. Guests invited to the People's Committee's meeting**

1. Representatives of the Standing Committee of the People's Council shall be invited to the meeting of the same-level People's Meeting; the Head and the Vice Head of the National Assembly Delegation shall be invited to the provincial People's Committee's meeting; the Head of the Delegate Coalition of the provincial People's Council shall be invited to the district-level People's Committee's meeting.
2. The Chairperson of the Vietnam Fatherland Front Committee, the Head of the local socio-political organization and representatives of Committees of the People's Council shall be invited to the same-level People's Committee to discuss relevant issues; the Chief Justice of the People's

Court and the Head of the People's Procuracy at the provincial and district level shall be invited to the same-level People's Committee's meeting to discuss relevant issues.

3. The Chairperson of the People's Council, the Heads of State organs at the inferior level, and other members, shall be invited to the People's Committee's meeting to discuss relevant issues.

#### **Article 117. Voting at the People's Committee's meeting**

1. The People's Committee shall make a decision on issues at the meeting by means of voting. Members of the People's Committee shall have the right to cast their yes, no or abstention votes.

2. The People's Committee shall decide to apply one of the voting methods as follows:

a) Open voting;

b) Secret voting.

3. The decision made by the People's Committee must obtain more than half of members of the People's Committee voting in favor. In case the number of votes in favor equals the number of votes against, the President of the People's Committee shall have the deciding vote.

#### **Article 118. Voting by means of opinion balloting**

1. With regard to certain issues considered as pressing issues or those that are not necessarily required to be dealt with by discussions or voting at the People's Committee's meetings, the President of the People's Committee shall decide voting of members of the People's Committee in the form of opinion balloting. Voting in the form of opinion balloting shall be implemented in accordance with Clause 3 Article 117 hereof.

2. The President of the People's Committee must announce the result of voting in the form of opinion balloting at the upcoming meeting of the People's Committee.

#### **Article 119. Meeting minutes of the People's Committee**

Meeting sessions of the People's Committee shall be duplicated into two versions. The meeting minutes should record full contents of oral opinions and all events that take place at the meeting and concluding comments or statements issued by the meeting chair, or the voting result.

#### **Article 120. Notification of the result of the People's Committee's meeting**

1. The result of the People's Committee's meeting must be disseminated to the following entities:

a) Members of the People's Committee, the Standing Executive Committees of the Communist Party, the Standing Committee of the People's Council and the Standing Committee of the

Vietnam Fatherland Front Committee and the Heads of the socio-political organizations at the same level;

b) The President of the People's Committee at the directly superior and inferior level; the Prime Minister in terms of the provincial People's Committee's meetings;

c) Relevant agencies, organizations or units.

2. As for the result of the People's Committee's meetings relating to the socio-economic development plan and zoning, and proposal for land use, compensation and site clearance as well as issues pertaining to rights and obligations of local residents, the People's Committee shall be responsible for notifying press agencies immediately after each meeting session.

### **Article 121. Scope of and responsibilities for accomplishing tasks of the President of the People's Committee**

1. Assume sole responsibility for implementing duties and powers delegated under the provisions of this Law; collaborate with other members of the People's Committee in assuming collective accountability for the performance of the People's Committee to the People's Council at the same level, state organs at the superior level and local people as well as taking legal liability.

2. Directly provide directions on handling, or authorize the Vice President of the People's Committee to preside over or collaborate in dealing with, issues in relation to different industries or sectors at local areas. When necessary, the President of the People's Committee shall be entitled to establish consulting organizations to advise and assist the President to deal with his/her work.

3. Authorize one Vice President of the People's Committee to act on behalf of the President to manage all work of the People's Committee in the event that the President of the People's Committee is absent.

4. Act on behalf of the People's Committee to sign the People's Committee's decisions; promulgate decisions, directives and instructions, and inspect the implementation of these instruments at local areas.

### **Article 122. Scope of and responsibilities for accomplishing tasks of the Vice President of the People's Committee**

1. Perform tasks assigned by the President of the People's Committee and take responsibility to the President of the People's Committee for his/her performance of assigned tasks; collaborate with other members of the People's Committee in taking collective responsibility for the performance of the People's Committee.

2. Attend all of meeting sessions of the People's Committee; discuss and hold a voting for issues within assigned duties and delegated powers of the People's Committee.

3. Sign decisions and directives approved by the President of the People's Committee as authorized by the President of the People's Committee.

**Article 123. Scope of and responsibilities for accomplishing tasks of members of the People's Committee**

1. Undertake specific tasks assigned by the President of the People's Committee and take responsibility to the People's Committee and the President of the People's Committee for his/her performance of assigned tasks; collaborate with other members of the People's Committee in taking collective responsibility for the performance of the People's Committee; report their performance to the People's Council upon request.

Members of the People's Committee being the Heads of professional affiliates of the People's Committee shall be responsible to superior-level state organs in charge of specific industries or sectors.

2. Attend all of meeting sessions of the People's Committee; discuss and hold a voting for issues within assigned duties and delegated powers of the People's Committee.

**Article 124. Dispatch and dismissal of the President, Vice President of the People's Committee**

1. The Prime Minister shall decide to dispatch the President and the Vice President of the provincial People's Committee; the President of the People's Committee at the provincial and district level shall decide to dispatch the President of the People's Committee and the Vice President of the People's Committee at the directly inferior level.

2. The Prime Minister shall decide to dismiss the President and the Vice President of the provincial People's Committee; the President of the People's Committee at the provincial and district level shall decide to dismiss the President and the Vice President of the People's Committee at the directly inferior level when these incumbents commit violations against laws or fail to comply with their delegated duties and powers.

3. Dispatched or dismissed persons are forced to terminate implementation of duties as the President or Vice President of the People's Committee as at the effective date of dispatch or dismissal decisions.

4. The person making decisions to dispatch and dismiss the President of the People's Committee shall delegate powers of the President of the People's Committee; notify the People's Council of dispatch and dismissal of the President or the Vice President of the People's Committee, and the delegation of powers of the President of the People's Committee in order for them to elect the new President or the Vice President of the People's Committee at the next meeting.

**Article 125. Holding discussions or dialogues between the communal-level People's Committee and the people**

The communal-level People's Committee shall be responsible for holding discussions or dialogues with the local people on the performance of the People's Committee and issues relating to rights and obligations of the local people at least once a year; in case the size of the administrative unit at the communal level is too large, such discussions or dialogues shall be held by each village group and residential quarter. The people's committee shall post a notice through means of mass media and notify the Head of the village and the Head of the residential quarter of time, venue and contents in the discussion or dialogue with the people not later than 07 days before the opening date.

### **Section 3: OFFICE, OPERATING EXPENSE AND ASSISTING MACHINERY OF THE LOCAL GOVERNMENT**

#### **Article 126. Office and operating expense of the local government**

1. The local government's office shall be built for the People's Council and the People's Committee, and be provided with equipment and facilities to meet the demand for collaboration between local government agencies in performing duties and serving the people.
2. The operating expense paid by local government shall be funded by the state budget. The operating budget of the local government must be managed so that it is used in an economical and efficient manner as well as must be audited in accordance with laws.

#### **Article 127. Assisting machinery of the local government**

1. The office of the provincial People's Council shall be an organ tasked with advising, assisting and supporting operations of the People's Council, the Standing Committee of the People's Council, committees of the People's Council and delegates of the People's Council at the provincial level.
2. The office of the provincial People's Committee shall be an organ tasked with advising, assisting and supporting operations of the provincial People's Committee.
3. The office of the People's Council and the People's Committee at the district level shall be an organ tasked with advising, assisting and supporting operations of the People's Council and the People's Committee at the district level.
4. The Government shall specify duties, powers and organizational and personnel structure of the Office of the provincial People's Council, the Office of the provincial People's Committee, the Office of the People's Council and the People's Committee at the district level, and organization of tasks of advising, assisting and supporting operations of the People's Council and the People's Committee at the communal level.

### **Chapter VII**

#### **ESTABLISHMENT, DISSOLUTION, MERGING, SPLITTING AND MODIFICATION OF ADMINISTRATIVE DIVISIONS**

## **Section 1: RULE, PROCESS AND PROCEDURE FOR ESTABLISHMENT, DISSOLUTION, MERGING, SPLITTING AND MODIFICATION OF ADMINISTRATIVE DIVISIONS**

### **Article 128. Rules for establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions**

1. Administrative units shall be organized in a stable manner on the basis of existing administrative units. It is advised that administrative units and same-level ones are merged.
2. Establishment, merging, splitting or modification of geographical borders of administrative units is carried out in certain necessary circumstances and must meet the following requirements:
  - a) Conform to the master plan for socio-economic development, the general planning for administrative units, orientation towards the planning and program for urban development and the planning for relevant industries and sectors approved by competent authorities;
  - b) Ensure the national interests, effectiveness and efficiency in state management of local governments at all levels; make best use of potential and advantages in order to promote the socio-economic development of the whole country and specific local areas;
  - c) Meet requirements for national defence, security and social order and safety;
  - d) Consolidate the people's solidarity, conform to historical, traditional and cultural elements of specific localities; offer convenience to the people;
  - dd) Establishment, merging, splitting and modification of geographical borders of administrative units must be based on standards of these administrative units as stipulated in Clause 1, 2 and 3 Article 2 hereof in conformity with features of rural, urban areas and islands.
3. Dissolution of each administrative unit shall be carried out under the following circumstances:
  - a) The dissolution is to meet the socio-economic development demands, assure national defence and security at local areas or across the nation;
  - b) The dissolution is triggered by changes to geographical and topographical factors that can affect the existence of such administrative units.
4. The Government shall request the National Assembly Standing Committee and the National Assembly to provide specific regulations on standards of administrative units as stipulated in Point dd Clause 2 included in this Article.

### **Article 129. Authority to decide establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions, and naming and change made to names of administrative units, and resolution of disputes concerning geographical borders of administrative divisions**

1. The National Assembly shall have authority to decide establishment, dissolution, merging, splitting and modification of geographical borders of provincial-level administrative divisions; naming and change made to names of provincial-level administrative units; and resolution of disputes concerning geographical borders of provincial-level administrative divisions.

2. The National Assembly Standing Committee shall have authority to decide establishment, dissolution, merging, splitting and modification of geographical borders of district-level and communal-level administrative divisions; naming and change made to names of district-level and communal-level administrative units; resolution of disputes concerning geographical borders of communal-level and district-level administrative divisions

3. The Government shall request the National Assembly and the National Assembly Standing Committee to decide establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions; naming and change made to names of administrative units; resolution of disputes concerning geographical borders of administrative divisions as stipulated in Clause 1 and 2 of this Article.

**Article 130. Formulation of proposal for establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions**

1. The Ministry of Home Affairs shall advise and assist the Government to prepare the proposal for establishment, dissolution, merging, splitting and modification of geographical borders of provincial-level administrative units for submission to the National Assembly.

2. The provincial People's Committee shall prepare the proposal for establishment, dissolution, merging, splitting and modification of geographical borders of district-level and communal-level administrative units for submission to the Government.

3. Cost of formulation of the proposal for establishment, dissolution, merging, splitting and modification of geographical borders of administrative units shall be funded by the state budget as prescribed by the Government.

**Article 131. Local referendum on the establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions**

1. The establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions must be subject to opinions of local people who are the electorate of communal-level administrative units and directly affected by such establishment, dissolution, merging, splitting and modification. This referendum shall be conducted by collecting opinion ballots from the electorate.

2. The Government shall be responsible for conducting this referendum on the establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions and performing the following tasks:

a) Decide the time when this referendum takes place, opinion ballot templates and supporting materials;

b) Direct, provide guidance on and inspect the People's Committee at all levels in relation to the referendum; direct the task of spreading and dissemination of information about the referendum;

c) Provide adequate budget and necessary conditions to facilitate this referendum;

d) Make the referendum result known to the public through the Government's website.

3. The provincial People's Committee concerned shall be responsible for performing the following tasks:

a) Organize the opinion poll to collect opinions from the electorate within their areas;

b) Allocate adequate fund and necessary conditions to facilitate this opinion poll;

c) Instruct and inspect the People's Committee at the inferior level to accomplish the opinion poll;

d) Aggregate and report the results of such poll including local opinions collected from everywhere in their areas.

4. The district-level People's Committee shall be responsible for performing the following tasks:

a) Instruct and inspect the communal-level People's Committee to accomplish the opinion poll;

b) Carry out the spreading and dissemination of information about contents on which opinions should be given within their areas;

c) Aggregate and report the results of such poll including the electorate's opinions collected from everywhere in their areas.

5. The communal-level People's Committee shall be responsible for performing the following tasks:

a) Compile the list of electors living within their areas at the time of the opinion poll;

b) Decide to hand out opinion ballots to collect the electorate's opinions at communes, wards and commune-level towns in conformity with residential features within their areas;

c) Conduct the opinion poll at each village and residential quarter;

d) Gather meeting minutes and opinion ballots from the electorate; make reports on the opinion poll result.

6. Referendum or opinion poll reports must display total number of electors living within their areas, the number of electors participating in the referendum or poll, the number of electors voting in favor, the number of electors voting against and other opinions. Reports on the result of opinions collected from the electorate living in district-level or communal-level constituencies shall be sent to the People's Council at the same level and the People's Committee at the superior level; reports on the result of opinions collected from the electorate living in provincial-level constituencies shall be sent to the Government and the provincial People's Council.

**Article 132. People's Council's approval for the establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions**

1. After the referendum on the establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions, if there is more than fifty percent of the local electorate voting in favor, the proposal-making agency shall be responsible for perfecting the proposal and filing it to the People's Council in administrative units or relevant units to obtain their decision.

2. On the basis of opinions collected from the local electorate, the draft proposal for the establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions sent by proposal-making agencies, the relevant People's Council at the communal, district or provincial level shall discuss and hold a vote for or against the intention to establish, dissolve, merge, split or modify geographical borders of administrative units in hierarchical order from the communal level to the district or provincial level.

3. The resolution of the People's Council at the communal level on approval or disapproval of the intention to establish, dissolve, merge, split and modify geographical borders of administrative units shall be submitted to the People's Council at the district level; the resolution of the district-level People's Council shall be submitted to the provincial People's Council; the resolution of the provincial People's Council shall be submitted to the Ministry of Home Affairs in order to make an aggregate report to send to the Government and competent authorities for decision.

**Article 133. Inspection of the proposal for establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions**

1. The National Assembly's Committee on legislation shall inspect the Government's proposal for establishment, dissolution, merging, splitting and modification of geographical borders of provincial-level administrative divisions to report to the National Assembly; inspect the Government's proposal for establishment, dissolution, merging, splitting and modification of geographical borders of district-level and communal-level administrative divisions to report to the National Assembly Standing Committee.

2. Inspecting documentation shall be composed of the followings:

a) The request for the establishment, dissolution, merging, splitting and modification of administrative divisions;

- b) The proposal for establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions;
- c) The report on anticipation of possible impacts caused by the establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions;
- d) The summary report on opinions collected from the electorate, the all-level People's Council and relevant agencies or organizations;
- dd) The draft proposal for establishment, dissolution, merging, splitting and modification of geographical borders of administrative divisions.

## **Section 2: ORGANIZATION OF LOCAL GOVERNMENTS IN THE EVENT OF CHANGE MADE TO GEOGRAPHICAL BORDERS OF ADMINISTRATIVE DIVISIONS AND UNDER SOME SPECIAL CIRCUMSTANCES**

### **Article 134. Organization of local governments in the event of merging of same-level administrative units**

1. In case various administrative units are merged into a new one at the same level, delegates of the People's Council of the previous administrative units shall jointly become those of the People's Council of the new ones and continue their term of office.
2. The first meeting held by the People's Council of the new administrative unit as stipulated in Clause 1 of this Article shall be convened and chaired by the meeting-convening person designated by the Standing Committee of the People's Council at the directly superior level out of delegates of the People's Council of the new administrative unit, or designated by the National Assembly Standing Committee with regard to the meeting held by the People's Council at the provincial level until the People's Council manages to elect the Chairperson of the People's Council of the new administrative unit.
3. The People's Council of the new administrative unit as stipulated in Clause 1 of this Article shall elect persons as incumbents for the People's Council and the People's Committee in accordance with applicable regulations, Article 83 hereof. These incumbents shall hold their term of office until the new-term People's Council has been elected.

### **Article 135. Organization of local governments in the event of splitting of same-level administrative units into different ones**

1. In case an administrative unit is split into various administrative units at the same level, delegates of the People's Council that have been elected or worked within new administrative units shall together become delegates of these new ones and continue their term of office.
2. In case the number of delegates of the People's Council of the new administrative unit is greater than or equals two thirds of total delegates elected in accordance with this Law, the new People's Council shall elect incumbents to the People's Council and the People's Committee in

accordance with applicable regulations laid down in Article 83 hereof. They shall hold their term of office until the new-term People's Council has been elected.

3. In case the number of delegates of the People's Council of the new administrative unit is not equal to two thirds of total delegates elected in accordance with this Law, and the remaining period of its term of office is more than 18 months, delegates of the People's Council shall be additionally elected in accordance with the law on election. The People's Council to which additional delegates are elected shall elect delegates to hold their term of office in the People's Council and the People's Committee in accordance with regulations laid down in Article 83 hereof. They shall hold their term of office until the new-term People's Council has been elected.

4. The first meeting held by the People's Council of the new administrative unit as stipulated in Clause 2 and Clause 3 of this Article shall be convened and chaired by the meeting-convening person designated by the Standing Committee of the People's Council at the directly superior level out of delegates of the People's Council of the new administrative unit, or designated by the National Assembly Standing Committee with regard to the meeting held by the People's Council at the provincial level until the People's Council manages to elect the Chairperson of the People's Council of the new administrative unit.

5. In the event that the number of delegates of the People's Council of the new administrative unit is not equal to two thirds of total delegates of the People's Council elected in accordance with this Law, and the remaining period of the term of office is less than or equal to 18 months, the Standing Committee of the People's Council at the directly superior level shall appoint the Acting Chairperson of the People's Council, but as for the provincial-level administrative unit, the National Assembly Standing Committee shall appoint the Acting Chairperson of the People's Council, as requested by the Standing Committee of the People's Council of the pre-split administrative unit in order to implement duties and powers stipulated in Clause 3 Article 138 hereof.

The President of the People's Committee at the directly superior level shall appoint the Acting President of the People's Committee or the provisional People's Committee, but as for the administrative unit at the provincial level, the Prime Minister shall appoint the Acting President of the People's Committee or the provisional People's Committee in order to implement duties and powers of the President of the People's Committee or the People's Committee in accordance with regulations laid down in this Law until the new-term People's Committee has been elected.

### **Article 136. Organization of local governments in the event of establishment of a new administrative unit on the basis of change made to part of geographical border of other administrative unit**

1. With respect to establishment of a new administrative unit on the basis of change made to part of geographical border of other administrative unit, delegates of the People's Council of the initial administrative unit shall jointly become those of the People's Council of the latter one and continue their term of office.

2. Organization and operation of the local government of the newly-established administrative unit shall adhere to regulations laid down in Article 135 hereof.

3. The People's Council of the administrative unit of which its geographical border is adjusted to establish a new one shall continue its operations; the election of additional delegates shall be carried out in accordance with legal regulations on election.

**Article 137. Operations of the People's Council's delegates in the event of adjustment to geographical borders of administrative units, or residential collective movement**

1. In case part of the territory and residential areas of this administrative unit is adjusted to become another exact administrative unit, delegates of the People's Council within that territory shall be considered as delegates of the People's Council at the equivalent level and continue their operations at the new administrative unit till the end of their term of office.

2. In case part of the territory and residential areas of this administrative unit is adjusted to become another exact administrative unit, delegates of the People's Council within that territory shall be considered as delegates of the People's Council at the equivalent level and continue their operations at the new administrative unit till the end of their term of office.

**Article 138. Operations of the People's Council in the event of the deficiency in two thirds of total delegates of the People's Council**

1. In case there is a deficiency in two thirds of delegates of the People's Council elected in accordance with this Law, and the remaining period of their term of office is more than 18 months, delegates of the People's Council shall be additionally elected in accordance with the law on election.

2. In case there is a deficiency in two thirds of delegates of the People's Council elected in accordance with this Law, and the remaining period of their term of office is less than 18 months, the People's Council shall only discuss and decide the plan for socio-economic development and local government budget. The Chairperson of the People's Council shall carry out the duties and powers stipulated in Article 3 hereof. In case the Chairperson of the People's Council is left vacant, the Standing Committee of the People's Council at the directly superior level shall appoint the Acting Chairperson of the People's Council; as for the provincial-level administrative unit, the National Assembly Standing Committee shall have authority to appoint the Acting Chairperson of the People's Council.

The People's Committee at the same level shall continue to carry out their duties and powers in accordance with this Law.

3. The Chairperson of the People's Council or the Acting Chairperson of the People's Council mentioned in the circumstance stipulated in Clause 2 of this Article shall carry out the following duties and powers:

- a) Collaborate with the People's Committee in making preparations for the meeting of members of the People's Council; convene and preside at the meeting of members of the People's Council to discuss and make a resolution of the People's Council on the plan for socio-economic development and local government budget;
- b) Aggregate questions posed by delegates of the People's Council, opinions or recommendations obtained from the electorate to report to the meeting of members of the People's Council.
- c) Keep contact with, expedite and facilitate operations of the People's Council's delegates;
- d) Convene and preside at the first meeting of the new-term People's Council until the People's Council has elected the Chairperson of the People's Council;
- dd) Carry out other duties and powers of the Standing Committee of the People's Council in accordance with laws.

### **Article 139. Dissolution of the People's Council**

1. The People's Council causing serious harm to the people's interests shall be dissolved.
2. Authority to dissolve the People's Council shall be stipulated as follows:
  - a) The National Assembly Standing Committee shall have authority to dissolve the provincial People's Council;
  - b) The provincial People's Council shall dissolve the district-level People's Council;
  - c) The district-level People's Council shall dissolve the communal-level People's Council.
3. The district-level People's Council making resolution on dissolution of the communal-level People's Council shall be responsible to the provincial People's Council for approval; the provincial People's Council making resolution on dissolution of the district-level People's Council shall be responsible to the National Assembly Standing Committee for approval.
4. The provincial People's Council being dissolved must terminate its operations as from the effective date of the resolution on dissolution of the provincial People's Council issued by the National Assembly Standing Committee.

The district-level or communal-level People's Council being dissolved must terminate its operations as from the date on which the resolution on dissolution of the People's Council is passed by competent state organs.

5. In case the People's Council is dissolved, the President of the People's Committee at the directly superior level shall appoint the Acting President of the People's Committee or the provisional People's Committee, but as for the administrative unit at the provincial level, the

Prime Minister shall appoint the Acting President of the People's Committee or the provisional People's Committee in order to implement duties and powers of the President of the People's Committee or the People's Committee in accordance with regulations laid down in this Law until the new-term People's Council and People's Committee have been elected.

6. The National Assembly Standing Committee shall decide and announce the polling date to elect delegates of the People's Council in the event of dissolution of the provincial People's Council; the Standing Committee of the provincial People's Council shall decide and announce the polling date to elect delegates of the People's Council in the event of dissolution of the district-level or communal-level People's Council. Election of delegates of the People's Council shall be held in accordance with legal regulations on election. The newly-elected People's Council shall carry out their duties till the end of the term of office of the dissolved People's Council.

## **Chapter VIII**

### **IMPLEMENTARY PROVISIONS**

#### **Article 140. Amendment and supplement to Article 4 of the Law on Urban Planning**

Amendment and supplement to Article 4 of the Law on Urban Planning No. 30/2009/QH12 as follows:

##### **“Article 4. Urban classification**

1. Urban administrative units shall be classified into 6 grades, including special grade, first, second, third, fourth and fifth grade based on the following criteria:

- a) Position, functions, roles and socio-economic development structure and level;
- b) Population scale;
- c) Population density;
- d) Non-agricultural labor rate;
- dd) Infrastructural development level.

2. The Government shall request the National Assembly Standing Committee to provide specific provisions on urban classification over periods of socio-economic development.”

#### **Article 141. Effect**

This Law shall enter into force since January 1, 2016.

The Law on Organization of the People's Council and the People's Committee No. 11/2003/QH11 shall be annulled as from the effective date of this Law, except for cases stipulated in Article 142 hereof.

#### **Article 142. Transitional provisions**

1. From the effective date of this Law to the date on which the election of the People's Council holding the term 2016 – 2021 is complete, the People's Council and the People's Committee of administrative units shall continue to keep their organizational structure unchanged and implement duties and powers stipulated by the Law on Organization of the People's Council and the People's Committee No. 11/2003/QH11.

2. The pilot cancellation of organization of the People's Council of suburban districts, urban districts and wards in accordance with the Resolution No. 26/2008/QH12 of the National Assembly, the Resolution No. 724/2009/UBTVQH12 of the National Assembly Standing Committee since January 1, 2016 shall be terminated. The People's Committee of suburban districts, urban districts and wards of which the People's Council is not organized shall continue to keep its organizational structure unchanged and implement duties and duties in accordance with the Law on Organization of the People's Council and the People's Committee No. 11/2003/QH11, the Resolution No. 26/2008/QH12 of the National Assembly and the Resolution No. 725/2009/UBTVQH12 of the National Assembly Standing Committee, until the local government of these suburban districts, urban districts and wards is elected in accordance with this Law.

#### **Article 143. Specific provisions and guidance on implementation**

The National Assembly Standing Committee and the Government shall specify articles and clauses enshrined in the Law and provide guidance on implementation of this Law.

*This Law is passed at the 9<sup>th</sup> plenum of the National Assembly of the Socialist Republic of Vietnam Tenure XIII on June 19, 2015.*

**THE CHAIRMAN OF THE  
NATIONAL ASSEMBLY**

**Nguyen Sinh Hung**

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**Law**

on State Budget

*Pursuant to Constitution of Socialist Republic of Vietnam;*

*The National Assembly promulgates the Law on State budget.*

**Chapter I**

**GENERAL PROVISIONS**

**Article 1. Scope**

This Law deals with the planning, implementation, audit, statement, and supervision of state budget; responsibilities and entitlements of agencies, organizations, units, and individuals relevant to state budget.

**Article 2. Regulated entities**

1. Regulatory agencies, political organizations, and socio-political organizations.
2. Socio-political-professional organizations, social organizations, socio-professional organizations supported by state budget under the tasks given by the State.
3. Public service agencies.
4. Other organizations and individuals relevant to state budget.

**Article 3. Application of law**

1. The planning, implementation, audit, statement, and supervision of state budget must comply with this Law and relevant regulations of law.
2. In case regulations of an international agreement to which the Socialist Republic of Vietnam is a signatory is contrary to this Law, regulations of such international agreement shall apply.

**Article 4. Interpretation of terms**

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

1. *The State budget deficit* includes deficit of the central government budget and deficit of provincial budgets. Central government budget deficit is the positive difference between total central government budget expenditure (not including principal repayment) and total central government budget revenue. Provincial budget deficit is total deficit of budget of each central-affiliated city or province, which is the positive difference between total budget expenditure (not including principal repayment) and total budget revenue of every province.
2. *Commitment to give state budget estimate* means the acceptance by a competent authority to give budget estimate of particular program, project, or task in the next year(s).
3. *Expenditure on national reserve* means an obligatory expenditure of state budget on purchase of goods for reserve as prescribed by regulations of law on national reserve.
4. *Expenditure on development investment* means an obligatory expenditure of state budget which includes expenditure on investment in fundamental construction and other investments as prescribed by law.
5. *Expenditure on investment in fundamental construction* means an obligatory expenditure of state budget on execution of socio-economic infrastructure programs/projects and programs/projects serving socio-economic development.
6. *Recurrent expenditures* are obligatory expenditures of the state budget on maintenance of operation of the State apparatus, political organizations, socio-political organizations, support for operation of other organizations, and performance of regular tasks of the State in terms of socio-economic development and assurance of national defense and security.
7. *Expenditure on debt repayment* means an obligatory expenditure on repayment of due debts including principal, interest, fees and other costs of the loaning process.
8. *State budget reserve* means an entry of the unallocated budget expenditure estimate which is decided by corresponding agencies in charge of the budget.
9. *Budget estimate unit level I* means a unit that is given budget estimate by the Prime Minister or the People's Committee according to budget estimates.
10. *Budget estimate unit* means an organization or unit that is given budget estimate by a competent authority according to budget estimates.
11. *Budget-using unit* means a budget estimate unit that is assigned to directly manage and use the budget.
12. *Budget surplus* means the positive difference between the total budget revenue and total budget expenditure at the end of the budget year.

13. *Local government budget* means state budget revenues that a local government may use, additional funding from central government budget to the local government budget, and state budget expenditures within the liabilities of the local government.

14. *State budget* means all the expenditures and revenues of foreign that are estimated and realized over a certain period of time decided by competent authorities in order to perform the functions and tasks of the State.

15. *Central government budget* means state budget revenues that are given to the central regulatory agencies and state budget expenditures within the liabilities of central regulatory agencies.

16. *Budget management decentralization* means determination of scope, responsibility, and entitlements of various levels of authorities and budget estimate units to state budget management that suit socio-economic management decentralization.

17. *Financial reserve fund* means a fund of the State derived from state budget and other financial sources prescribed by Law.

18. *State budget fund* means the entire amount of money of the State, including loans on the account of various levels of state budget at a particular point of time.

19. *Off-budget financial fund* means a fund established by a competent authority and independent from state budget; its revenues and obligatory expenditures are meant to fulfill certain tasks prescribed by law.

20. *Additional funding for balancing budget* means the additional funding provided by the budget of a superior agency to budget of an inferior agency in order for it to balance its budget and fulfill its tasks.

21. *Dedicated additional funding* means the additional funding provided for budget of an inferior agency to support execution of a particular program/project, or fulfillment of certain tasks.

22. *Checked estimate of state budget revenue and expenditure* means the amount of state budget expenditure and revenue notified by competent authorities to various levels of state budget, agencies, organizations and units as the basis for making annual state budget estimates and 3-year state budget – finance plans.

23. *Local government budget stability period* means the period over which the ratio (%) of revenues between various levels of state budget to additional funding for budget balance from superior budgets to inferior budgets is stable for 05 years, which coincide with the 5-year socio-economic development plan, or under a decision of the National Assembly.

24. *Ratio (%) of revenue distribution between various levels of state budget* means the ratio (%) of state budget revenue given to a budget may retain to the total revenues distributed among various levels of state budget.

## **Article 5. Scope of state budget**

1. State budget revenues include:

- a) All revenues from taxes and fees;
- b) All revenues from fees for services provided by regulatory agencies; fees for service provided by public service agencies and state-owned enterprises that are transferred to state budget as prescribed by law;
- c) Grant aid provided by governments of other countries, overseas organizations and individuals for Vietnam's government and local governments of Vietnam;
- dd) Other revenues prescribed by law.

2. State budget expenditures include:

- a) Expenditure on development investment;
- b) Expenditure on national reserve;
- c) Recurrent expenditures;
- d) Payment of loan interest;
- dd) Provision of aid;
- e) Other expenditures prescribed by law.

3. The State budget deficit.

4. Total loan of state budget, including loans to cover deficit and repayment of debt principal of state budget.

## **Article 6. State budget system**

1. State budget consists of central government budget and local government budgets.

2. A local government budget consists of budgets of local authorities at various levels.

## **Article 7. Rules for state budget balancing**

1. Revenues from taxes, fees, charges, and other revenues must be transferred to state budget balance without association with any particular obligatory expenditure. If revenue must be associated with a particular obligatory expenditure, such expenditure shall be covered by the corresponding revenue in the budget estimate. The establishment of policies on collection of

budget revenues must ensure midterm and long-term balance of budget as well as adherence to international integration agreements.

2. State budget is considered balanced if total revenue from taxes, fees, and charges is higher than total recurrent expenditure and the saving for development investment is increasing; If budget deficit still exist, the amount of deficit must be smaller than the expenditure on development investment in order to aim for balanced budget. The government shall propose special cases to the National Assembly for consideration. Budget surplus, if any, shall be used to repay principal and interest of loans taken by the state.

3. Loans for covering the State budget deficit may only be used for development investment, not recurrent expenditures.

4. Central government budget deficit shall be covered by the following sources:

a) Domestic loans from issuance of Government bonds and other domestic loans prescribed by law;

b) Foreign loans granted by governments of other countries, international organizations, issuance of Government bonds to international market, not including on-lend loans.

5. Local government budget deficit:

a) Deficit of provincial budgets is permitted; only local government budget deficit because of investment in projects under midterm public investment plans decided by the People's Council of the province is permitted;

b) Local government budget deficit shall be covered by domestic loans from issuance of Government bonds, on-lending loans from the government, and other domestic loans prescribed by law;

c) Local government budget deficit shall be aggregated with the State budget deficit and decided by the National Assembly. The government shall set out conditions for local government budget deficit in order to ensure solvency of local governments and suit the total state budget deficit.

6. Loan balance of local government budgets

a) Loan balance of budgets of Hanoi and Ho Chi Minh City must not exceed 60% of the local government budget revenue they may retain;

b) In the administrative divisions permitted to retain an amount of revenue higher than recurrent expenditure of the local government budgets, loan balance must not exceed 30% of the amount retained;

c) In the administrative divisions permitted to retain an amount of revenue not exceeding recurrent expenditure of the local government budgets, loan balance must not exceed 20% of the amount retained.

## **Article 8. Rules for state budget management**

1. State budget shall be managed in a uniform, democratic, efficient, prudent, transparent, and fair manner with decentralization of management, associated with entitlements and responsibilities of regulatory agencies at various levels.
2. All budget expenditures and revenues must be estimated and aggregated with state budget.
3. Budget revenues must comply with regulations of law on taxes and tax collection.
4. Budget expenditures may only be realized after the budget estimate is approved by a competent authority; the standard, and expenditure limits imposed by competent authorities must be complied with. State budgets at various levels, budget estimate units, budget-using units must not execute obligatory expenditures before having financial sources and budget estimate, which will lead to debts on fundamental construction and funding for recurrent expenditures.
5. Priority shall be given to expenditures on implementation of policies of Communist Party and the State to serve economic development, poverty reduction; ethnic policies; gender equality objectives; development of agriculture and rural areas, education, healthcare, science and technology, and other important policies.
6. State budget shall be allocated to fulfill socio-economic development tasks; assurance of national defense and security, international relation, and cover operating cost of the state apparatus.
7. State budget shall cover operating costs of political organizations and socio-political organizations.
8. Socio-political-professional organizations, social organizations, socio-professional organizations shall cover their own operating costs. State budget only support performance of tasks given by the State as prescribed by the government.
9. Payment of due loan interest being obligatory expenditures of state budget.
10. The decision on investment and expenditures on investment in programs/projects funded by state budget must conform to the Law on Public investment and relevant regulations of law.
11. State budget does not cover operating costs of off-budget financial funds. An organization only has its charter capital supported by state budget within the capacity of state budget and only when the conditions are satisfied: the organization is established and operating in accordance with law, financially independent, and sources of revenue and obligatory expenditures do not coincide with those of state budget.

## **Article 9. Rules for management of sources of revenue, obligatory expenditures, and relation between various levels of state budget**

1. Central government budget and local government budget at each level has their own sources of revenue and obligatory expenditures.
2. Central government budget plays a pivotal role in ensuring execution obligatory expenditures of the country, support local governments in balancing their budgets in accordance with Clause 3 Article 40 of this Law.
3. Local government budgets having sources of revenue shall initiatively make obligatory expenditures as assigned. The People's Councils of provinces shall decide distribution of sources of revenue and obligatory expenditures between various levels of local government budget in a way that is conformable with decentralization of socio-economic management, national defense and security, and managerial capacity of each level.
4. Each local government budget shall ensure the execution of their own obligatory expenditures; the promulgation and implementation of new policies that increase budget revenue must ensure the financial sources and suit the ability to balance budget at each level; the decision on investment in programs/projects funded by state budget must not exceed the scope of budget at that level.
5. The superior regulatory agency that authorizes an inferior regulatory agency to make obligatory expenditures on its behalf must give a budget estimate to such inferior agency. The agency that receives the funding must submit a statement of the use of such funding to the authorizing agency.
6. Budget revenues and additional funding provided by superior budgets to inferior ones shall be distributed by ratio (%) in a way that ensure equality and balanced development among geographical areas.
7. During budget stability period:
  - a) The ratio of budget revenue distribution between various levels of state budget remains unchanged;
  - b) Every year, in consideration of the capacity of the superior budget, the competent authority may decide increase in additional funding for balancing budget from the superior budget to inferior budgets compared to the first year of the stability period;
  - c) The dedicated additional funding provided by the superior budget to inferior budgets is determined according to the rules, criteria, and limits of funding provision, standards, limits on budget expenditures; capacity of the superior budget, and ability to balance budget of each inferior local government;

d) Local governments may use the annual increase in revenue which they may retain to increase expenditure on performance of socio-economic development tasks and assurance of national defense and security. Revenue increase compared to budget estimate shall comply with Clause 2 Article 59 of this Law.

In case there is a new source of revenue from a new project which is put into operation during the budget stability period, which results in a considerable increase in the local government budget revenue, the revenue increase must be transferred to the superior budget. The government shall request the National Assembly; the People's Committee of the province shall request the People's Council of the same provide to decide the collection of the aforementioned revenue increase and provide dedicated additional funding for inferior budgets as prescribed in Point d Clause 3 Article 40 of this Law in order to support investment in local infrastructure under projects approved by competent authorities;

dd) If the local government budget revenue is smaller than the budget estimate because of some objective reason, Clause 3 Article 59 of this Law shall apply.

8. After each budget stability period, local governments must improve their ability to balance and develop their budgets themselves, reduce the ratio of funding from the superior budget to total local government budget expenditure, or increase the ratio of amount transferred to the superior budget with regard to the revenues distributed among various level of state budget in order to support the superior budget in making national obligatory expenditures and facilitate comprehensive development among geographical areas.

9. Do not use state budget at one level to pay for performance of tasks of another, and do not use the budget of one local government to pay for performance of tasks of another, except for the following cases:

a) The inferior budget has to support superior units in the same area to mobilize of emergency forces upon in the event of a disaster, epidemic, and other emergency situations in order to maintain socio-economic stability, security, and social order in the area;

b) While performing their tasks, superior units shall cooperate with inferior units in performance of some tasks of the inferior units;

c) Local government budget reserve shall be used to support other areas in disaster recovery.

10. In case implementation of an international agreement results in a decrease in central government budget revenue, the government shall request the National Assembly to consider adjusting distribution of revenue between central government budget and local government budgets in order to maintain the leading role of central government budget.

#### **Article 10. State budget reserve**

1. The reserve is 2% - 4% of total budget expenditure at each level.

2. State budget reserve is used for:

- a) Unplanned expenditures on prevention and recovery of natural disasters, response to epidemics, and famine relief; performance of crucial national defense and security objectives, and other objectives that are their liabilities;
- b) Provision of support for inferior budgets to perform the tasks mentioned in Point a of this Clause if the inferior budgets are still not able to complete such tasks after their reserve is used up;
- c) Provision of support for other local governments as prescribed in Point c Clause 9 Article 9 of this Law.

3. The power to decide the use of state budget reserve:

- a) The government shall provide for the power to decide the use of central government budget reserve, submit periodic reports on the use of central government budget reserve to Standing Committee of the National Assembly and to the National Assembly at the nearest meeting;
- b) The People's Committees shall decide the use of their budget reserve; submit periodic reports to Standing Committee of the People's Council and to the People's Council at the nearest meeting.

#### **Article 11. Financial reserve funds**

1. The government, the People's Committees of provinces shall establish financial reserve funds from sources of revenue, budget surplus; include them in annual budget expenditure estimate and other financial sources. The balance of the financial reserve fund at each level must not exceed 25% the annual budget expenditure estimate that the same level.

2. Financial reserve funds are used in the following cases:

- a) Advance funding to cover necessary expenditures according to the budget expenditure estimate before aggregating enough revenue. Such amount must be returned within the budget year;
- b) In case state budget revenues or loans taken to cover budget deficit fail to reach the estimate decided by the National Assembly or the People's Council, budget reserve is used up but still not sufficient for disaster recovery, response to widespread and serious epidemics, performance of tasks related to national defense and security, and other urgent tasks that are unplanned, the financial reserve fund may be used. However, the amount used in the year must not exceed 70% of the opening balance of the fund.

3. The government shall decide the power to use financial reserve funds.

#### **Article 12. Conditions for the State budget revenues and expenditures**

1. State budget revenues must comply with this Law, tax laws, and regulations of law on collection of state budget revenues.
2. State budget expenditures are only permitted if they are included in a given budget estimate except for the case in Article 51 of this Law, have been decided by the head of the budget-using unit, investor, or an authorized person, and satisfy all conditions in each of the following cases:
  - a) Expenditure on investment in fundamental construction must satisfy conditions prescribed by regulations of law on public investment and construction;
  - b) Recurrent expenditures must comply with the standards, limits on budget expenditures imposed by competent authorities; in case an organization or unit is permitted by a competent authority to exercise financial autonomy, it shall comply with its regulations on spending which conform to its budget estimate.
  - c) Expenditure on national reserve must satisfy conditions prescribed by regulations of national reserve;
  - d) With regard to procurements of consulting services, goods, construction works under programs/projects that need bidding to select contractors providing, bidding must be organized in accordance with regulations of law on bidding;
  - dd) Expenditures on tasks given or ordered by the State must comply with regulations of law on prices or fees and charges promulgated by competent authorities.

### **Article 13. Accounting and statement of state budget revenue and expenditure**

1. State budget revenues and expenditures shall be expressed as Vietnam dong (VND). State budget revenues and expenditures in foreign currencies must be converted into VND at the rate prescribed by a competent authority at that time.
2. State budget revenues and expenditures must be sufficiently, promptly, and properly accounted for.
3. Accounting and statements of state budget must be uniform under state accounting regulations, list of state budget entries, and this Law.
4. Documents about state budget revenues and expenditures must be issued, used, and managed in accordance with law.

### **Article 14. Budget year**

A budget year begins on January 01 and ends on December 31 of the solar calendar year.

### **Article 15. Publishing of state budget**

1. State budget estimates that have been submitted to the National Assembly and the People's Councils; State budget estimates that have been approved by competent authorities; reports on state budget enactment; state budget statements approved by the National Assembly and the People's Councils; estimates, enactment reports, statements of budgets of budget estimate units, organizations funded by state budget, fundamental construction programs/projects funded by state budget must be published in accordance with regulations below:

a) Contents to be published include: data and description of state budget estimates been submitted to the National Assembly and the People's Councils; state budget estimates made by competent authorities; use of state budget, and state budget statements; implementation of proposals of State Audit Office of Vietnam; except for detailed data and description related to national defense, security, and national reserve;

b) State budget shall be published in one or some of the following manners: announcement at meetings; posting at offices; issued in publications; written notifications to relevant organizations and individuals; posting on websites; announcement through the media;

c) Every state budget estimate must be published within 05 working days from the day on which it is sent by the government to members of the National Assembly or by the People's Committee to the People's Council.

Reports on state budget estimates approved by competent authorities, state budget statements approved by competent authorities, result of state budget audit, result of implementation proposals of State Audit Office of Vietnam must be published within 30 days from the day on which they are issued.

Quarterly and biannual reports on state budget enactment must be published within 15 days from the ending day of the quarter or half-year period.

The annual report on state budget enactment must be published when it is submitted by the government to the National Assembly at the mid-year meeting of the next year.

2. Publishing of state budget procedures:

a) Collecting authorities, financial authorities, and State Treasuries shall publish state budget procedures;

b) Contents to be published: regulations on procedures for declaration, collection, payment, exemption, reduction, deferral, refund of payments; advanced payment, amounts allocated and paid to state budget;

c) The publishing may be carried out by posting at transaction places and on websites of the aforementioned agencies.

3. The contents published must have sufficient criteria and forms prescribed by the Ministry of Finance.

4. Responsible agencies mentioned in Clause 1 and Clause 2 of this Article shall be dealt with as prescribed by law if failing to publish the aforementioned contents.

5. The government shall provide specific regulations on publishing of state budget.

#### **Article 16. Supervision of state budget by the public**

1. State budget shall be supervised by the public. Vietnamese Fatherland Front and other agencies at various levels shall organize supervision of state budget by the public. Contents of supervision of state budget by the public:

a) Adherence to regulations of law on management and use of state budget;

b) Enactment of annual state budget estimates;

c) Publishing of state budget as prescribed in Article 15 of this Law.

2. The government shall provide specific regulations on supervision of state budget by the public.

#### **Article 17. 5-year financial plan**

1. A 5-year financial plan is a financial plan for 05 years made together with a 5-year socio-economic development plan. The 5-year financial plan must have overall and specific targets of state budget and state finance, major orientations for state budget and state finance; amount and structure of domestic revenues, revenue from crude oil, revenue from export and import; amount and structure of expenditure on development investment, debt repayment; orientation of budget deficit; limit of national foreign debts, public debts, government debts; solutions for implementation of the plan.

2. 5-year financial plan is meant to:

a) Achieve socio-economic development targets of the country, each sector, field, and area; balance and efficiently use public financial resources and state budget in the midterm; encourage publishing and transparency of state budget;

b) Form a basis for competent authorities to consider deciding midterm investment plan from state budget;

c) Orient the making of annual state budget estimates and 3-year state budget-finance plans.

3. 5-year financial plans include national 5-year financial plan and provincial 5-year financial plans.

4. The Ministry of Finance shall formulate the national 5-year financial plan and submit it to the Prime Minister for reporting to the National Assembly; Every provincial Department of Finance

shall formulate provincial 5-year financial plans and submit them to the People's Committee of the province and the People's Council for consideration together with the budget estimate of the first year of the plan.

5. The government shall provide specific regulations on making of 5-year financial plans.

### **Article 18. Prohibited acts**

1. Misusing position or power to appropriate state budget; irresponsibility that causes losses to state budget.
2. Collecting revenues against regulations of tax laws and other regulations of law on collection of revenues; incorrectly distributing sources of revenue between various levels of state budget; improperly retaining state budget revenues; collecting revenues against the law.
3. Spending without budget estimates except for the case in Article 51 of this Law; Spending against given budget estimates; spending against regulations, standards, and limits on expenditure, or on improper purposes; making expenditures against the law.
4. Deciding investment in programs/projects funded by state budget ultra vires or without determined capital sources.
5. Taking loans against the law; taking loans beyond the state budget capacity.
6. Using state budget to grant loans, make advanced payment, or contribute capital against the law.
7. Delaying enactment of budget expenditures while all conditions prescribed by law have been satisfied.
8. Doing accounting against accounting regulations and list of state budget entries.
9. Making, submitting state budget estimates or statements behind schedule.
10. Approving state budget statements against the law.
11. Using the state budget fund at a State Treasury beyond the budget estimate approved by a competent authority, except for the case of temporary funding or advance funding from next year's budget prescribed in Article 51 and Article 57 of this Law.
12. Other prohibited acts related to state budget in relevant laws.

## **Chapter II**

### **DUTIES, ENTITLEMENTS OF REGULATORY AGENCIES; RESPONSIBILITY AND OBLIGATIONS OF ORGANIZATIONS AND INDIVIDUALS TO STATE BUDGET**

## **Article 19. Duties and entitlements of the National Assembly**

1. Make laws and amend laws on state budget – finance.
2. Decide basic policies on state budget – finance; impose, change, or abolish taxes; decide safety limits on national debts, public debts and government debts.
3. Decide 5-year financial plans.
4. Decide state budget estimates:
  - a) Total state budget revenue, including domestic revenue, revenue from crude oil, revenue from export and import, and receipt of grant aid;
  - b) Total state budget expenditure, including central government budget expenditure, local government budget expenditure, expenditure on development investment, national reserve, recurrent expenditures, payment of loan interest, provision of aid, provision of additional funding for financial reserve fund, budget reserve. Expenditure on development investment and recurrent expenditure include specific expenditures on education, vocational training, science and technology;
  - c) The State budget deficit includes deficit of central government budget and deficit of each local government budget; sources for covering state budget deficit;
  - dd) Total loan of state budget, including loans for covering state budget deficit and loans for repayment of principal of state budget.
5. Decide allocation of central government budget:
  - a) Total amount of central government budget allocated; expenditure on development investment by each field; recurrent expenditure by each field; expenditure on national reserve; payment of loan interest, provision of additional funding for financial reserve fund; budget reserve;
  - b) Estimate of expenditure on development investment, recurrent expenditure, expenditure on national reserve, provision of aid by each Ministry, ministerial agency, Governmental agency, and other central regulatory agencies by each field;
  - c) Amount of additional funding from central government budget for each local government budget, including funding for budget balancing and dedicated additional funding.
6. Decide the ratio (%) of distribution between central government budget and each local government budget with regard to the revenues prescribed in Clause 2 Article 35 of this Law.
7. Decide policies on investment in National target programs and projects of national importance funded by state budget.

8. Decide adjustments to state budget estimates where necessary.
9. Approve state budget statements.
10. Supervise the enactment of state budget, basic policies of state budget – finance, and the National Assembly’s Resolutions on state budget.
11. Annul documents issued by the President, Standing Committee of the National Assembly, the government, the Prime Minister, the People’s Supreme Court, the People’s Supreme Procuracy on state budget – finance that contravene the Constitution, Laws, and the National Assembly’s Resolutions.

#### **Article 20. Duties and entitlements of Standing Committee of the National Assembly**

1. Promulgate Ordinances and Resolutions on state budget – finance as prescribed by law.
2. Offer opinions on law projects, reports, and other projects pertaining to organizations and individuals submitted to the National Assembly by the government.
3. Promulgate a Regulation on making, inspecting, and deciding state budget estimate, plan for allocation of central government budget and approving state budget statements.
4. Offer opinions on regulations on important and extensive policies on budget expenditures related to achievement of socio-economic objectives of Vietnam proposed by the government.
5. Decide:
  - a) Rules, criteria, and norms for allocation of state budget;
  - b) Inclusion of increase in state budget revenue in the estimate; allocation and use of revenue increase, expenditure decrease of central government budget, reports submitted to the National Assembly at the nearest meeting.
6. Supervise the implementation of Laws and the National Assembly’s Resolution; Ordinances and Resolutions of Standing Committee of the National Assembly on state budget – finance.
7. Suspend the implementation of legislative documents promulgated by the government, the Prime Minister on state budget – finance that contravene the Constitution, Laws, and the National Assembly’s Resolutions; propose the annulment of such documents at the nearest meeting of the National Assembly.
8. Annul legislative documents promulgated by the government and the Prime Minister on state budget – finance that contravene Resolutions of Standing Committee of the National Assembly.

9. Annul Resolutions on state budget – finance promulgated by the People’s Councils of provinces that contravene the Constitution, Laws, Resolutions of the National, Ordinances and Resolutions of Standing Committee of the National Assembly.

**Article 21. Duties and entitlements of Budget – Finance Committee of the National Assembly**

1. Assess law projects, ordinance projects, other projects and reports on state budget – finance assigned by the National Assembly and Standing Committee of the National Assembly.

2. Take charge of assessment of state budget estimate, plan for allocation of central government budget, plan for adjusting state budget estimate, reports on enactment of state budget, and state budget statement; rules, criteria, and norm for budget allocation and plan for use of revenue increase, expenditure decrease of central government budget proposed by the government to the National Assembly and Standing Committee of the National Assembly.

3. Assess important and extensive policies on budget expenditures related to achievement of socio-economic objectives of Vietnam proposed by the government to Standing Committee of the National Assembly.

4. Supervise the implementation of Laws, Resolutions of the National Assembly, Resolutions of Standing Committee of the National Assembly on state budget – finance; supervise the enactment of state budget and state budget – finance policies.

5. Supervise the implementation of legislative documents promulgated by the government, the Prime Minister, Ministers, Heads of ministerial agencies, and joint documents on state budget – finance issued by central regulatory agencies.

6. Put forward issues pertaining to state budget – finance.

**Article 22. Duties and entitlements of Nationalities Council and other Committees of the National Assembly**

1. Cooperate with Budget – Finance Committee of the National Assembly and relevant agencies of the government in assessment of law projects, ordinance projects, state budget estimate, plan for allocation of central government budget, reports on enactment of state budget, state budget statement, other projects and reports on state budget – finance submitted by the government to the National Assembly or Standing Committee of the National Assembly within the area of its competence.

2. Supervise the implementation of Laws, Resolutions of the National Assembly, Resolutions of Standing Committee of the National Assembly on state budget – finance; supervise the enactment of state budget and state budget – finance policies within its competence.

3. Put forward issues pertaining to state budget – finance within its competence.

### **Article 23. Duties and entitlements of State Audit Office of Vietnam**

1. Carry out state budget audit and report the audit result to the National Assembly and Standing Committee of the National Assembly; send the audit result to the President, the government, the Prime Minister, Nationalities Council, Committees of the National Assembly, and relevant agencies prescribed by the Law on State Audit Office of Vietnam.
2. Submit reports on state budget statement audit to the National Assembly for consideration and approval.
3. Cooperate with Budget – Finance Committee and other agencies of the National Assembly and the government in examining reports on state budget estimate, plans for allocation of central government budget, and plans for adjusting state budget estimate.

### **Article 24. Duties and entitlements of the President**

1. Announce Laws and Ordinances on state budget – finance.
2. Perform the duties and entitlements prescribed by the Constitution and law pertaining to negotiation, conclusion, approval of international agreements of state budget – finance, or propose them to the National Assembly for approval.
3. Request the government to hold meetings on state budget – finance activities where necessary.

### **Article 25. Duties and entitlements of the government**

1. Submit law projects, ordinance projects, other projects and reports on state budget – finance to the National Assembly and Standing Committee of the National Assembly; promulgate legislative documents on state budget – finance within its competence.
2. Make and submit 5-year financial plans and 3-year state budget-finance plans to the National Assembly.
3. Make and submit annual state budget estimates, plans allocation of central government budget, and adjustments to state budget estimate (where necessary) to the National Assembly.
4. Pursuant to the National Assembly’s Resolution on state budget estimate and allocation of central government budget, assign state budget revenue and obligatory expenditures to each Ministry, ministerial agency, Governmental agency, other central regulatory agencies in accordance with Point b Clause 5 Article 19 of this Law; revenue, expenditure, deficit targets, and ratio (%) of distribution between central government budget and each local government budget with regard to the distributable revenues and additional funding from central government budget for each province according to Points a, b, c, and d Clause 4, Point c Clause 5, and Clause 6 Article 19 of this Law.

5. Unify management of state budget; ensure tight cooperation between sector management agencies and local governments in enactment of state budget.
6. Decide solutions and organize the enactment of state budget as decided by the National Assembly; inspect the enactment of state budget; submit reports to the National Assembly and Standing Committee of the National Assembly on enactment of state budget, National target programs, projects of national importance decided by the National Assembly.
7. Submit state budget – finance reports to the National Assembly and Standing Committee of the National Assembly on request.
8. Establish procedures for making estimates, collecting revenues, controlling budget expenditures, and making budget statements; advance funding of next year’s budget; use of budget reserve; use of financial reserve fund and other financial funds of the State prescribed in this Law and relevant regulations of law.
9. Decide important and extensive policies on budget expenditures related to achievement of socio-economic objectives of Vietnam after receiving opinions from Standing Committee of the National Assembly.
10. Decide uniform policies, standards, and limits on expenditures that apply nationwide; impose brackets of some policies, standards, and limits on expenditures to suit local conditions for the People’s Councils of provinces to decide specifically.
11. Establish principles, criteria, and limits on budget allocation; submit them to Standing Committee of the National Assembly as the basis for making estimates and allocating budget among Ministries, ministerial agencies, Governmental agencies, other central and local agencies.
12. Provide instructions and supervise the People’s Council implementing documents of superior agencies; inspect the legitimacy of Resolutions of the People’s Councils.
13. Make and submit state budget statements, financial statements of programs/projects of national importance decided by the National Assembly.
14. Issue a Regulation on consideration and decision of estimate and allocation of local government budgets; consider approving local government budgets.
15. Issue regulations on budget management according to task performance result.

#### **Article 26. Duties and entitlements of the Ministry of Finance**

1. Prepare for law projects, ordinance projects, 5-year financial plans, 3-year state budget – finance plans, other state budget – finance projects and submit them to the government; promulgate legislative documents on state budget – finance within its competence.

2. Establish principles, criteria, and limits on allocation of recurrent expenditures of state budget; policies, standards, and limits on budget expenditures, mechanism for state budget – finance management, accounting, payment, statement of state budget, and list of state budget entries; regulations on reporting and financial transparency; submit them to the government for promulgation in order to be uniformly applied nationwide.

3. Decide the policies, standards, limits on budget expenditures on various fields and sectors after reaching a consensus with corresponding Ministries; if a consensus is not achieved, the Ministry of Finance shall request the Prime Minister to consider and offer opinions.

4. Make state budget estimates, plans for allocation of central government budget, adjustments to state budget estimate where necessary and submit them to the government. Organize the enactment of state budget; unify the management and collection of taxes, fees, charges, loans, and other receivables, international aid; organize enactment of state budget expenditure in accordance with given budget estimates. Make and submit state budget statements to the government.

5. Decide the targets, orientation for raising, using loans, and management of public debt in each 5-year period; midterm debt management program; system of criteria for monitoring government debt, public debt, national foreign debts; annual plans for loans and repayment of the government; then submit them to competent authorities for approval.

6. Examine state budget – finance regulations promulgated by Ministries, ministerial agencies, the People's Councils, the People's Committees of provinces and President of the People's Committees of provinces. If any of them contravenes the Constitution, Laws, Resolutions of the National, Ordinances and Resolutions of Standing Committee of the National Assembly, and other documents issued by superior agencies, the Ministry of Finance is entitled to:

a) Request the Minister or Heads of ministerial agency to suspend or annul the illegitimate documents they issued;

b) Request the Prime Minister to suspend illegitimate Resolutions promulgated by the People's Councils of provinces;

c) request the Prime Minister to annul illegitimate regulations promulgated by the People's Committees and the Presidents of the People's Committees of provinces.

7. Carry out state budget – finance inspections; take actions (or request competent authorities to take actions) against violations against the laws on state budget – finance management of Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies, local governments, business organizations, administrative units, and other entities obliged to make contributions to state budget and use state budget;

8. Manage state budget funds, state reserve funds, and other funds of the State as prescribed by law.

9. Assess efficiency of state budget expenditures.
10. Publish state budget in accordance with Article 15 of this Law.

**Article 27. Duties and entitlements of the Ministry of Planning and Investment**

1. Establish and propose principles, criteria, and limits on allocation of capital for investment in development of state budget to the government; plan the allocation of expenditures on development investment of central government budget.
2. Cooperate with the Ministry of Finance, relevant Ministries and agencies in making 5-year financial plans, annual state budget estimates, and 3-year state budget – finance plans.

**Article 28. Duties and entitlements of the State bank of Vietnam**

1. Cooperate with the Ministry of Finance in formulating and implementing loaning plans for covering state budget deficit.
2. Give advances to state budget to cover temporary deficit of state budget funds under decisions of the Prime Minister.

**Article 29. Duties and entitlements of other Ministries, ministerial agencies, Governmental agencies, and other central regulatory agencies**

1. Make their own annual budget estimates and 3-year state budget – finance plans.
2. Cooperate with the Ministry of Finance, other Ministries and relevant agencies in aggregating the annual state budget estimate, plan allocation of central government, 5-year financial plans, 3-year state budget – finance plans, and annual budget statements of their fields or sectors.
3. Inspect and monitor the enactment of budget of their fields or sectors.
4. Report the result and efficiency of budget of their fields or sectors.
5. Impose technical – economic limits as the basis for budget management according to achievement of objectives of their fields or sectors.
6. Cooperate with the Ministry of Finance in establishing policies, standards, and limits on budget expenditures of their fields or sectors
7. Manage, organize enactment of budget; make and publish budget statements; ensure efficient use of state budget.
8. Ministers, Heads of ministerial agencies, Governmental agencies, and other central regulatory agencies shall adhere to their duties and entitlements to state budget – finance and take responsibility for misconducts within their competence.

## **Article 30. Duties and entitlements of the People's Councils**

1. According to the budget revenue and obligatory expenditures set by superior agencies and practical conditions, decide:

a) Estimate of the local revenues of state budget, including domestic revenue, revenue from crude oil, revenue from export and import, and receipt of grant aid, ensuring the actual revenue is not lower than the revenue estimated by superior agencies;

b) Estimate of revenues of local government budget, including the revenues wholly and partly retained in the local government budget, and additional funding provided by the superior budget;

c) Estimate of expenditures of local government budget, including expenditures of their own budget and those of inferior budgets, sorted by expenditure on development investment, recurrent expenditures, payment of loan interest, provision of additional funding for financial reserve fund, and budget reserve. Expenditure on development investment and recurrent expenditures include specific expenditures on education, vocational training, science and technology;

d) Total loan of local government budget, including loans for covering deficit of local government budget and loans for repayment of principal of local government budget.

2. Decide allocation of their own budget estimates:

a) Total amount; expenditure on development investment and recurrent expenditures by each field; provision of additional funding for local financial reserve funds; budget reserve;

b) Estimate of expenditure on development investment and recurrent expenditures of each affiliated agency and unit by field;

c) Additional funding for each inferior budget, including additional funding for budget balancing and dedicated additional funding.

3. Approve statements of local government budgets.

4. Decide policies and measures for enactment of local government budgets.

5. Decide adjustments to local government budget estimates where necessary.

6. Supervise the enactment of budget decided by the People's Council.

7. Annul legislative documents on state budget – finance promulgated by the People's Committee or the President of the People's Committee of the same province and the People's Councils at inferior level if they contravene the Constitution, Laws, Resolutions of the National, Ordinances and Resolutions of Standing Committee of the National Assembly, and other documents issued by superior agencies.

8. Compile the list of programs/projects to be invested by their budgets of the People's Councils in the midterm; decide local important programs/projects to be invested by state budget.

9. Apart from the duties and entitlements prescribed in Clauses 1, 2, 3, 4, 5, 6, 7, 8 of this Article, the People's Councils of provinces also have the following duties and entitlements:

a) Decide 5-year financial plans with the following contents: overall targets, specific targets, estimated revenue of local government budgets; revenues and expenditures of local government budgets, deficit of local government budget, and limits on loans of local government budgets; solutions for implementation of the plans;

b) Decide deficit of local government budgets and sources for covering such deficit every year;

c) Decide the distribution of sources of revenues and obligatory expenditures of each level of local government budgets according to Clause 3 Article 9 of this Article;

d) Decide the ratio of distribution between various levels of local government budgets with regard to the revenues to be retained by local government budgets prescribed in Clause 2 Article 37 of this Law and revenues distributed between various levels of local government budgets;

dd) Decide collection of fees, charges, and the people's contribution as prescribed by law;

e) Decide the principles, criteria, and limits on local budget allocation;

g) Decide policies, standards, and limits on budget expenditures according to framework regulations of the government;

h) Decide policies on special obligatory expenditures of their areas apart from the policies, standards, and limits imposed by the government and the Minister of Finance in order to achieve socio-economic development objectives, ensure social safety and order locally in a way that suits capacity of local government budgets.

The government shall elaborate this regulation.

### **Article 31. Duties and entitlements of the People's Committees**

1. Make estimates of local government budgets and plans for budget allocation according to Clause 1 and Clause 2 Article 30 of this Law; make adjust estimates of local government budgets where necessary, submit them to the People's Council at the same level for decision and reporting to superior administrative agencies and finance authorities.

2. Make and submit local government budget statements to the People's Council at the same level for approval and reporting to superior administrative agencies and finance authorities.

3. Inspect Resolutions on state budget – finance issued by the People's Councils at inferior levels.

4. Decide budget revenue and obligatory expenditures of each affiliated agency and unit, additional revenue and obligatory expenditures of inferior budgets, and ratio of distribution between various levels of local government budgets with regard to distributable revenues.
5. Decide solutions and organize enactment of local government budget estimates decided by the People's Councils; carry out inspection and make reports on enactment of local government budgets.
6. Cooperate with superior regulatory agency in management of local government budgets.
7. Report and publish state budget as prescribed by law.
8. Manage the budget according to achievement of objectives as prescribed by the government.
9. Apart from the duties and entitlements prescribed in Clauses 1, 2, 3, 4, 5, 6, 7, 8 of this Article, the People's Committees of provinces also have the following duties and entitlements:
  - a) Make and submit the documents mentioned in Clause 9 Article 30 of this Law to the People's Council of the same province for approval;
  - b) Make 3-year state budget – finance plans as prescribed in Article 43 of this Law;
  - c) Decide the use of financial reserve fund and other financial funds of the State in accordance with this Law and relevant regulations of law.
10. Direct local finance authorities to take charge and cooperate with relevant agencies in assisting the People's Committees in performing their duties prescribed in Clauses 1, 2, 3, 4, 5, 6, 7, 8 and 9 of this Article.
11. Presidents of the People's Committees shall adhere to their duties and entitlements to state budget – finance and take responsibility for misconducts within their competence.

### **Article 32. Duties and entitlements of budget estimate units**

1. Make annual estimates of budget expenditure and revenue; allocate budget estimates given by competent authorities for affiliated units; adjust budget estimate allocation ratio within their competence; make 3-year state budget – finance plans within their competence as prescribed in Article 43 of this Law.
2. Organize enactment of budget revenue and expenditure estimates; transfers revenues to state budget in full and on schedule; spend properly in terms of policies, purposes, subjects, thriftiness, and efficiency.
3. Provide instructions and inspect the enactment of budget revenue and expenditure by affiliated units.

4. Adhere to regulations of law on accounting and statistics; make reports, budget statements, and publish budget in accordance with law; consider approving budget statements of inferior budget estimate units.

5. Apart from the duties and entitlements prescribed in Clauses 1, 2, 3, 4 of this Article, public service agencies may initiatively use the collected fees and other legitimate revenues to develop themselves and improve the quality, efficiency of their operation as prescribed by the government.

6. Public service agencies and regulatory agencies that exercise financial autonomy must issue their own spending regulations appropriate for their budgets.

7. Heads of budget estimate units shall adhere to their duties and entitlements to state budget – finance and take responsibility for misconducts within their competence.

### **Article 33. Duties and entitlements of investors**

1. Execute projects of investment through the phases: investment preparation, project preparation, project execution, acceptance, transfer in accordance with regulations of law on state budget management, public investment, construction, and relevant regulations of law.

2. Adhere to regulations of law on contracting, accounting, statistics, reporting, financial statements, publishing and retention of project documents.

### **Article 34. Rights and obligations of agencies, organizations, units, and individuals related to state budget**

1. Sufficiently and punctually pay the taxes, fees, charges, and other payables to state budget as prescribed by law.

2. In case aid, capital, or funding is provided by the State according to given budget estimates, such amounts must be used properly in terms of purposes, regulations, thriftiness, efficiency, and financial statements must be submitted to finance authorities.

3. Adhere to regulations of law on accounting, statistics, and publishing of government budget.

4. Be provided with information, participate in supervision of state budget – finance by the public as prescribed by law.

## **Chapter III**

### **SOURCES OF REVENUE AND OBLIGATORY EXPENDITURES**

#### **Article 35. Sources of revenue of central government budget**

1. The following revenues are wholly retained by central government budget:

- a) VAT on imported goods;
- b) Export and import duties;
- c) Special excise tax on imported goods;
- d) Environmental protection tax on imported goods;
- dd) Severance tax, corporate income tax, profits distributed to home country and other revenues from petroleum exploration and extraction;
- e) Grant aid provided by the government of other countries, international organizations, other overseas organizations and individuals for Vietnam's government;
- g) Collected charges for services provided by central regulatory agencies. Collected charges for services provided by central public service agencies and state-owned enterprises under management of central regulatory agencies may be partly or wholly retained; the remaining amount shall be transferred to state budget as prescribed by regulations of law on fees, charges, and relevant regulations of law.
- h) Fees collected by regulatory agencies, except for registration fee prescribed in Point h Clause 1 Article 37 of this Law;
- i) Fines for administrative violations and other fines, confiscations collected by central regulatory agencies;
- k) Revenues from selling state-owned property, including collected levies on land associated to property under the management of central organizations and units;
- l) Revenues from property under the State ownership under the management of central organizations and units;
- m) Recovery of investment by central government budget in business organizations; revenues from distributed dividends and profits of joint-stock companies, multi-member limited liability companies that have state capital and ownership of which is represented by a Ministry, ministerial agency, Governmental agency, or another central regulatory agency; revenues from post-tax profit that remains after making contributions to various funds of state-owned enterprises whose ownership is represented by a Ministry, ministerial agency, Governmental agency, or another central regulatory agency; positive difference between revenue and expenditure of the State bank of Vietnam;
- n) revenues from central financial reserve fund;
- o) Revenues from surplus of central government budget;
- p) Revenues carried over from last year's budget of central government budget;

q) Other revenues prescribed by law.

2. Revenues distributed between central government budget and local government budgets:

a) VAT, except for that mentioned in Point a Clause 1 of this Article;

b) Corporate income tax, except for that mentioned in Point dd Clause 1 of this Article;

c) Personal income tax;

d) Special excise tax, except for that mentioned in Point c Clause 1 of this Article;

dd) Environmental protection tax, except for that mentioned in Point d Clause 1 of this Article.

3. The government shall elaborate this regulation.

### **Article 36. Obligatory expenditures of central government budget**

1. Expenditure on development investment:

a) Investment in various projects, including inter-regional projects of other Ministries, ministerial agencies, Governmental agencies, and other central regulatory agencies of the fields prescribed in Clause 3 of this Article;

b) Investment in and support of capital for enterprises providing public services and products ordered by the State; business organizations and financial institutions under management of central regulatory agencies; investment of state capital in enterprises prescribed by law;

c) Other expenditures on development investment prescribed by law.

2. Expenditure on national reserve.

3. Recurrent expenditures of Ministries, ministerial agencies, Governmental agencies, and other central regulatory agencies are classified into the following fields:

a) Defense;

b) Social safety, security, and order;

c) Education and vocational training;

d) Science and technology;

dd) Healthcare, population, and families;

e) Culture and information;

- g) Radio, television, and the press;
  - h) Sports;
  - i) Environmental protection;
  - k) Economic activities;
  - l) Operation of regulatory agencies, political organizations, and socio-political organizations; support for operation of socio-political-professional organizations, social organizations, socio-professional organizations as prescribed by law;
  - m) Expenditures on social security, including expenditures on support for implementation of social policies as prescribed by law;
  - n) Other expenditures prescribed by law.
4. Payment of interests on the loans taken by the government.
  5. Provision of aid.
  6. Grant of loans prescribed by law.
  7. Provision of additional funding for central financial reserve fund.
  8. Expenditures of central government budget carried over to next year's budget.
  9. Provision of additional funding for budget balancing, provision of dedicated additional funding for local government budgets.

**Article 37. Sources of revenue of local government budgets**

1. The following revenues are wholly retained by local government budgets:
  - a) Severance tax, except for that on petroleum exploration and extraction;
  - b) License tax;
  - c) Levies on agricultural land;
  - d) Levies on non-agricultural land;
  - dd) Land levies, except for land levies mentioned in Point k Clause 1 Article 35 of this Law;
  - e) Rent for lease of land, water surface;

- g) Revenue from lease and sale of state-owned housing;
- h) Registration fee;
- i) Revenues from lottery;
- k) Recovery of investment by local government budgets in business organizations; revenues from distributed dividends and profits of joint-stock companies, multi-member limited liability companies that have state capital and ownership of which is represented by the People's Committee of the province; revenues from post-tax profit that remains after making contributions to various funds of state-owned enterprises whose ownership is represented by the People's Committee of the province;
- l) Revenues from local financial reserve funds;
- m) Revenues from selling state-owned property, including collected levies on land associated to property under the management of local organizations and units;
- n) Grant aid provided by international organizations, other organizations, overseas individuals to local governments;
- o) Collected charges for services provided by local regulatory agencies. Collected charges for services provided by central public service agencies and state-owned enterprises whose ownership is represented by the People's Committee of the province may be partly or wholly retained; the remaining amount shall be transferred to state budget as prescribed by regulations of law on fees, charges, and relevant regulations of law;
- p) Fees collected by local regulatory agencies;
- q) Fines for administrative violations and other fines, confiscations collected by local regulatory agencies;
- r) Revenues from property under the State ownership under the management of local regulatory agencies;
- s) Revenue from public land and other public benefits;
- t) Contributions by other organizations and individuals as prescribed by law;
- u) Surplus of local government budgets;
- v) Other revenues prescribed by law.

2. Revenues distributed between central government budget and local government budgets are specified in Clause 2 Article 35 of this Law.

3. Provision of additional funding for budget balancing, provision of dedicated additional funding by central government budget.

4. Revenues carried over from last year's budgets local governments.

### **Article 38. Obligatory expenditures of local government budget**

1. Expenditure on development investment:

a) Investment in projects under the management of local governments of the fields mentioned in Clause 2 of this Article;

b) Investment in and support of capital for enterprises providing public services and products ordered by the State; local business organizations and financial institutions prescribed by law;

c) Other expenditures prescribed by law.

2. Recurrent expenditures of local organizations and units are classified into the following fields:

a) Education and vocational training;

b) Science and technology;

c) Social safety, security, and order under the management of local governments;

d) Healthcare, population, and families;

dd) Culture and information;

e) Radio, television, and the press;

g) Sports;

h) Environmental protection;

i) Economic activities;

k) Operation of regulatory agencies, political organizations, and socio-political organizations; support for operation of socio-political-professional organizations, social organizations, socio-professional organizations as prescribed by law;

l) Expenditures on social security, including expenditures on support for implementation of social policies as prescribed by law;

m) Other expenditures prescribed by law.

3. Payment of interests on the loans taken by local governments.
4. Provision of additional funding for local financial reserve funds.
5. Amounts carried over to next year's budget of the local government.
6. Provision of additional funding for budget balancing, provision of dedicated additional funding for inferior budgets.
7. Provision of support for performance of some tasks prescribed in Points a, b, c Clause 9 Article 9 of this Law.

**Article 39. Rules for classifying sources of revenues and obligatory expenditures between various levels of local government budgets**

1. In consideration of the sources of revenue and obligatory expenditures of local government budget prescribed in Article 37 and Article 38 of this Law, the People's Council of the province shall decide specific distribution of sources of revenue and obligatory expenditures between various levels of local government budgets as follows:

- a) The distribution must suit the socio-economic and national defense of objectives with regard to each field, economic, geographical characteristics, population, and managerial capacity of each area;
- b) Budgets of communes are funded from levies on non-agricultural land; license tax paid by business households and individuals; levies on agriculture land paid by households; registration fees on land and housing;
- c) Expenditures on science research and technology are not obligations of budgets of districts and communes;
- d) Obligatory expenditures of budgets of towns and cities of province must include investment in public schools, lighting electricity, water supply and drainage, urban transport, urban hygiene, and other public facilities.

2. Depending on the ratio of revenues distributed by the government and revenues wholly retained by local government budgets, the People's Council of the province shall decide the ratio of revenues distributed between various levels of local government budgets.

**Article 40. Determination of additional funding for balancing budget, dedicated additional funding, and ratio of distribution of revenues between various levels of government budgets.**

1. Local governments may use the revenues wholly retained, distributed revenues, and additional funding from superior budget to balance their budgets, assure achievement of socio-economic, national defense and security objectives.

2. Ratio of distribution of revenues and additional funding are determined according to:

a) Calculation of revenue sources and obligatory expenditures prescribed in Articles 35, 37, and 38 of this Law according to regulations on collection of budget revenues, principles, criteria, norms of budget allocation, policies, standards, limits on budget expenditures, population, natural conditions, socio-economic conditions of each areas, especially remote areas, areas having military bases, areas of ethnic minorities, disadvantaged areas and extremely disadvantaged areas; areas with large-scale paddy production; areas of protection forests, specialized forests; key economic areas;

b) The revenues retained by local government budgets mentioned in Point dd and Point i Clause 1 Article 37 of this Law are not be used for determination of ratio of revenue distribution between central government budget and local government budgets or determination of additional funding from central government budget for local government budgets.

3. Dedicated additional funding from a superior budget to an inferior budget is determined according to the principles, criteria, norm of budget allocation, and policies, standards, limits of budget expenditure; capacity of the superior budget and ability to balance budget of each inferior local government and will be provided for inferior budgets in the following cases:

a) Implementation of new policies established by superior agencies that is included in the budget estimate of the beginning year of the budget stability period;

b) Execution of National target programs and parts of programs/projects assigned to the superior government;

c) Provision of support for recovery from expansive epidemics and disasters beyond the capacity of the inferior budget;

d) Provision of support for execution of some major and particularly important programs/projects that have tremendous impact of local socio-economic development. The level of support varies according to each program/project. The total level of supportive capital for annual investment in development from central government budget to local government budgets mentioned in this must not exceed 30% of total expenditure on investment in fundamental construction of the central government budget.

## **Chapter IV**

### **MAKING OF STATE BUDGET ESTIMATES**

#### **Article 41. Basis for making annual state budget estimates**

1. Socio-economic development, national defense, security, diplomatic objectives, and gender equality.

2. Specific objectives of Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies, local agencies, organizations and units.
3. Regulations of law on taxes, fees, charges, and regulations on collection of state budget revenues; norms of budget allocation; policies, standards, limits on state budget expenditure.
4. Distribution of revenue sources and obligatory expenditures; ratio of revenue distribution and level of additional funding for budget balancing from superior budget to inferior budget.
5. Legislative documents promulgated by competent authorities on guidelines for formulation of socio-economic development plans and making of next year's state budget estimate.
6. 5-year financial plans, -year state budget – finance plans, and plans for midterm investment of state budget.
7. Last year's enactment of state budget.
8. Checked estimate of budget revenue and expenditure notified to relevant agencies, organizations, and individuals.

#### **Article 42. Requirements applied to annual state budget estimates**

1. State budget estimate must be sorted by revenue, expenditure, ratio of expenditure on development investment, recurrent expenditure, expenditure on national reserve, repayment of loans and aid, additional contribution to financial reserve funds, and budget reserve.
2. Budget estimates of budget estimate units at various levels must contain all revenues and expenditures in accordance with the form and schedule prescribed by competent authorities. The budget estimate contains:
  - a) Budget revenue estimate based on forecast about macroeconomic indicators and relevant criteria, regulations of law on taxes, fees, charges, and collection of budget revenues;
  - b) Estimate of expenditure on development investment based on planning, plans, programs/projects approved by competent authorities; 5-year financial plans, plans for midterm investment of state budget, ability to balance resources in the budget year, regulations of law on public investment, construction, and relevant regulations of law;
  - c) Estimate of recurrent expenditures based on given tasks and objectives approved by competent authorities, policies, standards, and limits on expenditures imposed by competent authorities. Regulations of the government shall apply to budget estimates made by regulatory agencies exercising financial autonomy; public service agencies exercising autonomy in terms of task performance, organizational structure, personnel, and finance;
  - d) Estimate of budget expenditure on education, vocational training, science and technology at the ratio prescribed by relevant regulations of law.

dd) Estimate of expenditures on execution of National target programs based on the list of programs and total expenditure in each period decided by the National Assembly; targets, contents, objectives, and details of component projects of each National target program;

e) Estimate of expenditure on repayment of debts that are due in the budget year;

g) Estimate of loans for covering state budget deficit based on state budget balance, capacity of each source, solvency, and safety limits under the National Assembly's Resolution.

### **Article 43. 3-year state budget – finance plans**

1. 3-year state budget – finance plan is a state budget – finance plan that is formulated annually for a period of 03 years (including the year in which the budget estimate is made and the next 02 years) based on the 5-year financial plan. This plan is made at the same time as the annual state budget estimate in order to orient the making of the annual state budget estimate, order of priority for distribution of resources for each field and objective, activity, policy in the midterm.

2. 3-year state budget – finance plans include national 3-year state budget – finance plans and 3-year state budget – finance plans of provinces. The plan contents: forecast about macroeconomic indicators, important budget polices; forecast about revenue, expenditure and their ratios; forecast about budget deficit; rules for balancing state budget and order of priority for distribution of budget resources; maximum expenditure on each field; expenditure on investment in development, debt repayment, recurrent expenditures; forecast about contingent debt liability and solutions for implementing the plan over the 3-year period.

3. Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies, provincial agencies and unit shall make 3-year state budget – finance plans which contain: their primary policies, targets, objectives; forecast about financial resources including forecast about the revenue under their management, required expenditures; rules and method for determination of order of priority of objectives, activities, policies, and intended budget allocation within the maximum limit on expenditure imposed by competent authorities; primary solutions for balancing the demand for expenditure and maximum expenditure over the 3-year period.

4. The Ministry of Finance shall take charge and cooperate with the Ministry of Planning and Investment in aggregating national 3-year state budget – finance plans and submit a report to the government and the National Assembly; Provincial Departments of Finance shall take charge and cooperate with Provincial Departments of Planning and Investment in aggregating 3-year state budget – finance plans of provinces and submit reports to the People's Committees and the People's Councils of provinces for discussion in order to consider ratifying budget estimates and annual plans for state budget allocation.

5. The government shall provide specific regulations on making 3-year state budget – finance plans.

### **Article 44. Time for providing instructions on making, aggregating, deciding, and giving state budget estimates**

1. Before May 15, the Prime Minister shall promulgate regulations on making socio-economic development plans and state budget estimates of the next year.
2. Before September 20, the government shall submit the reports mentioned in Clause 1 Article 47 of this Law to Standing Committee of the National Assembly for opinions.
3. The government's reports shall be sent to members of the National Assembly at least 20 days before the beginning date of the National Assembly Meeting at the end of the year.
4. Before November 15, the National Assembly shall decide state budget estimate and plan for allocation of central government budget of the next year.
5. Before November 20, the Prime Minister shall give estimates of budget revenue and expenditure to each of the Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies, and provincial governments.
6. Before December 10, the People's Councils of provinces shall decide their budget estimates and allocation of provincial budget of the next year. The People's Councils at inferior levels shall decide their local government budget estimates and budget allocation of the next year within 10 days from the day on which the People's Council at the superior level decides the estimate and budget allocation.
7. Within 05 working days from the day on which the People's Council decides budget estimate, the People's Committee at the same level shall give the budget estimate of the next year to each of its affiliated agencies and units; send a report to the People's Committee and finance authority that the superior level. The People's Committees of provinces shall send reports on budget estimates decided by the People's Councils of provinces to the Ministry of Finance.
8. Before December 31, Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies, and the People's Committees must finish giving budget estimates to their affiliated agencies, units and the People's Committees at inferior levels.

**Article 45. Responsibilities of agencies, organizations and units for making annual budget estimates**

1. Local collecting authorities shall make estimates of local state budget revenues and send them to the superior collecting authority and the finance authority at the same level. Central collecting authorities shall make estimates of state budget revenues of their fields and send them to the Ministry of Finance for aggregation and making of the state budget estimate.
2. Agencies, organizations, units, and investors shall make estimates of their budget revenue and expenditure within the area of their obligations, and send reports to superior regulatory agencies for aggregation and reporting to the finance authority at the same level.
3. Local finance authorities shall examine budget estimates of agencies, organizations and units at the same level; take charge and cooperate with relevant agencies in aggregating, estimating,

and allocating their budgets in accordance with Clause 1 and Clause 2 Article 30 of this Law, then submit a report to the People's Committee at the same level.

4. The People's Committees shall consolidate, make local government budget estimates, and submit a report to Standing Committee of the People's Council at the same level for opinions. The People's Committees of provinces shall send the Ministry of Finance, the Ministry of Planning and Investment, and relevant agencies their budget estimates in order to make the state budget estimate to be submitted to the government and Members of the National Assembly for monitoring.

5. Central and local specialized regulatory agencies shall cooperate with finance authorities, planning and investment authorities at the same level in making state budget estimates of their fields.

6. The Ministry of Finance shall examine budget estimates of Ministries, ministerial agencies, Governmental agencies, other central and local regulatory agencies; take charge and cooperate with the Ministry of Planning and Investment, relevant Ministries and agencies in aggregating, estimating state budget and planning allocation of central government budget, then submit a report to the government in accordance with Clause 1 Article 47 of this Law.

#### **Article 46. Discussing, deciding state budget estimates and annual budget allocation plans**

1. Ministries, ministerial agencies, Governmental agencies, other central agencies, local agencies, organizations and units shall hold discussions with their affiliated agencies and units.

2. Finance authorities at various levels are in charge of organizing:

a) Discussion about annual budget estimates with other agencies and units at the same level;

b) Discussion about budget estimates in the first year of the budget stability period with People's Committees at inferior levels to determine the ratio of revenue distribution between superior budgets and inferior ones, amount of additional funding from superior budgets to inferior ones as the basis for making next years' budget estimates;

c) In the next years of the budget stability period, finance authorities shall discuss with the People's Committees at inferior levels at their request.

3. During the discussion about budget estimates and budget allocation plans, if there are revenues and/or expenditures that are not conformable with law or suitable for the budget capacity and socio-economic development orientation, finance authorities shall request adjustment. If there are contrary opinions between finance authorities, other agencies and units at the same level, and the People's Committees at inferior levels, each local finance authority shall submit a report to the People's Committee at the same level for decision; the Ministry of Finance shall submit a report to the Prime Minister for decision.

4. Assessment and proposal of state budget estimate and central government budget allocation plan to the National Assembly for decision:

a) The government shall discuss and offer opinions in the draft reports of the government, which are submitted by the Ministry of Finance, before submitting them to Standing Committee of the National Assembly;

b) Budget – Finance Committee of the National Assembly is in charge of assessment of reports submitted by the government to Standing Committee of the National Assembly and the National Assembly;

c) According to opinions of Budget – Finance Committee, the National Assembly, and Standing Committee of the National Assembly, the government shall complete the reports and submit them to the National Assembly;

d) The National Assembly shall discuss and decide the next year's state budget estimate and plan for allocation of central government budget. During the process of discussing and deciding the state budget estimate and plan for allocation of central government budget, if changes are made to budget revenue and expenditure, the National Assembly shall decide solutions to ensure balanced budget.

5. Procedures for agencies of the National Assembly to assess state budget estimate and plan for allocation of central government budget are provided for by Standing Committee of the National Assembly.

6. Estimates and plans for allocation of local government budgets shall be considered and decided in accordance with regulations of the government.

#### **Article 47. Documents about state budget estimate and budget allocation plan**

1. Documents about state budget estimate and budget allocation plan submitted by the government to the National Assembly include:

a) Assessment of enactment of current year's state budget; the basis for making state budget and allocation of central government budget; basic contents and solutions for enactment of state budget estimate;

b) Estimate of state budget revenues and solutions for raising sources of revenues for state budget;

c) Estimate of state budget expenditure, important targets and programs of the economy, major policies of Communist Party and the State related to state budget;

d) State budget deficit and covering sources; Ratio of deficit to GDP;

dd) 5-year financial plan for the first year of the period;

e) 3-year state budget – finance plan;

g) Report on public debt according to the Law on Public debt management, specifying the due debt, overdue debt, interest payable in the year, additional debt derived from loans taken to cover state budget deficit; solvency of the year and total debt by year's end;

h) Report on implementation the financial plan, formulate next year's financial plans of off-budget financial fund under the management of central agencies;

i) Specific polices and solutions for stabilizing state budget and finance;

k) List, progress, and investment estimate of programs/projects of national importance funded by state budget in the planned year as decided by the National Assembly;

l) Expenditure estimate of each of the Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies sorted by field; revenue and obligatory expenditure, level of deficit, ratio of revenue distribution and amount of additional funding for budget of each province;

m) Other documents explaining estimates of state budget revenues and expenditures and central government budget allocation plan; tax exemption or reduction in the state budget estimate report submitted to the National Assembly.

2. The government shall specify the documents about estimates and allocation plans of local government budgets to be submitted by the People's Committees to the People's Councils at the same level.

#### **Article 48. Remaking state budget estimate**

1. Before the state budget estimate and plan for allocation of central government budget are decided by the National Assembly, the government may remake and submit them to the National Assembly at the time decided by the National Assembly.

2. Before the estimate or allocation plan of a local government budget is decided by the People's Council, the People's Committee may remake and submit them to the People's Council at the time decided by the People's Council, which must not be later than the deadline prescribed by the government.

### **Chapter V**

#### **ENACTMENT OF STATE BUDGET**

#### **Article 49. Allocating and giving state budget estimates**

1. After being given budget estimates by the government or the People's Committee, budget estimate units level I shall allocate and give budget estimates to affiliated budget-using units and

units of inferior budgets. The allocation of budget estimates must comply with the deadlines and requirements in Article 50 of this Law.

2. Finance authorities of the same level shall inspect the budget estimates given by budget estimate units level I to their budget-using units. If the allocation is found incorrect in terms of total amount, fields, tasks, or policies, the budget estimate unit level I shall be requested to make correction within 10 working days from the day on which budget allocation report made by the budget estimate unit is received.

3. Apart from the agencies competent to give budget estimates, no other organization or individual may change the given budget tasks.

### **Article 50. Requirements and time limits for allocating and giving state budget estimates**

1. Allocation of budget estimates to budget-using units must ensure:

a) Given budget estimates are complied with in terms of total amount and specific amounts by field and task;

b) Policies, standards, and limits on expenditure are complied with;

c) Capital and funding provided are sufficient to recover advances to be collected in the year, counterpart fund for projects funded by ODA of foreign sponsors under agreements;

d) Capital for investment in development provided complies with regulations of law on public investment, construction, and relevant regulations of law;

dd) Dedicated additional funding provided by superior budgets to inferior budgets is legitimate in terms of targets, recipients; commitment or regulations on allocation of local government budget to achievement of targets are complied with.

2. Time limits for allocating and giving state budget estimates:

a) With regard to budget estimates given according to Clause 5 and Clause 7 Article 44 of this Law, budget estimate units level I must finish allocating and giving budget estimates to affiliated budget-using units before December 31 of the last year according to Clause 8 Article 44 of this Law;

b) In case of additional budget estimates, the superior budget estimate unit and inferior People's Committee must finish allocating and giving the budget estimates within 10 working days.

### **Article 51. Temporary funding**

1. At the beginning of the budget year, before the budget estimate and budget allocation plan is decided by the National Assembly or the People's Council, the finance authority and State

Treasury may provide temporary funding for making obligatory expenditures that cannot be delayed until the budget estimate is decided by the competent authorities, including:

- a) Wages and wage equivalents;
- b) Operating costs and working costs;
- c) Provision of additional funding for inferior budgets;
- d) Other expenditures necessary for maintenance of the state apparatus operation, except for equipment purchases and repairs;
- dd) Expenditures on transitional projects of National target programs, projects of national importance; important and urgent transitional projects for recovery of disasters or epidemics.

2. The maximum temporary funding for the expenditures mentioned in Points a, b, c, d Clause 1 of this Article must not exceed the average monthly expenditure of the last year.

3. Government shall report expenditures on programs/projects funded by ODA and concessional loans that do not have budget estimates or exceed the budget estimates to Standing Committee of the National Assembly before enactment and submit a report to the National Assembly at the nearest meeting.

## **Article 52. Adjustments to state budget estimate**

1. Overall adjustments to state budget in case of budget fluctuation compared to allocated budget estimates:

- a) The government shall estimate overall adjustments to state budget and submit them to the National Assembly for decision;
- b) According to the National Assembly's Resolution on overall adjustments to state budget and budget revenue and obligatory expenditures given by superior agencies, People's Committees shall estimate overall adjustments to local government budgets and submit them to the People's Councils at the same level for decision.

2. The government shall request Standing Committee of the National Assembly to decide adjustments to revenue and obligatory expenditures of some Ministries, ministerial agencies, Governmental agencies, other central regulatory agencies, and some provinces, then submit a report to the National Assembly at the nearest meeting in the following cases:

- a) The revenue is expected to be lower than the estimated revenue decided by the National Assembly and some expenditures must be reduced;
- b) There are urgent requirements in terms of national defense and security, or adjustments are necessary because of some objective reasons.

3. The People's Committee shall request Standing Committee of the People's Council at the same level to decide adjustments to local government budget estimate and submit a report to the People's Council at the nearest meeting in the following cases:

- a) The revenue is expected to be lower than the estimated revenue decided by the People's Council and some expenditures must be reduced;
- b) Standing Committee of the National Assembly decides adjustments to budget estimates of some provinces as prescribed in Clause 2 of this Article;
- c) Adjustments to budget estimates of some budget estimate unit or local governments are necessary.

4. The government shall request the People's Councils of provinces to adjust their budget estimates if they are not allocated in accordance with the National Assembly's Resolution.

5. The People's Committees shall request the People's Councils at inferior levels to adjust their budget estimates if they are not allocated in accordance with Resolution of the People's Councils at superior levels.

### **Article 53. Adjustments to budget estimates given to budget-using units**

1. Budget estimates given to budget-using units shall be adjusted when:

- a) The budget estimate is adjusted as prescribed in Article 52 of this Law;
- b) The finance authority request the budget estimate unit level I to adjust its budget estimate as prescribed in Clause 2 Article 49 of this Law;
- c) The budget estimate unit level I adjusts the budget estimates among its affiliated units within the total amount and specific amounts sorted b fields.

2. The budget estimate adjustment must ensure allocation and giving of estimate comply with the deadlines and requirements in Article 50 of this Law. After adjusting the estimate, the budget estimate unit level I shall send it to the local finance authority for inspection and the State Treasury for enactment.

3. Budget estimates given to budget-using units must be adjusted before November 15 of the current year.

### **Article 54. Organizing state budget management**

1. Agencies, organizations, units, and individuals have the responsibility to, within their competence, work out solutions for achieving budget revenue and obligatory expenditures, fight against wastefulness and corruption; comply with financial rules and regulations.

2. All agencies, organizations, units, and individuals must fulfill their obligation to contribute to state budget in accordance with law and use state budget properly, frugally, and efficiently.

3. Finance authorities have the responsibility to maintain sources for making expenditures according to budget estimates.

#### **Article 55. Organizing collection of state budget revenues**

1. Collecting authorities include finance authorities, tax authorities, customs authorities, and other agencies assigned or authorized to collect state budget revenues.

2. Only collecting authorities may collect state budget revenues.

3. Collecting authorities have the following duties and entitlements:

a) Cooperate with other relevant regulatory agencies in collecting revenues properly, adequately, and timely as prescribed by law; comply with guidance and inspection by the Ministry of Finance, superior regulatory agencies, the People's Committees, and supervision by the People's Councils; cooperate with Vietnamese Fatherland Front and member organizations in encouraging other organizations and individuals to fulfill their obligation to contribute to state budget in accordance with this Law and relevant regulations of law;

b) Organize management and collection of taxes, fees, charges, and other receivables paid to State Treasuries. The amounts collected via a third party must be transferred in full and on schedule to State Treasuries as prescribed by the Ministry of Finance;

c) Collecting authorities must supervise other agencies, organizations, units, and individuals paying sufficiently and punctually the amounts payable to state budget;

d) Inspect, control sources of budget revenues; inspect the compliance of budget statement, collection, payment; take actions against violations as prescribed by law.

4. State Treasuries may open accounts at the State bank of Vietnam and commercial banks to concentrate state budget revenues; transfer them to the state budget, regulate and distribute the revenues among various levels of state budget as prescribed.

#### **Article 56. Organizing state budget expenditure**

1. Funding for the obligatory expenditures in the budget estimate must be adequately and punctually provided within the given budget estimate.

2. Capital and funding may be advanced for performance of contractual tasks of projects of investment and other urgent obligatory expenditures. The amount of advanced capital depends on the contract value, must not exceed the given budget estimate, and must comply with relevant regulations of law. Advanced capital and funding shall be returned when the completed tasks or works are paid for.

3. Inferior budgets may receive advance funding from the superior budget to make obligatory expenditures according to given budget estimates where necessary.

4. According to given budget estimates and requirements for task performance:

a) Heads of budget-using units shall decide the expenditures and send them to State Treasuries for enactment;

b) Inferior finance authorities shall draw additional funding from the superior budget at State Treasuries.

5. State Treasuries shall inspect the legitimacy of documents and make budget expenditures as soon as all conditions in Clause 2 Article 12 of this Law are satisfied. Expenditures may be in the form of direct payments or advances as prescribed in Clause 2 and Clause 3 of this Article.

6. Heads of State Treasuries are entitled to reject the payments and reimbursement for the expenditures that fail to satisfy all conditions in Clause 2 Article 12 of this Law and shall take responsibility for their decisions.

#### **Article 57. Advancing next year's funding**

1. Central government budgets, budgets of provinces and districts may receive advance funding from next year's budget to execute projects of national importance, urgent projects of central and local governments on the plan for midterm investment of state budget decided by competent authorities. The advance funding must not exceed 20% of the estimated expenditure on investment in fundamental construction of the plan for midterm investment of state budget that is approved. When allocating the next year's budget estimate, the advance funding must be recovered in full. Otherwise, next year's advance funding is not permitted.

2. The government shall specify the principles, criteria, and conditions for advancing next year's funding.

#### **Article 58. Organizing state budget management**

1. If the central government budget is facing temporary deficit, advance funding provided by the central financial reserve fund and other legitimate financial sources may be provided and must be returned within the budget year; If the financial reserve fund and other sources cannot cover the deficit, the State bank of Vietnam shall provide advance funding to central government budget under a decision of the Prime Minister. Advance funding from the State bank of Vietnam must be returned within the budget year, except for special cases decided by Standing Committee of the National Assembly.

2. If the provincial government budget is facing temporary deficit, advance funding may be provided by local financial reserve fund, central financial reserve fund, and other legitimate financial sources and must be returned within the budget year.

3. If the provincial government budget is facing temporary deficit, advance funding may be provided by local financial reserve fund, central financial reserve fund, and other legitimate financial sources and must be returned within the budget year.

### **Article 59. Settlement of increases, decreases in revenue and expenditure during enactment of state budget**

1. In case the actual revenue is lower than that in the estimate decided by the National Assembly or the People's Council, some expenditures shall be decreased as prescribed in Point a Clause 2 and Point a Clause 3 Article 52 of this Law.

2. The increase in revenue, except for that of local government budget derived from new projects put into operation during the budget stability period, must be transferred to the superior budget. The decrease in expenditure shall be used as follows:

a) Reduce deficit, increase debt repayment, including principal and interest;

b) Build up financial reserve fund;

c) Supplement sources for implementation of wage policies;

d) Implementation of some social security policies;

dd) Increase expenditure on investment in some important projects;

e) Perform the tasks prescribed in Clause 3 and Clause 4 of this Article.

The government shall make a plan for using the revenue increase and expenditure decrease of central government budget, submit a report to Standing Committee of the National Assembly for decision and to the National Assembly at the nearest meeting. The People's Committees shall plan the use of revenue increase and expenditure decrease of their budgets; submit a report to Standing Committee of the People's Council for decision and to the People's Council at the nearest meeting. The increase in revenue of local government budget derived from new sources of revenue during budget stability period shall be dealt with in accordance with Point d Clause 7 Article 9 of this Law.

3. At the end of the budget year, if the revenue of local government budget is lower than estimated because of some objective reason and is not able to balance local government budget after decreasing some expenditures as prescribed in Clause 1 of this Article and using other local legitimate financial sources, the superior budget shall provide funding within its capacity.

4. Bonus for excess revenues distributed between various levels of budgets:

a) If the revenue of central government budget increases due to the increases in revenues distributed between central government budget and local government budgets, not more than 30% of central government budget may be extracted to give bonuses for the local government

budgets that have revenue increases. Nevertheless, the bonus must not exceed the last year's revenue increase.

According to the level of bonus decided by Standing Committee of the National Assembly, the People's Committee of the province shall request the People's Council at the same level to use the bonus to make investment in infrastructure projects, performance of important tasks, and giving bonus to inferior budgets;

b) The People's Committee of the province shall submit regulations on bonus for increases in revenues divided between various levels of local government budgets to the People's Council at the same level.

### **Article 60. Report on enactment of state budget**

1. Tax authorities and customs authorities shall submit periodic reports to finance authorities at the same level and relevant agencies on collection of state budget revenues as prescribed by law.

2. State Treasuries shall submit periodic reports to finance authorities at the same level and relevant agencies on enactment of state budget revenues and expenditures as prescribed by law.

3. Budget estimate units level I shall submit periodic reports to finance authorities at the same level and relevant agencies on enactment of state budget revenues and expenditures as prescribed by law.

4. Local finance authorities shall submit periodic reports to the People's Committees at the same level and relevant agencies on enactment of state budget revenues and expenditures; submit periodic reports on use of dedicated additional funding provided by superior budgets to superior finance authorities.

5. The People's Committees shall submit reports on the issues mentioned in Clause 3 Article 52 and Clause 2 Article 59 of this Law, reports on enactment of local government budget at the year end's meeting, and additional assessment report at the midyear's meeting to Standing Committee of the People's Councils at the same level.

6. The People's Committees at inferior levels shall submit periodic reports on revenue and expenditures of local government budgets to superior finance authority; the People's Committees of provinces shall submit periodic reports on local state budget revenues and enactment of local government budgets to the Ministry of Finance.

7. The Ministry of Finance shall submit periodic reports on state budget revenues and expenditures to the government and relevant agencies as prescribed by law.

8. The government shall submit reports on the issues mentioned in Clause 2 Article 52 and Clause 2 Article 59 of this Law to Standing Committee of the National Assembly; the government shall submit reports on enactment of state budget at the year end's meeting and additional assessment report at the midyear's meeting to the National Assembly.

## **Article 61. Management and use of budget by budget-using units**

1. Heads of budget-using units are responsible for management and use of their budgets according to given estimates, assess the performance of tasks, ensure efficiency, frugality, adherence to policies, standards, and limits on budget expenditure.
2. The person in charge of finance – accounting of the budget-using unit has the responsibility to adhere to regulations on budget – finance management, state accounting, internal inspection, prevent, discover violations and request the head of the unit or a finance authority at the same level to take punitive actions.

## **Article 62. Management of state fund**

1. State fund is the entire money of the state in accounts of State Treasuries opened at the State bank of Vietnam and commercial banks, and cash in State Treasuries. State fund is derived from various levels of fund and deposits of financial of the state, units, and business organizations at State Treasuries.
2. State Treasury has the responsibility to manage state fund to ensure adequate, timely payment of expenditures of state budget and units making transactions at State Treasury; ensure safety and efficiency of state fund.
3. The government shall issue regulations on state fund management.

## **Chapter VI**

### **ACCOUNTING, AUDIT, AND STATEMENT OF STATE BUDGET**

## **Article 63. Accounting and statement of state budget**

1. Agencies, organizations, units, and individuals related to state budget revenues and expenditures must do accounting and make statement of state budget in accordance with state accounting regulations and this Law.
2. Finance authorities are entitled to suspend budgets of agencies, organizations and units at the same level that fail to adhere to regulations on accounting, statement, or other financial statement, and take responsibility for their decision.
3. State Treasuries shall do accounting of state budget; consolidate state budget revenues and expenditures; submit reports to finance authorities at the same level and relevant agencies according to applicable regulations.

## **Article 64. Settlement of state budget revenues and expenditures at year's end**

1. At the end of the budget year, agencies, organizations, units, and individuals related to budget revenue and expenditure shall close accounting books and make state budget statements.

2. The deadline for adjusting state budget statements is January 31 of the next year.
3. The estimated expenditures, including additional expenditures in the year that are not enacted or completely enacted at the end of the budget year, including the time for adjusting state budget statement prescribed in Clause 2 of this Article, must be cancelled, except for the following expenditures which are permitted to be carried over to the next year and recorded in the next year's budget:
  - a) Expenditure on development investment carried over to the next year's budget according to the Law on Public Investment;
  - b) Expenditures on equipment purchase that have adequate documents and purchase contracts signed before December 31 of the enactment year;
  - c) Sources for implementation of wage policies;
  - d) Autonomous budgets of public service agencies and regulatory agencies;
  - dd) Estimates added by competent authorities after September 30 of the enactment year;
  - e) Funding for scientific research.
4. The usable revenue increases and expenditure decreases prescribed in Clause 2 Article 59 of this Law; Such amounts may be carried over to next year's budget if permitted by a competent authority.
5. The government shall provide specific regulations on carrying over budget.

#### **Article 65. Requirements applied to state budget statement**

1. Information on the state budget statement must be accurate, truthful, and adequate.
2. The state budget revenue stated is the amount collected and accounted for as prescribed. Revenues of the last year's budget submitted to next year's state budget shall be recorded in the next year's budget. The state budget expenditure stated is the amount paid and accounted for as prescribed.
3. Information on state budget statements of budget-using units, investors, and various levels of state budgets must be compared and confirmed by State Treasuries where the transactions are made.
4. Contents of the state budget statement must be conformable with the state budget estimate given and list of state budget entries.
5. On budget statements of districts and communes, expenditure must not be higher than revenue.

6. Budget statements of budget-using units, superior budget estimate units, and various levels of state budget must be enclosed with the explanation and assessment of result, efficiency of budget expenditure associated with performance of tasks of units, local governments, fields, and target programs they are responsible for.

7. Budget statements of off-budget financial funds must be enclosed with explanation and assessment of result, efficiency of performance of their tasks.

8. Illegitimate state budget revenues must be returned to the payers; pending state budget revenues must be collected; illegitimate state budget expenditures must be recovered in full.

### **Article 66. Approving state budget statements**

1. Annual statements shall be examined as follows:

a) Each revenue and expenditure shall be examined;

b) The revenues must be conformable with regulations of law on taxes, fees, charges, and other regulations of the State;

c) The expenditures must satisfy the conditions in Clause 2 Article 12 of this Law;

d) All revenues and expenditures must be accounted for in accordance with regulations on accounting of the State, list of state budget entries, and on schedule;

dd) Documents about revenues and expenditures must be legitimate; figures in accounting books and budget statements must match the documents and figures of State Treasury.

2. Annual budget statements are examined by the following agencies:

a) The superior budget estimate unit shall examine budget statements made by affiliated budget estimate units as prescribed;

b) In case the budget estimate unit level 1 is also a budget-using unit, the finance authority at the same level shall examine its budget statement.

3. The examining agency is entitled to:

a) Request State Audit Office of Vietnam or hire a independent audit organization to audit budget statements of large-scale target programs/projects to have more basis for examination;

b) Request provision of explanation or additional information necessary for examining the statement;

c) Request payment of amounts payable to state budget and remove expenditures that are illegitimate or not conformable with the approved estimate; take punitive actions or request a

competent authorities to take punitive actions against the violations that cause losses to state budget.

d) Correct errors or request the remake of the budget statement if necessary.

4. When the examination of the annual budget statement is finished, the superior budget estimate unit shall send a notification of approval for budget statement to the inferior budget estimate unit; budget estimate units level I shall send the notification to the inferior budget estimate units and the finance authorities at the same level for verification.

The finance authority shall send notification of approval for budget statement budget estimate units level I that are also budget-using units.

5. The head of the examining agency is responsible for result of budget statement results, and incur penalties for undiscovered and overlooked violations.

### **Article 67. Verification of state budget statement**

1. Verifying authorities:

a) Finance authorities shall verify annual budget statements of budget estimate units level I under their management, except for the case in Point b Clause 2 Article 66 of this Law;

b) Finance authorities of provinces and districts shall verify annual budget statements of inferior budgets;

c) The Ministry of Finance shall not verify annual budget statements of provinces.

2. Finance authorities shall verify annual budget statements of budget estimate units level I under their management as follows:

a) Examine the adequacy and consistency of figures; ensure consistency between figures on the statement and notification on approval for budget statement of the affiliated unit and confirmation by State Treasury;

b) Inspect the accuracy and legitimacy of the increases and decreases compared to the given budget estimate;

c) Make remarks about the annual budget statement.

3. Finance authorities of provinces and districts shall verify annual budget statements of inferior budgets as follows:

a) Inspect the adequacy and consistency of figures;

b) Inspect the accuracy and legitimacy of the increases and decreases compared to the given budget estimate;

c) Make remarks about the annual budget statement.

4. Verifying authorities are entitled to:

a) Request the budget estimate units level I and inferior finance authorities to provide additional information necessary for verification of the budget statements;

b) Request responsible authorities to remove, recover illegitimate expenditures and pay the amounts payable to state budget as prescribed;

c) Request the statement-examining authority to adjust the budget statements of budget estimate units if incorrect;

d) Request refund of the illegitimate revenues or request a competent authorities to request such refund.

5. When the annual budget statement is verified, the finance authority shall issue a notification which contains remarks and recommendations, and send it to the budget estimate unit level I or the People's Committee at the lower level.

If there are errors, the finance authority shall request the budget estimate unit level I to adjust the statement; the superior finance authority shall request the People's Committee at lower level to request the People's Council at the same level to adjust the statement.

Finance authorities shall deal with violations within its competence or request a competent authority to do so.

6. If discovering errors in a budget statement of a province during aggregation of state budget statements, the Ministry of Finance shall request the People's Committee of such province to request the People's Council of the same province to adjust the statement. The Ministry of Finance shall deal with violations within its competence or request a competent authority to do so.

#### **Article 68. Making of state budget statements of budget estimate units and investors**

1. Budget-using units shall make state budget statements and submit them to the superior budget estimate unit.

2. Every investor in fundamental construction programs/projects, National target programs, and projects of national importance shall:

a) At the end of the budget year: Make a statement of the capital sources, state budget capital, use of capital, amount of works completed and paid for in the year; send it to the provider of

capital for fundamental construction, supervisory agency of the investor, and the finance authority at the same level;

b) When the fundamental construction program/project, National target program, or project of national importance is finished: Make a statement of capital sources and state capital enclosed with explanation of use of capital; send it to the provider of capital for fundamental construction and the agency competent to examine the budget statement of the fundamental construction or program/project as prescribed;

c) With regard to National target programs and projects of national importance the investment contents of which are decided by the National Assembly, the budget statement must be submitted to the National Assembly for consideration and submission to the National Assembly apart from the regulations in Point a and Point b of this Clause.

3. According to the approved budget statement of a budget-using unit, the superior budget estimate unit shall make a report on state budget statement within its competence and send it to the superior budget estimate unit; budget estimate units level I shall send it to finance authorities at the same level.

Budget estimate units level I shall impose deadline for submission of budget statements by affiliated budget estimate units in order to ensure the report on budget statement is submitted to the finance authority at the same level on schedule.

#### **Article 69. Deadline and procedures for making statements of local government budgets**

1. Based on the reports submitted by State Treasuries, result of examination and verification of budget statements of inferior budget estimate units level I, and statements of inferior budgets approved by the People's Council, the local finance authority shall consolidate and make a statement of local government budget, then submit it to the People's Committee at the same level.

2. The People's Committee shall send the statement of local government budget to the People's Council at the same level for verification and to the superior finance authority.

3. The People's Committee shall submit a report on statement of local government budget to the Standing Committee of the People's Council at the same level for opinions before submitting it to the People's Council.

4. The report on budget statement of the People's Committee and verification report of the People's Council shall be sent to Members of the People's Council the same level at least 05 working days before the opening date of the next midyear meeting of the People's Council.

5. The People's Council of each commune shall consider approving its budget statement, send it to the People's Committee of the district within 05 working days from the day on which the statements is approved. The People's Councils of the district shall consolidate and make a budget statement of the district, submit it to the People's Council of the same district for approval, and

send it to the People's Committee of the province within 05 working days from the day on which the statement is approved. The People's Council each province shall consolidate and make a budget statement of the province, submit it to the People's Council of the same province for approval before December 31 of this next year.

The People's Council of each province shall specify time limits for approval budget statements of communes and districts; time limits for the People's Committees to send budget statements to the agencies mentioned in Clause 2 and Clause 3 of this Article.

6. In case the budget statements are yet to be approved by the People's Council, the People's Committee at the same level and the State Audit Office of Vietnam that audited such budgets must keep clarifying the contents requested by the People's Council and submit a report to the People's Council within 30 days from the deadline mentioned in Clause 5 of this Article.

#### **Article 70. Deadline and procedures for making statements of central government budgets**

1. Budget estimate units level I of central government budget shall make budget statements within their competence and send them to the Ministry of Finance and State Audit Office of Vietnam before October 01 of the next year.

2. The People's Committee of each province shall submit its provincial budget statement to the Ministry of Finance and State Audit Office of Vietnam before October 01 of the next year.

3. Within 05 working days from the day on which the People's Council of the province approves the provincial budget statement, the People's Council the province must send it to the Ministry of Finance and State Audit Office of Vietnam.

4. Based on the report made by State Treasury, result of verification of budget statements of budget estimate units level I of central government budget, and provincial budget statements approved by the People's Councils of provinces, the Ministry of Finance shall make a statement of central government budget, submit it to government and State Audit Office of Vietnam within 14 months after the end of the budget year.

5. The government shall submit a the central government budget statement to Standing Committee of the National Assembly within 16 months from the end of the budget year.

6. The statement of central government budget made by the government must be sent to Members of the National Assembly within 20 days before the opening date of the midyear meeting of the National Assembly.

7. The National Assembly shall consider approving the statement of central government budget within 18 months form the end of the budget year.

8. Procedures for agencies of the National Assembly to verify the statement of central government budget shall be decided by Standing Committee of the National Assembly.

9. If the statement of central government budget is yet to be approved by the National Assembly, the government, within its competence, advertisement State Audit Office of Vietnam must keep clarifying the contents requested by the National Assembly by the deadline imposed by the National Assembly.

#### **Article 71. Auditing statements of central and provincial government budgets**

1. State Audit Office of Vietnam shall audit the statement of central government budget before submitting it to the National Assembly for consideration and approval.

2. State Audit Office of Vietnam shall audit statements of provincial government budget before submitting them to the People's Councils of provinces for consideration and approval.

#### **Article 72. Settlement state budget surplus**

1. Surplus of central and provincial government budgets shall be used for payment of principal and interest of loans of state budget. If surplus still remains, 50% of it will be transferred to the financial reserve fund at the same level, the other 50% will be transferred to the next year's budget; if the financial reserve fund has reached 25% of annual budget expenditure estimate, the remaining surplus shall be included in next year budget revenue.

2. Surplus of budgets of districts and communes shall be included in next year budget revenue.

#### **Article 73. Settlement of illegitimate state budget revenues and expenditures after the state budget statement is approved**

In case illegitimate state budget revenues and expenditures are found after a state budget statement is approved, Clause 8 Article 65 of this Law shall apply and such amounts may be accounted for in the budget of the year in which they are dealt with.

### **Chapter VII**

#### **IMPLEMENTATION**

#### **Article 74. Instructions on implementation of some special regulations**

1. Pursuant to this Law, the government shall promulgate regulations on management and use of budget for some fields related to national defense and security, diplomacy, some special budget – finance policies applied to Ho Chi Minh City, some provinces, and administrative - economic units; a report shall be submitted to Standing Committee of the National Assembly for opinions before promulgation and to the National Assembly at the nearest meeting.

2. Hanoi shall implementation some special state budget – finance policies according to the Law on Capital City.

#### **Article 75. Transitional clause**

1. The Law on State budget No. 01/2002/QH11 still applies to budget statements of 2015 and 2016.

2. Budget stability period 2011 – 2015 is extended to the end of 2015. The next budget stability period is 2017 – 2020. With regard to budget estimates of 2016 of Ministries, ministerial agencies, Governmental agencies, other central and local regulatory agencies:

a) Limits on allocation of estimate of recurrent expenditure estimate of the Prime Minister's Decision No. 59/2010/QĐ-TTg dated September 30, 2010 shall apply to recurrent expenditure estimates;

b) Principles, criteria, and norms for allocation of investment capital derived from state budget 2016 – 2020 of Resolutions of Standing Committee of the National Assembly shall apply to budget estimates for expenditure on development investment, Budget estimates for expenditure on development investment 2016 must comply with the framework for midterm investment 2016 - 2020 and appropriate for the growth rate of state budget expenditure in 2016 compared to 2015.

#### **Article 76. Effect**

1. This Law comes into force from the budget year 2017.

2. The Law on State budget No. 01/2002/QH11 expires from the effective date of this Law.

#### **Article 77. Specific regulations**

The government shall promulgate specific regulations on some Articles and Clauses of this Law as assigned.

*This Law is ratified by the 13<sup>th</sup> National Assembly of Socialist Republic of Vietnam during the 9<sup>th</sup> meeting on June 25, 2015.*

**PRESIDENT OF THE NATIONAL  
ASSEMBLY**

**Nguyen Sinh Hung**

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