THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness

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Hanoi, June 18, 2015

DECREE

ON CONSTRUCTION PROJECT MANAGEMENT

Pursuant to the Law on Government organization dated December 25, 2001;

Pursuant to the Law on Construction dated June 18, 2014;

Pursuant to the Law on public investment dated June 18, 2014;

Pursuant to the Law on urban planning dated June 17, 2009;

At the request of the Minister of Construction;

The Government issues a Decree on construction project management.

Chapter I

GENERAL PROVISIONS

Article 1. Scope and regulated entities

1. Scope

This Decree provides guidance on construction project management (hereinafter referred to as CPM) as prescribed in the Law on construction dated 2014, including: formulation, appraisal, approval for projects; execution of projects; and completion and inauguration of the project; forms and contents of CPM.

Projects funded by official development assistance (ODA) and concessional loans granted by foreign donors shall comply with this Decree and regulations on management and use of ODA and concessional loans granted by foreign donors.

2. Regulated entities

This Decree applies to every domestic agencies, organizations, and individuals; foreign organizations and individuals carrying out construction investment within Vietnam's territory.

Article 2. Interpretation of terms

- 1. Permanent work or permanent work item of a construction project means a work or a work item whose scope and performance have major impact on the project targets.
- 2. Construction work having significant impact on community safety shall be prescribed by the Decree on quality control and construction maintenance.
- 3. Construction work having significant impact on environment means a work of the project prescribed in law on environment protection and subject to environmental impact appraisal reports.
- 4. Construction work having significant impact on scenery means a work subject to competitive examination and recruitment of architecture designer as prescribed in Article 15 of this Decree.
- 5. Route-based construction work means a construction work which is constructed along a given route in one or multiple administrative divisions, such as: roads; railway; electric transmission lines; telecommunications cables; oil pipelines, gas pipelines and water supply system; and other similar works.
- 6. Residential construction project means a residential construction project which is carried out according to approved planning together with synchronous technical and social infrastructure and comprises at least two residential works.
- 7. Project manager means a person who is assigned to hold the position of leader in charge of a particular construction project by the Director of field-based or area-based project management board (hereinafter referred to as field-based PMB or area-based PMB) or the legal representative of the CPM consultancy.
- 8. Construction operating license means a license issued to the foreign contractor winning a contract by Vietnamese competent agencies as prescribed in regulations of law.
- 9. Construction permit by stages means a license issued to the investor to construct each work item, such as: foundation, piles, and main structures; or carry out each work of the construction project.
- 10. Foreign contractor means a foreign organization having civil legal capacity or a foreign individual the having civil legal capacity to conclude and execute the contract. Civil legal capacity and civil dispositive capacity of the foreign contractor shall be determined according to the law of their home country. The foreign contractor may be a general contractor, a prime contractor, a partnership contractor or a sub-contractor.
- 11. General contractor executing EPC contract (Engineering, Procurement and Construction) means a contractor that designs the installation, procures the technological equipment and execute the construction of a project.
- 12. General contractor of a turnkey project means a contractor that sets up the project, designs the installation, procures the technological equipment and executes the construction of a project.
- 13. Executive office means an office of the foreign contractor that is registered to operate in the local government where the constructions works are located after the construction operating license is received. The executive office shall only operate within the term of contract and it shall be dissolved when the contract expires.

14. Capital derived from loans, bonds, funds, etc means state capital as prescribed in regulations of law, excluding government budget capital.

Article 3. Basis rules for CPM

- 1. Each construction project shall be managed according to investment plan or policies in accordance with Article 51 of the Law on Construction dated 2014 and relevant law provisions.
- 2. Specific regulations on responsibility and entitlement of State management agencies, investment decision maker, investor and organizations or individuals related to construction activities of the project shall be imposed.
- 3. The project shall be managed in conformity with types of capital source used for the project as follows:
- a) Every construction projects funded by government budget shall be managed closely, comprehensively and in order to ensure achievement of investment targets, quality, rate of progress, cost savings and project proficiency;
- b) Investment project in the form of Public Private Partner (PPP) of which the construction phase is managed similarly to the project funded from capital derived from loans, bonds, funds, etc as prescribed in this Decree and other relevant law provisions;
- c) Every construction projects funded from capital derived from loans, bonds, funds, etc shall be managed by the State in investment policies, objectives, scope, expenditures, impacts of the project on scenery, environment, community safety, national defense and security and efficiency. The investor shall take responsibility for managing the project as prescribed in this Decree and other relevant law provisions:
- d) Every construction projects funded from other capital sources shall be managed by the State in investment objectives, scope and impacts of the project to scenery, environment, community safety and national defense and security.
- 4. Construction investment activities shall be managed according to the rules prescribed in Article 4 of the Law on Construction dated 2014.

Article 4. Construction project owner

The construction project owner (below referred to as project owner) prescribed in Clause 9 Article 3 of the Law on Construction dated 2014 shall be appointed by the investment decision maker, in particular:

- 1. With regard to projects decided by the Prime Minister, the investor shall be appointed by the Prime Minister. The investor shall exercise entitlement of the person in charge of deciding construction investment, approving designs and construction estimate.
- 2. With regard to projects funded by government budget capital or capital derived from loans, bonds, funds, etc which are decided by Ministers, Heads of ministerial-level agencies, Governmental agencies, central agencies of political organizations and socio-political organizations, Presidents of the provincial People's Committees, Presidents of People's Committees of districts, their investors

shall be field-based PMBs or area-based PMBs which are established as prescribed in Article 63 of the Law on Construction dated 2014 or agencies, organizations and units that are assigned to manage and use capital to invest in construction of works. With regard to projects funded by budget of communes, the investor shall be People's Committees of communes. With regard to projects in terms of national defense and security, the investor shall be appointed by the investment decision maker in conformity with particular condition.

- 3. With regard to projects funded by loans, bonds, funds, etc that decide by economic groups or state-owned general companies, the investor shall be the field-based PMB or the area-based PMB established by such companies or organizations and units that are assigned to manage and use capital to invest in construction of works.
- 4. With regard to projects funded by other capital sources, the investors shall be agencies, organizations, and individuals having capital or applying for loans for construction investment. With regard to projects funded by combined capital, capital contributors shall reach an agreement on investors.
- 5. With regard to PPP projects, the investor shall be project management enterprises set up in accordance with regulations of law.

Article 5. Classification of construction projects

- 1. Construction projects shall be classified according to their size, characteristics, type of Permanent Works of the project, including: projects of national importance, projects group A, projects group B and projects group C as prescribed in law on public investment and Appendix I issued herewith.
- 2. Construction projects requiring construction investment economic-technical reports include:
- a) Constructions works used for religious purposes;
- b) New, repaired, innovated or upgraded constructions works with total investment of less than VND 15 billion (excluding land levies).
- 3. Construction projects classified according to their types of capital sources, including: projects funded by government budget capital and projects funded by capital derived from loans, bonds, funds, etc and projects funded by other capital source.

Article 6. The construction project phases

- 1. The construction project shall include following phases as prescribed in Clause 1 Article 50 of the Law on Construction dated 2014:
- a) Pre-construction: formulation, appraisal and approval of Pre-feasibility study reports (if any); formulation, appraisal and approval for feasibility study reports or Construction economic-technical reports to consider making construction investment decision and performance of other necessary tasks related to pre-construction.
- b) Construction: land allocation or land lease (if any); site investigation, demining (if any); construction survey; formulation, appraisal and approval for design and construction estimate; issuance of construction permits (if they are required); selection of contractors and signing of

construction contracts; execution of constructions works; supervision of work execution; advances or payments of completed constructions works; constructions work acceptance; transfer of completed constructions works and putting into operation; operation, testing and performance of other tasks;

- c) Completion and inauguration of the project: termination of the construction contract, constructions work warranties.
- 2. According to specific and technical requirements of the project, the investment decision maker shall decide the phases prescribed in Point a, b and c Clause 1 of this Article shall be carried out whether in succession or coordinately.
- 3. Drawings for building design which are appraised and stamped shall be given to the investor and the investor must archive them as prescribed in law on archives. The investor must provide construction authorities with aforesaid drawings at their requests. The investor shall submit files of drawings and estimates or scanned drawings (modified according to the appraisal result) to the construction authorities as prescribed in Clause 13 Article 3 of the Law on Construction dated 2014.

Chapter II

FORMULATION, APPRAISAL AND APPROVAL FOR THE PROJECT AND METHODS FOR MANAGING THE PROJECT

Section 1: Formulation, appraisal and approval of the construction project

Article 7. Pre-feasibility study report

- 1. The investor or agency or organization in charge of preparation of projects of national importance, projects group A shall formulate a pre-feasibility study report for decision of construction policies. In case projects group A (excluding projects of national importance) having planning approved ensuring contents prescribed in Clause 2 of this Article, pre-feasibility study report shall not be required.
- 2. Contents of pre-feasibility study report shall comply with Article 53 of the Law on Construction dated 2014, in which the preliminary design in the pre-feasibility study report shall contain:
- a) Preliminary design on location; project scale; location, types and grades of Permanent Works;
- b) Preliminary drawings of construction site of project; horizontal, vertical and cross section of the Permanent Works of the project;
- c) Preliminary drawings and prescription of selected foundation design solutions of the Permanent Works;
- d) Preliminary technology lines and technology equipment (if any).

Article 8. Appraisal of the pre-feasibility study report and decision on the construction investment policy

- 1. Regarding projects funded by public investment capital, the appraisal of the pre-feasibility study report and decision on the construction investment policy shall comply with law on public investment.
- 2. Regarding projects group A funded by capital derived from loans, bonds, funds, etc (excluding projects prescribed in Clause 1 of this Article) that are mentioned in the approved field planning or construction planning, the investor must send report to the Ministry in charge, the Ministry of Construction or local government to consider approving additional planning within their competence or request the Prime Minister to approve the additional planning before formulation of the prefeasibility study report as prescribed.

The agency or organization in charge of appraisal of the pre-feasibility study report must request approval for the construction investment policy of Ministry in charge and agencies to synthesize and request the investment decision maker to consider deciding the construction investment policy. Time limit for approval for the construction investment policy is within 20 days from the date on which the application is received.

Article 9. The feasibility study report

1. The investor shall formulate the feasibility study report as prescribed in Article 54 of the Law on Construction dated 2014 then submit it to the investment decision maker for appraisal of the project and investment decision, excluding cases prescribed in Clause 4 Article 52 of the Law on Construction dated 2012 and Clause 2 Article 5 of this Decree.

Regarding PPP project, the feasibility study report shall be formulated by the agency or organization as prescribed in law on investment in the form of PPP. Contents of the feasibility study report shall be formulated as prescribed in this Decree and Decree on investment in the form of PPP of the Government.

- 2. Regarding projects funded by public investment capital, the investor shall formulate the feasibility study report after receiving the investment policy decision of competent authorities as prescribed in the Law on public investment.
- 3. Regarding construction projects not mentioned in the field planning or construction planning, the investor shall send report to the Ministry in charge, the Ministry of Construction or the local government to consider approving the additional planning within their competence or request the Prime Minister to approve the additional field planning before formulating the feasibility study report. Time limit for approval for the additional field planning or construction planning is within 45 days.
- 4. Regarding construction project for civil constructions or industrial constructions at places where there is no zoning plan, detailed construction planning approved by the competent agency, the investor shall apply for construction planning license as prescribed in Article 47 of the Law on Construction dated for the basis of formulation of the feasibility study report.
- 5. If there is any request for compensation, site clearance and relocation in projects of national importance, projects group A, when consider approving its pre-feasibility study report, the investment decision maker shall decide whether to separate or joint following task: compensation, site clearance or relocation according to particular condition of the project to give a private project to the local government where the project is carried out. The formulation, appraisal and approval of above project shall be carried out similarly to an independent project.

Article 10. Competence in appraisal of the project and appraisal of the basic design

- 1. Regarding projects of national importance: The Prime Minister shall decide to establish the State appraisal council to appraise pre-feasibility study reports and feasibility study reports as prescribed in regulations of law.
- 2. Regarding construction projects funded by government budget capital:
- a) Construction authorities under management of the Ministry of Construction and the Ministry in charge of field-based Works as prescribed in Article 76 of this Decree shall take charge of appraisal of projects group A as prescribed in Article 58 of the Law on Construction dated 2014; Ministries, ministerial-level agencies, Governmental agencies, central agencies of political organizations or socio-political organizations shall make investment decisions on projects group B and below. Regarding projects assigned to the Ministry in charge of field-based Works by the Prime Minister, the construction authority under management of those Ministries shall carry out the appraisal;
- b) Services of Construction, Services in charge of field-based Works as prescribed in Article 76 of this Decree shall carry out the appraisal of projects group B which are located in the province as prescribed in Article 58 of the Law on Construction dated 2014, excluding the projects prescribed in Point a and Point c of this Clause;
- c) According to the assignment of the People's Committee of the province, Committee division of construction management within the remit of the People's Committees of districts shall carry out the appraisal of projects requiring construction economic-technical reports that under investment decision of the People's Committees of districts or the People's Committees of the communes.
- 3. Regarding construction projects funded by capital derived from loans, bonds, funds, etc:
- a) Construction authorities under management of the Ministry of Construction and the Ministry in charge of field-based Works as prescribed in Article 76 of this Decree shall take charge of appraisal of basic design as prescribed in Clause 2 Article 58 of the Law on Construction dated 2014 (excluding technology design) of projects group A; Ministries, ministerial-level agencies, Governmental agencies, central agencies of political organizations, socio-political organizations, economic groups and general state-owned companies shall make investment decision on projects group B and below. Regarding projects assigned to the Ministries in charge of field-based Works by the Prime Minister, the construction authority under management of those Ministries shall carry out the appraisal of basic design of project;
- b) Services of Construction, Services in charge of field-based Works prescribed in Article 76 of this Decree shall carry out the appraisal of basic design of projects group B which are located in the province as prescribed in Clause 2 Article 58 of the Law on Construction dated 2014 (excluding technology design), excluding the projects prescribed in Point a and Point c of this Clause;
- c) According to the assignment of the People's Committee of the province, Committee division of construction management within the remit of the People's Committees of districts shall carry out the appraisal of construction drawings and construction estimates (excluding technology design) of projects requiring construction economic-technical reports that under investment decision of the People's Committees of districts or the People's Committees of the communes;
- d) The authority under management of the investment decision maker shall carry out the appraisal of technology design (if any); other contents of the feasibility study report as prescribed in Article 58 of the Law on Construction dated 2014 and synthesize the appraisal result the request for the project

approval; and carry out the appraisal of repair, innovation, maintenance and upgrade project with total investment of less than 5 VND billion.

- 4. Regarding PPP project, the construction authority prescribed in Clause 3 of this Article shall carry out the appraisal of basic design as prescribed in Clause 2 Article 58 of the Law on Construction dated 2014 (excluding technology design); offer opinions about unit price, quotas, appraisal of design solutions for cost savings of constructions work construction; the unit in charge of management of PPP activities under management of the competent agency signing the project contract shall carry out appraisal of other contents of the feasibility study report and technology design (if any) and synthesize the appraisal result of basic design carried out by the construction authority and request for the project approval.
- 5. Regarding construction projects funded by other capital source:
- a) Construction authorities under management of the Ministry of Construction and Ministries in charge of specialized constructions works as prescribed in Article 76 of this Decree shall take charge of appraisal of basic designs as prescribed in Clause 2 Article 58 of the Law on Construction dated 2014 (excluding technology design) of projects group A; Ministries, ministerial-level agencies, Governmental agencies, central agencies of political organizations, socio-political organizations, economic groups and general state-owned companies shall make investment decision on projects group B and below.
- b) Services of Construction, Services in charge of specialized constructions works as prescribed in Article 76 of this Decree shall carry out the appraisal of basic designs of construction projects for public works, Works creating significant impact on scenery, environment and safety of community regarding Works less than or equivalent to class II and under that are constructed in the province as prescribed in Clause 2 Article 58 of the Law on Construction dated 2014;
- c) The investment decision maker shall carry out appraisal of the whole project as prescribed in Article 58 of the Law on Construction dated 2014, excluding appraisal of basic designs carried out by construction authorities prescribed in Point a and Point b of this Clause.
- 6. The authority take charge of appraisal of the project or basic designs (hereinafter referred to as appraising authority) shall consult relevant agencies or organizations about the content of the project. The appraising agencies or organizations shall provide opinions in writing by the deadline about basic designs; fire and explosion prevention; environment protection; use of land, natural resources, infrastructure connection and other necessary contents.
- 7. During the appraisal process the appraising authority must carry out the appraisal of basic designs, technology designs and other contents of the project, in particular:
- a) The appraising authority may invite specialized and experienced organizations or individuals to participate in appraisal of each phase of the project, basic designs, technology design and other contents of the project;
- b) If it fails to carry out the appraisal, the construction authority or the investment decision maker may request the investor to select an organization or individual publishing information about construction capacity on the websites of the Ministry of Construction and Services of Construction in order for the investor to conclude an appraisal contract with such organization or individual. If the assessment consultancy unit has not published information about construction capacity on the websites of the Ministry of Construction and Services of Construction, they must be approved by

construction agencies affiliated to the Ministry of Construction or Services of Construction in writing. The organization that provide consultancy on planning of a project may not assess that same project.

Article 11. Procedures for appraisal of the project and appraisal of the basic design

- 1. Regarding construction projects funded by government budget capital:
- a) The investor shall send the documentation of appraisal of the construction project to the investment decision maker and construction authority as prescribed in Clause 2 Article 10 of this Decree for appraisal. The documentation of appraisal of the construction project includes: A written request for project appraisal using the form No. 1 prescribed in Appendix II issued herewith; a project documentation, including description and basis design; and relevant legal documents;
- b) Within 5 working days from the date on which the sufficient project documentation, the construction authority must send the documentation enclosed with relevant copies to agencies or organizations prescribed in Clause 6 Article 10 of this Decree for consultation about the project. When carrying out the appraisal for the project group A in the urban area, the appraising authority must consult with the Ministry of Construction about the basis design.
- 2. Regarding construction projects funded by capital derived from loans, bonds, funds, etc; or projects funded by other capital sources requiring appraisal of appraisal basis design:
- a) The investor or the unit in charge of management of PPP activities shall send the basis design documentation of the project to the investment decision maker and construction authority prescribed in Clause 3 and Clause 4 Article 10 of this Decree for appraisal;
- b) Within 5 working days from the date on which the adequate project documentation, the construction authority must send the documentation enclosed to agencies or organizations prescribed in Clause 6 Article 10 of this Decree for consultation about the basis design of the project.
- 3. Time limits for feedbacks of agencies or organizations related to the project or the basis design prescribed in Point b Clause 1 and Point b Clause 2 of this Article: within 30 days regarding projects of national importance; within 20 regarding projects group A; within 15 days regarding projects group B and within 10 days regarding projects group C. If the related agencies or organizations do not send any feedback after the aforesaid deadlines, they are considered to concur with the basic design and take responsibility for their managing field.
- 4. Time limit for project appraisal prescribed in Article 59 of the Law on Construction dated 2014. Time limit for basic design appraisal: within 60 days regarding projects of national importance, within 30 days regarding projects group A, within 20 days regarding projects group B and within 15 days regarding projects group C.
- 5. In case the construction authority request the investor to select the assessment consultancy unit prescribed in Point b Clause 7 Article 10 of this Decree, within 5 working days from the date on which the satisfactory documentation is sent, the construction authority must send notification of issues that need assessing in order for the investor to select and conclude a contract with the assessment consultancy unit; time limits for assessment are within 30 days regarding projects of national importance; within 20 days regarding projects group A; within 15 days regarding projects group B and within 10 days regarding projects group C. The investor must send the assessment

results to the construction authority and the investment decision maker for appraisal of the project and basic design.

6. The appraising authority must carry out the appraisal under single-window system in accordance with the Law on Construction and this Decree. The form of appraisal results of project or basic design shall comply with form No. 02 and 03 prescribed in Appendix II issued herewith.

Article 12. Approval for project and construction decision

- 1. The construction project shall be approved in the construction decision. Competence in construction decision shall be prescribed in Article 60 of the Law on Construction dated 2014.
- 2. The construction decision shall contain:
- a) Project name;
- b) Investor;
- c) The organization that provide consultancy on planning of a project, survey (if any) and basic design formulation;
- d) Objectives, size, and rate of progress of the project;
- dd) Permanent Works, constructions works and classifications of constructions works of the project;
- e) Location and area of land used:
- q) Basic design, technology design (if any), technical regulations, selected standards;
- h) Requirements for natural resources (if any), operation of constructions works; plan for compensation, site clearance, plan for environment protection (if any), fire and explosion prevention;
- i) Total investment rates and estimated capital.
- k) Forms of project management applied.
- 2. The Ministry of Construction shall provide guidance on application for project or basic design appraisal and form of construction decision.

Article 13. Construction economic-technical reports

- 1. Only the construction economic-technical report is required for a construction project prescribed in Clause 2 Article 5 of this Decree.
- 2. Application for on appraisal of construction economic-technical reports includes:
- a) A written request for appraisal of appraisal construction economic-technical reports using the form No. 4 prescribed in Appendix II issued herewith;

- b) Contents of construction economic-technical reports prescribed in Article 55 of the Law on Construction dated 2014.
- 3. Appraisal and approval for construction economic-technical reports:
- a) Competence in appraisal of construction economic-technical reports and construction drawing design and construction estimates shall comply with Article 10 of this Decree; the form of appraisal result of economic-technical reports shall use form No. 05 prescribed in Appendix II enclosed herewith;
- b) The specialized agency of the investment decision maker shall synthesize the appraisal results and submit the project documentation to the investment decision maker for investment consideration and decision.

Article 14. Adjustments to the construction project and the basic design

- 1. The adjustments to the projects funded by government budget capital or capital derived from loans, bonds, funds, etc shall comply with Point b and Point d Clause 1 Article 61 of the Law on Construction dated 2014#
- a) The investor must give demonstration of additional effect on additional adjustment, including: Finance effect, socio-economic effect on business projects, projects requiring capital recovery; effect during construction stage, socio-economic effect on projects not requiring capital recovery;
- b) Basic design of the project shall be adjusted when the construction planning changes directly affect to construction location, route, size, and use of constructions works of the project;
- c) The adjustments to the project due to construction cost escalation shall comply with Decree on construction cost management.
- 2. Appraisal of the adjusted construction project or basic design shall comply with Article 11 of this Decree.
- 3. The investor shall request for adjustments to the project or basic design in order for the investment decision maker to consider making decision.

Article 15. Contests or selection of work architecture designs

- 1. Public works with large scale or particular architecture requirements that require contests or selection of architecture design plans include:
- a) public works Class I or special class;
- b) Head offices of the Communist Party, the State, administrative political centers, or broadcasters;
- c) Central railway stations of provinces, or civil airports;
- d) Class II urban traffic works or higher having high aesthetic requirements (such as overpasses, bridges over rivers, railway stations in urban areas);

- dd) Works located in significant place, or works with high architecture requirements (monuments, prominent works);
- 2. The Ministry of Construction shall promulgate other significant works in urban areas and major routes that need contests; specific regulations on forms of contests or selection of construction architecture design; rights and obligations of agencies, organizations, and individuals related to the contests of selection and costs thereof.

The organization or individual having architecture design selected may carry out subsequent design steps if such organization or individual is qualified as prescribed.

Section 2. Construction project management

Article 16. Organizations in charge of CPM

- 1. The investment decision maker shall decide organizations in charge of CPM as prescribed in Article 62 of the Law on Construction dated 2014.
- 2. With regard to projects funded by government budget capital or capital derived from loans, bonds, funds, etc, field-based construction project management board (hereinafter referred to as field-based PMB) or area-based construction project management board (hereinafter referred to as area-based PMB) shall be in charge of CPM as prescribed in Article 63 of the Law on Construction dated 2014 and Article 17 of this Decree.

In case the investment decision maker assigns the project investor to manage and use investment capital, the investment decision maker shall conclude an agreement to hire a field-based PMB or an area-based PMB as prescribed.

- 3. With regard to projects funded by ODA or concessional loans granted by foreign donors, organizations in charge of CPM shall comply with regulations of international agreements on ODA or agreements with donors. If the international agreements on ODA or agreements with donors do not promulgate organizations in charge of CPM, it shall comply with this Decree.
- 4. With regard to projects funded by other capital sources, the investment decision maker shall decide project management form in conformity with management requirements and actual condition.
- 5. With regard to PPP projects, the project management enterprise shall establish organizations in charge of CPM as prescribed in Article 19 and Article 20 of this Decree.

Article 17. Field-based PMB or area-based PMB

- 1. Ministers, Heads of ministerial-level agencies, Presidents of People's Committees of provinces or districts, President of the Board of Directors of economic groups or state-owned general companies shall decide to establish field-based PMB or area-based PMB that acts as the investor and concurrently manage multiple projects funded by government budget capital or capital derived from loans, bonds, funds, etc.
- 2. Field-based PMB or area-based PMB shall be established in following cases:
- a) The projects are managed in the same administrative division or on the same route;

- b) The projects relate to the same field;
- c) The projects funded by ODA or concessional loans granted by the same donor that require unified management of capital source.
- 3. The field-based PMB or area-based PMB which is established by Ministers, Heads of ministerial-level agencies, or Presidents of People's Committees of provinces or districts shall be a public service provider; and field-based PMB or area-based PMB which is established by the legal representative of state-owned enterprise shall be a member unit of the enterprise.

The field-based PMB or the area-based PMB shall have a complete legal status, use its own seal and open its account at a State Treasury and a commercial bank as prescribed; exercise rights and fulfill obligations of the investor and directly manage its assigned projects; take legal responsibility and take responsibility to the investment decision maker for its operation; and operation of the completed works as assigned.

- 4. According to the number of the projects that need manage, management requirements and actual condition, the organizational structure of the field-based PMB or the area-based PMB may be established according to CPM procedures of the project or according to each project.
- 5. The field-based PMB or the area-based PMB may provide project management consultancy for other projects provided that it ensures the fulfillment of the assigned project management and qualified for management of such projects.

Article 18. Organization and operation of the field-based PMB or the area-based PMB

- 1. The competent person establishing field-based PMB or area-based PMB shall decide number, functions, tasks, organizational structure and operation of field-based PMBs or area-based PMBs, in particular:
- a) Regarding Ministries or ministerial-level agencies: Field-based PMBs or area-based PMBs shall be established suitable for the field of their management or requirements for infrastructure at administrative divisions. The organization of field-based PMBs or area-based PMBs affiliated to the Ministry of National Defense or the Ministry of Public Security shall be decided by their Ministers that suitable for particular requirements of field management;
- b) Regarding provinces: Field-based PMBs or area-based PMBs established by the People's Committee of the province shall comprise PMBs of civil and industrial works, PMBs of traffic works, and PMBs of agriculture and rural development. Regarding central-affiliated cities, PMBs of urban infrastructure and industrial parks or PMBs of urban development may be established beside aforesaid PMBs.

The People's Committee of the province shall be in charge of field-based PMBs or area-based PMBs that it established.

c) Regarding districts: PMBs affiliated to the People's Committee of district shall act as the investor and manage projects decided by the People's Committee of district;

- d) Regarding communes: The People's Committee of commune shall act as the investor of the project that it decide investment and conclude an agreement with the PMB of district or PMB prescribed in Clause 5 Article 17 of this Decree;
- dd) Regarding economic groups or state-owned general companies: field-based PMBs or areabased PMBs shall be established in conformity with their main business lines or their major administrative divisions in terms of construction.
- 2. Field-based PMBs or area-based PMBs shall be organized in conformity with their tasks, number and scope of their projects and consist of:
- a) The Board of Directors, project managers and affiliated units that help the field-based PMB or the area-based PMB to act as the investor and manage the project;
- b) The project manager of the field-based PMB or the area-based PMB must be qualified as prescribed in Article 54 of this Decree; persons holding positions in project steering committees must have professional knowledge and practice licenses suitable for their jobs.
- 3. The operation regulation of the field-based PMB or the area-based PMB shall be approved by the competent person deciding establishment, which clarifies rights and obligations of departments acting as the investor and departments managing the project in accordance with the Law on Construction dated 2014 and relevant law provisions.
- 4. The Ministry of Construction shall provide guidance on operation regulations of field-based PMBs or area-based PMBs.

Article 19. Single-project PMB

- 1. The investor shall decide to establish the single-project PMB to manage a project group A having special class works, a high-technology project certified by the Minister of Science and Technology in writing, a project for national defense and security that requires state secrets, or a project funded by other capital sources.
- 2. The single-project PMB is a public service provider affiliated to the investor which has complete legal status, use its own seal and open its account at a State Treasury and a commercial bank as prescribed; exercise rights and fulfill obligations of the investor; take legal responsibility and take responsibility to the investment decision maker for its operation.
- 3. The single-project PMB must be qualified as prescribed in Clause 3 Article 64 of this Decree and may hire a qualified advisor to perform a number of its tasks.
- 4. The investor shall define the functions, tasks, entitlements and organizational structure of the single-project PMB as prescribed in Clause 2 Article 64 of the Law on Construction dated 2014.

Article 20. Hiring CPM consultancy

1. In case the field-based PMB or the area-based PMB is not qualified to perform CPM, it may hire a qualified CPM consultancy as prescribed in this Decree.

- 2. In case the enterprise which is the member unit of an economic group or state-owned general company is not qualified to perform CPM using capital derived from loans, bonds, funds, etc or other capital sources, it may hire a qualified CPM consultancy as prescribed in this Decree.
- 3. The CPM consultancy may partially or totally CPM tasks according to the agreement concluded with the investor.
- 4. The selected CPM consultancy must set up an office of CPM in the area where the project is carried out and send notifications of rights and obligations of the representative and the steering board of CPM to the investor and relevant contractors.
- 5. The investor must observe the execution of CPM advising contract, deal with issues arising between the CPM consultancy, contractors and local governments during the project process.

Article 21. Direct investor in charge of CPM

- 1. The investor shall use its legal status and affiliated units to manage directly projects for renovation, repair or upgrade of small-scale constructions works with less than VND 5 billion in total investment, projects involved by the community and projects with less than VND 2 billion in total investment whose investor is the People's Committee of the commune.
- 2. Any person engaging in CPM shall work as a part-time job and have qualifications suitable for their jobs. The investor may hire any qualified organization or individual to supervise the construction execution and carry out acceptance of completed work items. Project costs shall be separately recorded as prescribed in regulations of law.

Article 22. CPM of general contractor

- 1. EPC contractors or turnkey general contractors must partially or totally execute the projects according to their agreements with the investors and be qualified as prescribed in this Decree and relevant law provisions.
- 2. Project tasks of general contractors include:
- a) Establishing Steering committee to manage the agreement execution;
- b) Managing total construction site;
- c) Managing construction design, manufacture, processing and procurement of materials, equipment, technology transfers and training in operation;
- d) Managing the construction stage and connections with subcontractors;
- dd) Regulating the rate of process, inspecting the labor hygiene and safety and environment protection at the construction site;
- e) Carrying out the final acceptance of work items as completed and transferring them to the investor;

- g) Managing other construction activities at the request of the investor.
- 3. The general contractor may receive a partial project management cost as agreed with the investor.

Chapter III

EXECUTION OF CONSTRUCTION PROJECT

Section 1: Construction design

Article 23. Construction design phases

- 1. Construction design comprises following steps: preliminary design (for pre-feasibility study report), basic design, engineering design, construction drawing design and other design steps (if any) in conformity with international practice decided together with project investment decision by the investment decision maker.
- 2. Construction project comprise one or a number of constructions works, each constructions work has one or a number of classifications. According to types, classifications of the constructions work and method for executing the project, the number of phases of construction design shall be decided by the investment decision maker, particularly:
- a) One-step design includes construction drawing design used in the constructions work requiring construction economic-technical reports;
- b) Two-step design includes basis design and construction drawing design used in the constructions work requiring construction project;
- c) Three-step design includes basis design, engineering design and construction drawing design used in the constructions work requiring construction project, large size, complicated technical requirements and construction condition;
- d) Other-step design (if any) in conformity with international practice.
- 3. If there are at least 2 steps in the construction design of a constructions work, the content and specifications of two consecutive steps of design must be conformable.
- 4. With regard to three-step design, if construction contractor is eligible as prescribed in regulations of law, it may carry out the construction drawing design step.

Article 24. Competence in appraisal and approval for construction design and estimate of projects funded by government budget capital

- 1. Competence in appraisal of construction design and estimate:
- a) Construction authority affiliated to the Ministry of Construction or Ministry in charge of field-based construction management prescribed in Article 76 of this Decree shall appraise engineering design and construction estimate (for three-step design); construction drawing design and construction

estimate (for two-step design) of special class or Class I constructions works; constructions works assigned by the Prime Minister and constructions works of the project that they decide investment;

- b) Service of Construction or Service in charge of field-based construction management prescribed in Article 76 of this Decree shall appraise engineering design and construction estimate (for three-step design); construction drawing design and construction estimate (for two-step design) of Works less than or equivalent to class II which are located in the province, other than constructions works prescribed in Point a of this Clause.
- 2. Competence in approval for construction design and estimate:
- a) The investment decision maker shall approve construction design and estimate for three-step design; and approve construction drawing design and construction estimate for two-step design;
- b) The investor shall approve construction drawing design and construction estimate for three-step design.

Article 25. Competence in appraisal and approval for construction design and estimate of projects funded by capital derived from loans, bonds, funds, etc

- 1. Competence in appraisal of construction design and estimate:
- a) Construction authority affiliated to the Ministry of Construction or Ministry in charge of field-based construction management prescribed in Article 76 of this Decree shall appraise engineering design and construction estimate (for three-step design); construction drawing design and construction estimate (for two-step design) of special class or Class I constructions works; Class II constructions works or higher of the project that economic groups or state-owned general companies under management of them decide investment; constructions works assigned by the Prime Minister and constructions works of project that they decide investment.
- b) Service of Construction or Service in charge of field-based construction management prescribed in Article 76 of this Decree shall appraise engineering design and construction estimate (for three-step design), construction drawing design, construction estimate (for two-step design) of Class III constructions works or higher which are located in the province, other than constructions works prescribed in Point a of this Clause.
- c) The investment decision maker shall appraise the design and estimate of the technology aspect (if any) of Works prescribed in Point a and Point b of this Clause; and appraise design and estimate of remaining Works and medium-voltage power grid project.

The investment decision maker shall take responsibility for their appraisal results and send them (excluding technology aspect) to the construction authority according to classifications prescribed in Clause 1 Article 24 of this Decree.

- 2. Competence in approval for construction design and estimate:
- a) The investment decision maker shall approve construction drawing design and construction estimate for three-step design;

- b) The investor shall approve construction design and estimate for three-step design; and approve construction drawing design and construction estimate for two-step design;
- c) Regarding the PPP project, the investor shall approve the construction design and estimate.

Article 26. Competence in appraisal and approval for construction design and estimate of projects funded by other capital sources

- 1. Competence in appraisal of construction design and estimate:
- a) Construction authority affiliated to the Ministry of Construction or Ministry in charge of field-based construction management prescribed in Article 76 of this Decree shall appraise engineering design and construction estimate (for three-step design), construction drawing design (for two-step design) of special class and Class I Works, Works located in at least provinces and Works assigned by the Prime Minister;
- b) Service of Construction or Service in charge of field-based construction management prescribed in Article 76 of this Decree shall appraise engineering design (for three-step design) and construction drawing design (for two-step design) of Class III public Works or higher, Works having significant impact on scenery, environment and community safety which are located in the province, other than Works prescribed in Point a of this Clause;
- c) The investment decision maker shall appraise the design of remaining Works (excluding Works prescribed in Point a and Point b of this Clause), technology aspect (if any) and construction estimate.
- 2. Competence in approval for construction design and estimate:

The investment decision maker shall approve engineering design, construction drawing design and construction estimate.

Article 27. Contents of appraisal of construction design and estimate

- 1. Contents of appraisal of construction design and estimate shall comply with Article 83 of the Law on Construction dated 2014, this Decree and Decree on construction cost management.
- 2. The appraisal results of construction design and estimate shall be made in form No. 07 prescribed in Appendix II issued herewith.

Article 28. Contents of approval for construction design

- 1. General information about the construction work: name of construction work, work items (type and classification of the construction work); the investor; engineering contractor; location, land area.
- 2. Size, technology, specifications and essential economic technical criteria of the construction work.
- 3. National technical regulation and primary standards that are applied.

- 4. Primary design solutions of work items and the whole construction work.
- 5. Construction estimate.
- 6. Requirements for amendments to the design documentation and other contents (if any).

Article 29. Documentation of appraisal of engineering design, construction drawing design and construction estimate

The investor shall send the documentation to the construction authority for appraisal, including:

- 1. A written request for appraisal of design using the form No. 06 prescribed in Appendix II issued herewith.
- 2. A description of design, drawings, and relevant construction survey documents.
- 3. A copy of a decision on approval for the construction project enclosed with the approved fundamental design documents or approved investment policy, other than detached housing works.
- 4. A copy of documentation on qualifications of directors of construction survey and design; a written approval for fire safety and an environmental impact appraisal report (if any).
- 5. A synthesis report on the conformity of the design documentation with the contract made by the investor.
- <u>6. A construction estimate of projects funded by government budget capital or capital derived from loans, bonds, funds, etc.</u>

Article 30. Procedures for appraisal of construction design or estimate

- 1. After receiving the documentation, the construction authority or the investment decision maker shall appraise the construction design or estimate according to the contents prescribed in Article 27 of this Decree.
- 2. The appraising agency must appraise all contents of construction design and estimate. During the appraisal process, the appraising agency may invite specialists to appraise construction design, technology design and construction estimate in stages.

In case the construction authority or the investment decision maker is not qualified to carry out the appraisal, they may request the investor to select an qualified organization or individual publishing information about construction capacity on the websites of the Ministry of Construction and Services of Construction in order for the investor to conclude an assessment contract with such organization or individual. If the assessment consultancy unit has not published information about construction capacity on the websites of the Ministry of Construction and Services of Construction, they must be approved by construction agencies affiliated to the Ministry of Construction or Service of Construction in writing. The design consultancy unit may not assess the construction work that it designed.

3. During the appraisal process of construction design, the construction authority must request the competent agency to appraise issues related to environment, fire safety and other contents as prescribed.

Time limit for notification of appraisal results issued by the competent agency in charge of appraising environment, fire safety and other contents shall comply with regulations of regulations of law provided that it does not exceed the time limit for assessment of construction design or estimate as prescribed in Article 4 of this Article. If the related agencies or organizations do not send any feedback after the aforesaid deadlines, they are considered to concur with the appraisal and take responsibility for their managing field.

- 4. In case the construction authority request the investor to select the assessment consultancy unit prescribed in Clause 2 of this Article, within 5 working days from the date on which the satisfactory documentation is sent, the construction authority must send notification of issues subject to assessment in order for the investor to select and conclude a contract with the assessment consultancy unit; time limits for assessment are within 20 days regarding Class I and special class Works; within 15 days regarding Class II and Class III Works; and within 10 days regarding remaining Works. The investor must send the assessment results to the construction authority and the investment decision maker for appraisal of the construction design and estimate.
- 5. If the construction project has different types and classes of Works, the appraising agency must appraise the Permanent Works of the project.
- 6. With regard to Works involving state secrets, Works built under emergency orders or makeshift Works, their designs shall be approved as prescribed in regulations of law on special-type construction work management.
- 7. The agencies, organizations, and individuals in charge of assessment, appraisal or approval for construction design or estimate shall take legal responsibility for their assessment, appraisal or approval results.
- 8. Time limits for appraisal of construction design or estimate of the construction authority from the date on which the satisfactory documentation is received:
- a) Within 40 days regarding Class I and special class Works;
- b) Within 30 days regarding Class I and Class II Works:
- c) Within 20 days regarding remaining Works;

Section 2: CONSTRUCTION EXECUTION MANAGEMENT

Article 31. Construction execution management

Construction execution management includes:

- 1. Construction quality control.
- 2. Construction schedule management.

- 3. Construction execution quantity management.
- 4. Construction cost management during the construction work execution.
- 5. Construction contract management.
- 6. Occupational safety and construction environment management.

Article 32. Construction schedule management

- 1. A construction schedule is required before any construction work is executed. The construction schedule made by the contractor must be suitable for the general project schedule which is approved by the investor.
- 2. If the construction work has large size and long construction period, the construction schedule shall be made monthly, quarterly or yearly.
- 3. The investor, construction contractor, construction supervision consultancy and relevant contracting parties must keep track of the construction schedule and adjust the schedule if some stages extends provided that it may not affect the project schedule.
- 4. If the general project schedule is deem to be extended, the investor must request the investment decision maker to decide to adjust the general project schedule.

Article 33. Construction quantity management

- 1. The construction work must be executed according to the approved design quantity.
- 2. The construction quantity shall be calculated and certified between investor, construction contractor, supervision consultancies according to time or execution stage and it shall be compared with the approved design quantity as the basis for final acceptance and final payment according to the contract.
- 3. If there is any additional construction quantity beside the design, the investor and the building contractor must consider for handling.

The additional construction quantity approved by the investor or the investment decision maker shall be the base for the payment and statement of the construction work.

4. It is banned from ficitious declarations, quantity increase declaration or collusion between contracting parties leading incorrect payment quantity.

Article 34. Occupational safety management on construction site

1. Construction contractor must impose safety measures to labor, equipment and construction work before execution. If the safety measures relate to multiple parties, the contracting parties shall conclude an agreement.

- 2. Safety measures and regulations on safety must be public at the construction site; and there is any person who give instructions and warning about dangerous locations on the construction site.
- 3. The construction contractor, the investor and relevant contracting parties must regularly supervise the occupational safety on construction site If an incident occurs, it is required to suspend the construction execution until the incident is handled. The person committing violations against occupational safety must take legal responsibility within their managing field.
- 4. The building contractor must provide instructions and training in regulations on occupational safety. With regard to some tasks subject to strict occupational safety requirements, each worker must obtain a certificate of training in occupational safety as prescribed in law on occupational safety. Any worker who has been not participated in training in occupational safety may not be employed.
- 5. The building contractors must provide sufficient personal protection equipment, occupational safety for workers as prescribed when they are on the construction sites.
- 6. The building contractor must appoint following full-time or part-time employees in charge of labor hygiene and safety:
- a) If there are less than 50 direct workers in the construction site, the execution engineering employee may be in charge of labor hygiene and safety as a part-time job;
- b) If there are at least 50 direct workers in the construction site, at least one employee shall be in charge of labor hygiene and safety as a full-time job;
- c) If there are at least 1,000 direct workers in the construction site, it is required to establish a department or a board of labor hygiene and safety or appoint two full-time employees in charge of labor hygiene and safety;
- d) Each full-time employee in charge of labor hygiene and safety must obtain a practice license as prescribed in Article 51 of this Decree.
- 7. The number of full-time employees prescribed in Point a, b and c Clause 6 of this Clause must be appointed in conformity with the construction site size, level of risks of occupational accidents at a particular construction site.
- 8. The construction authority must carry out regular or irregular inspection of construction site safety management of the investor and contractors. If the construction work subject to final acceptance carried out by the State management agency, the inspection of occupational safety shall be concurrently carried out.
- 9. The Ministry of Construction shall provide guidance on construction occupational safety.

Article 35. Construction environment management

1. The building contractor must impose measures for environment protection within and out of the construction site, including anti-dust, noise control, waste treatment and construction site cleanup. Regarding Works in urban areas, it is required to implement measures for cover and cleanup of waste and deliver them to regulated places.

- 2. During the transport of building materials or waste, they must be covered to ensure safety and environment hygiene.
- 3. The construction contractor and the investor must supervise the implementation of construction environment protection and subject to supervision of the environment authorities. If the construction contractor fails to comply with regulations on environment protection, the investor and the environment authorities may suspend the construction execution and request the contractor to implement proper environment protection measures.
- 4. Any person damaging the environment during the execution process must take legal responsibility and compensate for damages that they cause.

Article 36. Management of other aspects

- 1. The construction quality control shall comply with this Decree, Decree on construction quality control and guiding documents.
- 2. The construction cost management shall comply with this Decree, Decree on construction quality control and guiding documents.
- 3. The construction contract management shall comply with this Decree, Decree on construction contract management and guiding documents.

Section 3: COMPLETION AND INAUGURATION OF THE PROJECT

Article 37. Final acceptance and inauguration of Works

- 1. The construction work shall be inaugurated after it is completed according to the approved design, operates properly and issued the certificate of acceptance.
- 2. According to specific condition of each construction work, the completed work items of the project or sub-projects may be transferred at the request of the investor.
- 3. The acceptance and transfer report on completed work items or the whole completed construction work is the legal document in order for the investor to inaugurate the project and state the construction capital.
- 4. Construction work transfer documentation includes: a construction work documentation; manual; regulations on construction maintenance.
- 5. The construction work documentation must be archived as prescribed in regulations of law on state archives.

Article 38. Construction work completion

1. The construction work is considered completed when the investor receives the whole construction work and the warranty of the construction work expires as prescribed.

2. When transferring the construction work, the building contractor must move all their assets out of the construction site.

Article 39. Inauguration of the construction work and construction project

- 1. After receiving the construction work or the construction project, the investor or the organization in charge of construction use management must operate the construction work or the project effectively, according to proper purposes and the approved economic technical criteria.
- 2. The investor or the organization in charge of construction use management must carry out the construction maintenance as prescribed.

Section 4: Construction permit

Article 40. Requirements for issuance of construction permit

- 1. Requirements for issuance of construction permit shall comply with Article 91, Article 92 and Article 93 of the Law on Construction dated 2014.
- 2. If the construction project is located in an urban area without any zoning plan or detailed construction planning approved by the competent agencies or the detailed construction planning is not required as prescribed in law on urban area planning, the license for planning or the planning information provided by the competent agency shall be the basis for considering the issuance of the construction permit.

Article 41. Application for the construction permit

- 1. Applications for issuance of licenses for new construction; repair or innovation; relocation of Works; detached houses; non-route based Works; route-based Works in urban areas; religious Works; imposing monuments or paintings; billboards shall comply with Article 95, Article 96 and Article 97 of the Law on Construction dated 2014.
- 2. An application for construction permit regarding faith construction work includes:
- a) An application form for construction permit using form as prescribed by the Ministry of Construction:
- b) A copy of one of written proofs of land use rights as prescribed in legislation on land;
- c) A construction design drawing appraised as prescribed;
- d) A declaration about capacity and experience of the design organization or the head of construction design, enclosed with the copy of his/her practice license.
- 3. An application for construction permit regarding diplomatic agencies and international organizations:
- a) An application form for construction permit using form as prescribed by the Ministry of Construction;

- b) A copy of one in written proofs of land use rights as prescribed in legislation on land;
- c) A construction design drawing appraised as prescribed;
- d) Other documents as prescribed in regulations of international agreement or treaty concluded with the Government of Vietnam.
- 4. The application for fixed-term construction permit shall comply with regulations on Works or detached houses prescribed in Clause 1 of this Clause.
- 5. An application for construction permit in stages includes:
- a) An application form for construction permit;
- b) A copy of one in written proofs of land use rights as prescribed in legislation on land;
- c) A construction design drawing approved as prescribed; a written design appraisal issued by the construction authority in stages (if any);
- d) A copy of the decision on construction project approval issuing the construction work that requires project formulation.
- 6. An application for construction permit for the project:
- a) Documents prescribed in Point a, b, c and dd Clause 2 Article 95 of the Law on Construction dated 2014:
- b) Design drawings of each construction work that requires issuance of construction permit, written design appraisals issued to Works at the request of the construction authority.

Section 5: SPECIAL-TYPE CONSTRUCTION WORK MANAGEMENT

Article 42. Special-type Works

Special-type Works prescribed in Article 128 of the Law on Construction dated 2014 include:

- 1. Works involving state secrets:
- a) Works involving state secrets consist of: Works that require secrets during the construction activities in National defense and security, foreign affairs, economy, science and technology and other particular sectors; and Works under management as prescribed in regulations of law on state secret protection;
- b) The Prime Minister shall decide to build Works involving state secrets at the request of construction investment.
- 2. Works built under emergency orders include:

- a) Construction work built under emergency orders to protect national sovereignty or ensure national security and safety of life;
- b) Works built under emergency orders to ensure energy security and safety, environment safety, national reserves, science and technology that certified by the Ministry of Science and Technology in writing;
- c) Works built under emergency orders to save life, health and assets of the community from disasters or save adjacent Works from severe damage;
- d) Works built under emergency orders to respond to or prevent negative consequences that are likely to occur due to force majeure events, construction incidents, or to respond to severe environmental emergencies;
- dd) Works built under emergency orders of the Prime Minister.
- 3. Makeshift Works include:
- a) Works built to serve the main construction work execution prescribed in Clause 2 of this Clause;
- b) Auxiliary Works built to serve the main construction work prescribed in Point c and d Clause 2 of this Clause.

Article 43. Construction project management of special-type Works

- 1. Regarding Works involving state secrets:
- a) Ministers, Heads of ministerial-level agencies, Governmental agencies, Presidents of People's Committees of provinces shall decide construction investment of Works involving state secrets after the Prime Minister decides the investment policy on Works involving state secrets;
- b) The investment decision maker of the construction work involving state secrets may decide or authorize the investor to decide, and take responsibility for CPM and may appoint contractors (not through contractor selection) from the project formulation, survey, design, construction execution to completion and inauguration of the project.
- 2. Regarding Works built under emergency orders:
- a) The investment decision maker of Works built under emergency orders shall decide procedures for construction investment and project management methods; appraise or approve the project, design and construction estimate, supervise execution, carry out final acceptance and transfer the completed construction work himself/herself in accordance with regulations of law on construction;
- b) Works built under emergency orders shall be exempt from construction permit as prescribed in Point a Clause 2 Article 89 of the Law on Construction dated 2014;
- c) The Prime Minister shall consider permitting the investment decision maker of Works built under emergency orders to decide or authorize the investor to decide and take responsibility for CPM and award the contract (without contractor selection process) from the project formulation, survey, design, construction execution to completion and inauguration of the project.

- 3. Regarding makeshift Works:
- a) The investment decision maker shall carry out CPM in accordance with this Decree; appraise and approve design, construction estimate; award the contract or begin construction himself/herself;
- b) The investor or the building contractor of main construction work must demolish or clean up makeshift construction work (if any) to restore the construction site before the completed construction work is transferred.

Chapter IV

CONDITIONS OF CONSTRUCTION CAPACITY

Section 1: Conditions of construction capacity applied to individuals

Article 44. Licenses for construction practice

- 1. Licenses for construction practice shall be issued to any Vietnamese citizens, overseas Vietnamese or foreigners who legally carry out construction activities in Vietnam in order for them to hold certain positions or practice construction as independent professionals as prescribed in Clause 3 Article 148 of the Law on Construction dated 2014.
- 2. Any foreigner or overseas Vietnamese who obtained the license to practice construction activities issued by a foreign agency or organization and has carried out construction activities in Vietnam for less than 6 months, he/she shall be permitted to practice construction activities. If he/she has carried out construction activities in Vietnam for at least 6 months, he/she is required to change the license for construction practice at the Ministry of Construction.
- 3. The license for construction practice is valid for 5 years and it shall be reissued upon its expiry.
- 4. The Ministry of Construction shall be in charge of management of license for construction practice nationwide, including issuance of forms of licenses for construction practice prescribed in this Decree.
- 5. Competence in issuance of licenses for construction practice:
- a) Construction authorities affiliated to the Ministry of Construction shall issue Class I license for construction practice; and license for construction practice applied to foreigners or overseas Vietnamese;
- b) Services of Construction shall issue Class II and Class III license for construction practice;
- c) Socio-professional organizations satisfying conditions as prescribed may issue Class II and Class III license for construction practice to members of them within their operation scope as prescribed by the Ministry of Construction.

Article 45. General requirements for issuance of license for construction practice

Each individual shall be issued a license for construction practice if he/she meets requirements below:

- 1. Having civil dispositive capacity as prescribed; obtaining residence permit in Vietnam if he/she is a foreigner or overseas Vietnamese.
- 2. Having qualifications and year's experience in conformity with the application for license, in particular:
- a) Class I: Obtaining a bachelor's degree with appropriate major and year's experience in conformity with the application for license that is valid for at least 7 years;
- b) Class II: Obtaining a bachelor's degree with appropriate major and year's experience in conformity with the application for license that is valid for at least 5 years;
- c) Class III: Obtaining a bachelor's degree and year's experience in conformity with the application for license that is valid for at least 3 years; or obtaining a college degree or junior college degree and year's experience in conformity with the application for license that is valid for at least 5 years.
- 3. Passing examination in occupational experience and relevant legal knowledge.

Article 46. Licenses for construction survey practice

- 1. Licenses for construction survey practice shall be issued to following fields:
- a) Topographical survey;
- b) Geological and hydro geological survey of Works.
- 2. Each individual shall be issued a license to survey construction equivalent to each type of construction survey prescribed in Article 73 of the Law on Construction dated 2014 if he/she meets requirements below:
- a) Class I: The person has held the position of construction survey leader in charge of at least 1 (two) project group A or 5 (five) projects group B or at least 2 (two) Class I Works or 3 (three) Class II Works that conform to his/her license / of the same type as those mentioned in his/her license:
- b) Class II: The person has held the position of construction survey leader in charge of at least 2 (two) projects group B or 5 (five) projects group C or at least 2 (two) Class II Works or 3 (three) Class III Works that conform to his/her license;
- c) Class III: The person has held the position of construction survey leader in charge of at least 3 (three) projects group C or at least 2 (two) Class III Works or 3 (three) class VI Works that conform to his/her license.
- 3. Construction survey scope:
- a) Class I: Holding the position of construction survey leader in charge of all project groups, all Works that conform to his/her license;

- b) Class II: Holding the position of construction survey leader in charge of projects group B, Works less than or equivalent to class II that conform to his/her license;
- c) Class III: Holding the position of construction survey leader in charge of projects group C, Works less than or equivalent to class III that conform to his/her license.

Article 47. License for construction planning practice

- 1. Any individual who is issued with a license for construction planning practice must obtain at least a bachelor's degree in architecture, planning or other majors suitable for the request of planning project and meet requirements below:
- a) Class I: The person has held the position of planning leader or planning appraisal leader in charge of at least 1 (one) construction planning project of an interprovincial area, 2 (two) construction planning projects of a provincial area or 3 (three) construction planning projects of an interdistrict area or 5 (five) construction planning projects of a district area, or 5 (five) common construction planning projects of a particular area;
- b) Class II: The person has held the position of planning leader or planning appraisal leader in charge of at least 1 (one) construction planning project of a provincial area, 2 (two) construction planning projects of an interdistrict area or 3 (three) construction planning projects of a district area or 3 (three) common construction planning projects of a particular area;
- c) Class III: The person has held the position of planning designer or planning appraiser in charge of at least 1 (one) construction planning project of a district area, 3 (three) common construction planning projects of a particular area or 5 (five) construction planning projects of a rural area.
- 2. Operation scope:
- a) Class I: The person has held the position of project leader or leader in a certain aspect of construction planning projects;
- b) Class II: The person has held the position of project leader or leader in a certain aspect of construction planning projects of a provincial, an interdistrict, a district or a particular area with population size equivalent to urban area lower than or equivalent to class II, zoning plan and detailed planning for particular area, or rural area planning;
- c) Class III: The person has held the position of project leader or leader in a certain aspect of construction planning projects a district area, zoning plan and detailed planning for particular area, or rural area planning.

Article 48. License for construction design practice, license to assess construction design

- 1. Licenses for construction design practice shall be issued to following fields:
- a) Construction architecture design;
- b) Construction interior exterior design; scenery design;
- c) Construction structure design;

- d) Construction electricity mechanics design;
- dd) Water supply drainage design;
- e) Air ventilation heat supply and dissipation design;
- g) Communications network design in Works;
- h) Fire safety design.
- 2. Each individual shall be issued a license for construction design practice if he/she meets requirements below:
- a) Class I: The person has held the position of design, appraisal and assessment leader in charge of at least 2 (two) Class II Works and at least 1 (one) Class I construction work or higher that conform to his/her license.
- b) Class II: The person has held the position of design, appraisal and assessment leader in charge of at least 5 (five) Class III Works and at least 1 (one) Class II construction work or higher that conform to his/her license.
- c) Class III The person has held the position of designer, appraiser or design assessor in charge of at least 3 (three) Class III Works and at least 5 (five) Class IV Works that conform to his/her license.
- 3. Operation scope:
- a) Class I: The person has held the position of design, appraisal and assessment leader of all Works that conform to his/her license; The person has held the position of leader in charge of formulation of project groups that conform to his/her license;
- b) Class II: The person has held the position of design, appraisal and assessment leader of Works less than or equivalent to class II that conform to his/her license; The person has held the position of leader in charge of formulation of project group B or projects group C that conform to his/her license;
- a) Class III: The person has held the position of design, appraisal and assessment leader of Class III or Class IV Works that conform to his/her license; The person has held the position of leader in charge of formulation of projects group C that conform to his/her license;

Article 49. License for construction supervision practice

- 1. Licenses for construction supervision practice shall be issued to following fields:
- a) Construction and completion supervision;
- b) Equipment installation supervision:
- c) Technological equipment installation supervision;

- 2. Each individual shall be issued a license for construction supervision practice if he/she meets requirements below:
- a) Class I: The person had held the position of direct supervisor in charge of at least 1 (two) Class I construction work or at least 2 (two) Class II Works that conform to his/her license;
- b) Class II: The person had held the position of direct supervisor or design and execution leader in charge of at least 1 (one) Class II construction work or at least 2 (two) Class III Works that conform to his/her license;
- c) Class III: The person had held the position of direct supervisor, designer, design appraiser or executor in charge of at least 1 (one) Class III construction work or 2 (two) Class IV Works that conform to his/her license.

3. Operation scope:

- a) Class I: The person had held the position of supervision leader in charge of all project groups that conform to his/her license;
- b) Class II: The person had held the position of supervision leader in charge of Works less than or equivalent to class II; or involved in some tasks of Class I Works that conform to his/her license;
- c) Class III: The person had held the position of supervision leader in charge of Works less than or equivalent to class III; or involved in some tasks of Class I Works that conform to his/her license.

Article 50. License for construction inspection practice

- 1. Each individual shall be issued a license for construction inspection practice if he/she meets requirements below:
- a) Class I: Obtaining a Class I license for construction supervision practice; a Class I certificate in construction design; holding the position of inspection or design leader or direct supervisor in charge of at least 1 (one) Class I construction work or at least 2 (two) Class II Works that conform to his/her license;
- b) Class II: Obtaining a Class II license for construction supervision practice; a Class II certificate in construction design; holding the position of inspection or design leader or direct supervisor in charge of at least 1 (one) Class II construction work or at least 2 (two) Class III Works that conform to his/her license;
- c) Class III: Obtaining a Class III license for construction supervision practice; a Class III certificate in construction design; holding the position of inspection or design leader or direct supervisor in charge of at least 2 (two) Class III Works or at least 3 (three) Class IV Works that conform to his/her license.

2. Operation scope:

a) Class I: The person has held the position of inspection leader in charge of all Works that conform to his/her license;

- b) Class II: The person has held the position of inspection leader in charge of Works less than or equivalent to class II that conform to his/her license;
- c) Class III: The person has held the position of inspection leader in charge of Class III or Class IV Works that conform to his/her license.

Article 51. License for construction safety practice

- 1. Each individual shall be issued a license for construction safety practice if he/she meets requirements below:
- a) Class I: Holding the position of direct executor of construction or full-time occupational safety officer in charge of at least 1 (one) Class I construction work or 2 (two) Class II Works;
- b) Class II: Holding the position of direct executor of construction or full-time or part-time occupational safety officer in charge of at least 1 (one) Class II construction work or 2 (two) Class III Works;
- c) Class III: Holding the position of direct executor of construction or full-time or part-time occupational safety officer in charge of at least 1 (one) Class III construction work or 2 (two) Class IV Works;
- 2. Operation scope:
- a) Class I: The person has held the position of full-time or part-time occupational safety officer in charge of all Works;
- b) Class II: The person has held the position of full-time or part-time occupational safety officer in charge of Works less than or equivalent to class I;
- c) Class III: The person has held the position of full-time or part-time occupational safety officer in charge of Class II or Class III Works;

Article 52. License for construction valuation practice

- 1. Each individual obtaining a license for construction valuation practice shall be in charge of construction cost management as follows:
- a) Determine and assess total construction investment; analyze risks and evaluate investment effectiveness;
- b) Determine investment rates, construction norms, construction prices, and construction price indexes;
- c) Measure construction quantity;
- d) Determine and assess construction estimate;
- dd) Determine contract value and contractual prices in construction activities;

- e) Control construction cost;
- g) Formulate and assess documents on payment or settlement of construction investment and convert construction investment after the construction is completed, transferred and put into operation.
- 2. Each individual shall be issued a license for construction valuation if he/she meets requirements below:
- a) Class I: Participating in construction cost management or estimating total investment of at least 1 (one) project group A or 3 (three) projects group B or at least 2 (two) Class I Works or 5 (five) Class II Works;
- b) Class II: Participating in construction cost management or estimating total investment of at least 1 (one) project group B or 3 (three) projects group C or at least 1 (one) Class I construction work or 3 (three) Class II Works or 10 (ten) Class III Works;
- c) Class III: Participating in construction cost management of at least 1 (one) project group C or 2 (two) construction economic-technical reports or at least 2 (two) Class III Works or 10 (ten) Class IV Works.
- 3. Operation scope:
- a) Class I: Taking charge of construction valuation consultancy regardless of project groups or construction work classifications;
- b) Class II: Taking charge of construction valuation consultancy of projects group B or lower and Works less than or equivalent to class I;
- c) Class III: Taking charge of construction valuation consultancy of projects group C, projects requiring construction economic-technical reports and Works less than or equivalent to class II.

Article 53. Requirements pertaining to construction site commanders

- 1. Each individual holding the position of construction site commander must meet requirements below:
- a) Class I: Obtaining a Class I license for construction practice or a Class I license for construction safety practice; holding the position of construction site commander in charge of at least 1 (one) Class I construction work or at least 2 (two) Class II Works that conform to his/her license;
- b) Class II: Obtaining a Class II license for construction supervision or a Class II license for construction safety practice; holding the position of construction site commander in charge of at least 1 (one) Class II construction work or at least 2 (two) Class III Works that conform to his/her license;
- c) Class III: Obtaining a Class III license for construction supervision practice or a Class III license for construction safety practice; holding the position of construction site commander in charge of at least 1 (one) Class III construction work or at least 2 (two) Class IV Works that conform to his/her license.

2. Operation scope:

- a) Class I: The person has held the position of construction site commander of all construction work classifications that conform to his/her license;
- b) Class II: The person has held the position of construction site commander of Works less than or equivalent to class II that conform to his/her license;
- c) Class III: The person has held the position of construction site commander of Class III or Class IV Works or lower that conform to his/her license.

Article 54. Requirements pertaining to project managers

- 1. Any project manager of field-based PMB, area-based PMB, CPM consultancies, direct investor and single-project PMB is required to meet all requirements prescribed in this Clause.
- 2. The project manager must have qualifications in conformity with the project requirements, obtain a certificate in project management and meet requirements below:
- a) Class I project manager: Obtaining a Class I license for design practice or a Class I license for construction supervision practice or holding the position of project manager of 1 (one) project group A or 2 (two) projects group B that conform to his/her license or holding the position of Class I construction site commander;
- b) Class II project manager: Obtaining a Class II license for design practice or a Class II license for construction supervision practice or holding the position of project manager of 1 (one) project group B or 2 (two) projects group C that conform to his/her license or holding the position of Class II construction site commander:
- c) Class III project manager: Obtaining a Class III license for design practice or a Class III license for construction supervision practice or holding the position of project manager of 1 (one) project group C that conform to his/her license or holding the position of class III construction site commander.
- 3. Operation scope:
- a) Class I project manager: The person has held the position of project manager of all project groups;
- b) Class II project manager: The person has held the position of project manager of projects group B and projects group C;
- c) Class III project manager: The person has held the position of project manager of projects group C and projects that require only construction economic-technical reports.

Article 55. Application for licenses for construction practice

An application for licenses for construction practice includes:

- 1. An application form for license for construction practice using form as prescribed by the Ministry of Construction.
- 2. Copies of degrees or certificates issued by lawful organizations.
- 3. A declaration of professional experience in construction industry related to the field mentioned in the license using form prescribed by the Ministry of Construction enclosed with copies of contracts related to construction activities that he/she involved in as declared. The declarant must take responsibility for the honesty and accuracy of his/her declaration.

Article 56. Examination for issuance of licenses for construction practice

- 1. Contents of the examination include 2 parts below:
- a) Professional knowledge;
- b) Legal knowledge.
- 2. Examination organization:
- a) License-issuing agency shall establish a Council of examination:
- b) Composition of the Council of examination for issuance of the license includes: the representative of the license-issuing agency shall be President of Council and Standing member of Council; representative(s) of related occupational unions; relevant specialists that the President of Council invites;
- c) The Ministry of Construction shall be in charge of management of licenses for construction practice nationwide by issuing and managing license numbers; and publicly posting list of individuals obtaining licenses for construction practice on its website.
- 3. The Ministry of Construction shall provide guidance on the Council of examination for issuance of license; form, time and content of examination for issuance and reissuance of licenses for construction practice.

Section 2: REQUIREMENTS FOR CONSTRUCTION CAPACITY OF ORGANIZATIONS

Article 57. General conditions applied to an organization involved in construction activities

- 1. Having a business registration certificate or an establishment decision issued by the competent agency as prescribed.
- 2. The contents of the application for issuance of the certificate of eligibility for construction activities must conform to the business registration certificate or the establishment decision issued by the competent agency as prescribed.
- 3. Every individual occupying key position must conclude a labor contract with the applicant for issuance of the certificate of eligibility for construction activities.

- 4. With regard to particular projects or Works, such as: nuclear power plants, harmful chemicals manufacturers, explosive manufacturers, the individuals occupying key positions shall participate in training courses related to the project field beside their required practice licenses.
- 5. The certificate of eligibility for construction activities of the organization is valid for 5 years. Within 20 days from the date on which the license changes or expires, it is required to be reissued.

Article 58. Certificate of eligibility for construction activities

- 1. The application for the certificate of eligibility for construction activities includes:
- a) An application form for certificate of eligibility for construction activities using form as prescribed by the Ministry of Construction;
- b) A copy of the business registration certificate or the establishment decision;
- c) A declaration of list and professional experience enclosed with practice licenses and labor contracts of key individuals using the forms as prescribed;
- d) A declaration of professional experience of the organization that includes at least 3 (three) typical latest tasks equivalent to each field used for registration;
- dd) A declaration of finance capacity; machinery, equipment or computer software as required;
- e) A task management process; and a quality management system equivalent to each registered field.
- 2. The power to issue certificates of eligibility for construction activities:
- a) Construction authorities affiliated to the Ministry of Construction shall issue Class I certificates of eligibility for construction activities ;
- b) Services of Construction shall issue Class II and Class III certificate of eligibility for construction activities to organizations whose head offices are located in administrative divisions under management of the Service of Construction.
- 3. The Ministry of Construction shall provide guidance on application; forms of practice licenses; methods and process for issuance and reissuance of certificate of eligibility for construction activities .

Article 59. Certificate of eligibility for construction survey

An organization shall be issued a certificate of eligibility for construction survey if it meets requirements below:

1. Class I:

a) There are at least 3 (three) people obtaining Class I licenses for construction survey practice appropriate to the field applying for the certificate;

- b) There are at least 10 (ten) people in the quality control system of the construction survey organization who have professional competence appropriate to the filed applying for the certificate;
- c) It carried out construction survey on at least 1 (one) project group A; 1 (one) Class I construction work or 2 (two) project group B or 2 (two) Class II Works or higher as mentioned in their certificate.

- a) There are at least 3 (three) people obtaining Class II licenses for construction survey practice appropriate to the field applying for the certificate;
- b) There are at least 10 (ten) people in the quality control system of the construction survey organization who have professional competence appropriate to the filed applying for the certificate;
- c) It carried out construction survey on at least 1 (one) project group B; 1 (one) Class II construction work or 2 (two) projects group C or 2 (two) Class III Works or higher as mentioned in their certificate.

3. Class III:

- a) There are at least 3 (three) people obtaining Class III licenses for construction survey practice appropriate to the field applying for the certificate;
- b) There are at least 5 (five) people in the quality control system of the construction survey organization who have professional competence appropriate to the filed applying for the certificate.

4. Operation scope:

- a) Class I: The organization is entitled to carry out construction survey for all projects and Works classifications as mentioned in their certificate;
- b) Class II: The organization is entitled to carry out construction survey for projects group B or lower or Class II Works or lower as mentioned in their certificate;
- b) Class III: The organization is entitled to carry out construction survey for projects group C or lower or Class III Works or lower as mentioned in their certificate.

Article 30. Certificate of eligibility for construction planning consultancy

An organization shall be issued a certificate of eligibility for construction planning consultancy if it meets requirements below:

- a) There are at least 10 (ten) people obtaining Class I licenses for construction planning practice; the persons in charge of various aspects of the project must obtain Class I practice licenses that match their fields and tasks;
- b) There are at least 30 (thirty) people having qualifications suitable for the construction planning that conform to their certificate;

c) The consultancy formulated at least 1 (one) construction planning project of a provincial area or 2 (two) construction planning projects of a Class I urban area or 2 (two) construction planning projects of a particular area.

2. Class II:

- a) There are at least 10 (ten) people obtaining Class II licenses for construction planning practice; the persons in charge of various aspects of the project must obtain Class II practice licenses that match their fields and tasks;
- b) There are at least 20 (twenty) people having qualifications suitable for the construction planning that conform to their certificate;
- c) The consultancy formulated at least 1 (one) construction planning project of an interdistrict area or 2 (two) construction planning projects of a Class II urban area or 2 (two) construction planning projects of a particular area.

3. Class III:

- a) There are at least 5 (ten) people obtaining Class III licenses for construction planning practice; the persons in charge of various aspects of the project must obtain Class III practice licenses that match their fields and tasks;
- b) There are at least 10 (ten) people having qualifications suitable for the construction planning that conform to their certificate.

4. Operation scope:

- a) Class I: The organization is entitled to formulate all types of construction planning projects;
- b) Class II: The organization is entitled to formulate construction planning projects of a provincial, an interdistrict, a district, an urban area less than or equivalent to class II or a particular area of the province, detailed planning and rural area planning;
- c) Class III: The organization is entitled to formulate construction planning projects of a district, an urban area less than or equivalent to class IV, a particular area of districts, detailed planning and rural area planning.

Article 61. Certificate of eligibility for construction design and construction design appraisal

An organization shall be issued a certificate of eligibility for construction design and construction design appraisal if it meets requirements below:

1. Class I:

a) There are at least 10 (ten) people obtaining Class I licenses for design practice; the persons in charge of various aspects of the project must obtain Class I practice licenses that match their fields and tasks;

- b) There are at least 15 (fifteen) people in the quality control system of the construction design organization who have professional competence appropriate to the field applying for the certificate;
- c) It carried out at least 1 (one) Class I construction work or 2 (two) Class II Works that conform to their certificate.

- a) There are at least 10 (ten) people obtaining Class II licenses for design practice; the persons in charge of various aspects of the project must obtain Class II practice licenses that match their fields and tasks;
- b) There are at least 10 (ten) people in the quality control system of the construction design organization who have professional competence appropriate to the filed applying for the certificate;
- c) It carried out at least 1 (one) Class II construction work or 2 (two) Class III Works that conform to their certificate.

3. Class III:

- a) There are at least 5 (five) people obtaining Class III licenses for design practice; the design leaders must obtain Class III practice licenses that match their fields and tasks;
- b) There are at least 5 (five) people in the quality control system of the construction design organization who have professional competence appropriate to the filed applying for the certificate.

4. Operation scope:

- a) Class I: The organization is entitled to design and assess construction designs for all types of Works that conform to their certificate;
- b) Class II: The organization is entitled to design and assess construction designs for Works less than or equivalent to class II that conform to their certificate;
- c) Class III: The organization is entitled to design and assess construction designs for Works less than or equivalent to class III that conform to their certificate:

Article 62. Certificate of eligibility for construction project planning and appraisal

An organization shall be issued a certificate of eligibility for construction project planning and appraisal if it meets requirements below:

- a) There are at least 3 (three) people qualified to hold the position of the leader in charge project group A planning appropriate to the project applying for the license;
- b) The persons in charge of various aspects of the project must obtain Class I practice licenses that match their fields and tasks;

- c) There are at least 30 (thirty) people having qualifications suitable for the project that conform to their certificate;
- d) It formulated and assessed at least 1 (one) project group A or 2 (two) projects group B that conform to their certificate.

- a) There are at least 3 (three) people qualified to hold the position of leader of project group B planning appropriate to the project that conform to their certificate;
- b) The persons in charge of various aspects of the project must obtain Class II practice licenses that match their fields and tasks;
- c) There are at least 20 (twenty) people having qualifications appropriate to the project that conform to their certificate;
- d) It formulated and inspected at least 1 (one) project group B or 2 (two) projects group C that conform to their certificate.

3. Class III:

- a) There are at least 3 (three) people qualified to hold the position of leader of project group C planning appropriate to the project that conform to their certificate;
- b) The persons in charge of various aspects of the project must obtain Class III practice licenses that match their fields and tasks;
- c) There are at least 10 (twenty) people having qualifications appropriate to the project that conform to their certificate.
- 4. Operation scope:
- a) Class I: The organization is entitled to formulate and assess all types of projects that conform to their certificate;
- b) Class II: The organization is entitled to formulate and assess projects group B or lower that conform to their certificate;
- b) Class III: The organization is entitled to formulate and assess projects group C and construction economic-technical reports that conform to their certificate.

Article 63. Certificate of eligibility for project management consultancy

An organization shall be issued a license to consult on project management if it meets requirements below:

- a) There are at least 3 (three) people qualified to hold the positions of project group A managers;
- b) The persons in charge of various aspects of the project must obtain Class I practice licenses that match their fields and tasks;
- c) There are at least 20 (twenty) people in the quality control system of the consultancy organization or PMB who have professional competence appropriate to the field applying for the certificate;
- d) It managed at least 1 (one) project group A or 2 (two) projects group B that conform to their license.

- a) There are at least 3 (three) people qualified to hold the positions of project group B managers;
- b) The persons in charge of various aspects of the project must obtain Class II practice licenses that match their fields and tasks;
- c) There are at least 15 (fifteen) people in the quality control system of the consultancy organization or PMB who have professional competence appropriate to the filed applying for the certificate;
- d) It managed at least 1 (one) project group B or 2 (two) projects group C that conform to their certificate.

3. Class III:

- a) There are at least 3 (three) people qualified to hold the positions of project group C managers that conform to their certificate;
- b) The persons in charge of various aspects of the project must obtain Class III practice licenses that match their fields and tasks;
- c) There are at least 10 (ten) people in the quality control system of the consultancy organization or PMB who have professional competence appropriate to the filed applying for the certificate.

4. Operation scope:

- a) Class I: The organization is entitled to manage all types of projects that conform to their certificate;
- b) Class II: The organization is entitled to manage projects group B or lower that conform to their certificate;
- c) Class III: The organization is entitled to manage projects group C and Works that require only construction economic-technical reports.

Article 64. Requirements pertaining to the project management boards

- 1. Field-based PMBs or area-based PMBs affiliated to Ministries, ministerial-level agencies, People's Committees of provinces, economic groups, or state-owned general companies must meet requirements below:
- a) Project managers must satisfy requirements prescribed in Clause 2 Article 54 of this Decree;
- b) The persons in charge of various aspects of the project must obtain practice licenses that match the project size, construction work classifications and their fields and tasks;
- c) There are at least 20 (twenty) people having qualifications suitable for the project.
- 2. Field-based PMBs or the area-based PMBs affiliated to People's Committees districts must meet requirements below
- a) Project managers must satisfy requirements prescribed in Clause 2 Article 54 of this Decree;
- b) The persons in charge of various aspects of the project must obtain practice licenses that match the project size, construction work classifications and their fields and tasks;
- c) There are at least 10 (ten) people having qualifications suitable for the project.
- 3. Single-project PMBs must meet requirements below:
- a) Project managers must satisfy requirements prescribed in Clause 2 Article 54 of this Decree;
- b) The persons in charge of various aspects of the project must obtain practice licenses that match the project size, construction work classifications and their fields and tasks;
- c) There are at least 10 (ten) people having qualifications suitable for the project.

Article 65. Certificate of eligibility to execute construction

An organization shall be issued a certificate of eligibility to execute construction if it meets requirements below:

- a) There are at least 3 (three) people qualified to hold the positions of class I construction site commanders as mentioned in their certificate;
- b) The persons in charge of various aspects of the project must obtain bachelor's degrees or vocational college degrees that match their fields and tasks and at least 3 (three) years' experience regarding bachelor's degrees or at least 5 (five) years regarding vocational college degrees;
- c) There are at least 15 (fifteen) people in the quality control system and occupational safety management who have professional competence appropriate to the construction work types;
- d) There are at least 30 (thirty) technical workers having certificates appropriate to their certificate;

- dd) It is capable of mobilizing sufficient machinery and equipment meeting construction execution requirements that match their fields and tasks;
- e) It acted as general contractor for at least 1 (one) Class I construction work or 2 (two) Class II Works that conform to their certificate.

- a) There are at least 2 (three) people qualified to hold the positions of Class II construction site commanders that conform to their certificate;
- b) The persons in charge of various aspects of the project must obtain college, vocational college or trade school degrees that match their fields and tasks and at least 3 (three) years' experience;
- c) There are at least 10 (ten) people in the quality control system and occupational safety management who have professional competence appropriate to the construction work type;
- d) There are at least 20 (twenty) technical workers having certificates of professional training appropriate to their certificate;
- dd) It acted as general contractor for at least 1 (one) Class II construction work or 2 (two) Class III Works as that conform to their certificate.

3. Class III:

- a) There is at least 1 (one) person qualified to hold the position of Class III construction site commander that conform to their certificate;
- b) The persons in charge of various aspects of the project must have professional competence that match their fields and tasks;
- c) There are at least 5 (five) people in the quality control system and occupational safety management who have professional competence appropriate to the construction work type;
- d) There are at least 5 (five) technical workers having certificates of professional training appropriate to their certificate.

4. Operation scope:

- a) Class I: The organization is entitled to execute all Works classifications that conform to their certificate;
- b) Class II: The organization is entitled to execute Works less than or equivalent to class II that conform to their certificate;
- b) Class III: The organization is entitled to execute Works less than or equivalent to class III that conform to their certificate.

Article 66. Certificate of eligibility for construction supervision and inspection

An organization shall be issued a certificate of eligibility for construction supervision and inspection if it meets requirements below:

- 1. Class I: There are at least 10 (ten) people obtaining Class I licenses for construction supervision and inspection that match their fields and tasks.
- 2. Class II: There are at least 10 (ten) people obtaining Class II licenses for construction supervision and inspection that match their fields and tasks.
- 3. Class III: There are at least 5 (five) people obtaining Class III licenses for construction supervision and inspection that match their fields and tasks.
- 4. Operation scope:
- a) Class I: The organization is entitled to supervise and appraise all construction work classes that conform to their certificate;
- b) Class II: The organization is entitled to supervise and appraise Works less than or equivalent to class II that conform to their certificate;
- c) Class III: The organization is entitled to supervise and appraise Works less than or equivalent to class III that conform to their certificate.

Article 67. Certificate of eligibility to construction cost management consultancy

An organization shall be issued a license to consult on construction cost management if it meets requirements below:

- 1. Class I:
- a) There are at least 5 (five) people obtaining Class I practice licenses to evaluate construction;
- b) There are at least 15 (fifteen) people having qualifications suitable for the construction cost management;
- c) It managed at least 2 (two) projects group A or 5 (five) projects group B.
- 2. Class II:
- a) There are at least 3 (three) people obtaining Class II practice licenses to evaluate construction;
- b) There are at least 10 (ten) people having qualifications suitable for the construction cost management;
- 3. Class III:
- a) There are at least 3 (three) people obtaining Class III practice licenses to evaluate construction;

- b) There are at least 5 (five) people having qualifications suitable for the construction cost management.
- 4. Operation scope:
- a) Class I: Entitled to carry out construction cost management for all types of projects;
- b) Class II: Entitled to carry out construction cost management for projects group B or lower;
- c) Class III: Entitled to carry out construction cost management for projects group C or projects that require only construction economic-technical reports.

Article 68. Requirements applied to organizations providing training courses in construction activities

1. The following organizations are entitled to provide training in construction activities: junior colleges or higher training institutions; institutions providing training for officials of Ministries, ministerial-level agencies; public service providers of the State; construction associations. Other circumstances shall be considered recognition by the Ministry of Construction.

An organization providing training courses in construction activities (hereinafter referred to as training organization) must satisfy requirements below:

- 2. Facilities serving training in construction activities:
- a) Size and conveniences of classrooms are appropriate to the number of students and equipment meets requirements pertaining to teaching and learning;
- b) There are labs or video tapes for presentation of construction experiments.
- 3. Lecturers:
- a) The training organization has at least 40% lecturers on its payroll or having indefinite duration contracts over total number of lecturers involved in the training courses;
- b) Qualifications: Having bachelor's degrees suitable for their teaching major; having at least 7 (seven) years' experience in project management, construction economic management; survey, design; construction execution; construction supervision; and study and teaching about construction major;
- c) Their declarations of professional competence and experience are posted on the website of the Ministry of Construction.
- 4. Teaching materials:
- a) Teaching materials must be printed, bound and enclosed with test paper sets of the training courses;

- b) Contents of teaching materials appropriate to the frame program as prescribed by the Ministry of Construction.
- 5. Management of the training organization:
- a) There is an organizational structure that satisfies requirements for provision of training courses, archives of student record or relevant documents;
- b) There is a process for managing and controlling quality of training courses:
- c) There are persons in charge of training courses who have at least 5 (five) year's experience in provision of training courses in construction activities.
- 6. The Ministry of Construction shall provide guidance on regular or irregular inspection of the training organization and frame program for training courses in construction activities.

Article 69. Posting construction capacity of organizations participating in construction activities (hereinafter referred to as participating organizations)

- 1. Participating organizations must provide their construction capacity information to construction authorities in order to post that information on the websites of the construction authorities. Competence in receiving and posting information:
- a) Construction authorities affiliated to the Ministry of Construction: Receiving and posting information of participating organizations or individuals involved in projects of national importance, projects group A or Class I Works or higher; wholly foreign-owned organizations, foreigners involved in construction activities in Vietnam; organizations under management of Ministries, ministerial-level agencies, Governmental agencies, central governments, groups, or state-owned general companies;
- b) Services of Construction: Receiving and posting information of participating organizations having head offices located in administrative divisions under their management or individuals that they issue practice licenses (other than organizations or individuals prescribed in Point a of this Clause).
- 2. Within 30 (thirty) days from the date on which the application for posting information sent by the participating organization, the construction authority shall appraise and post information about construction capacity of the organization on their website.
- 3. Following information about construction capacity shall be the basis to select participating organizations or individuals:
- a) Construction planning formulation;
- b) Construction project formulation and assessment;
- c) Construction project management; construction cost management of construction projects funded by government budget capital;
- d) Construction survey;

- dd) Construction design and estimate; assessment of construction design and estimate;
- e) Construction experiments;
- g) Construction supervision;
- h) Construction execution;
- i) Inspection and appraisal of construction quality.
- 4. The Ministry of Construction shall provide guidance on documents and process for posting information about construction capacity.

Section 3: ISSUANCE OF CONSTRUCTION OPERATING LICENSE TO FOREIGN CONTRACTORS

Article 70: Rules for management of foreign contractor operation

- 1. The foreign contractor is only permitted to carry out construction activities in Vietnam after receiving construction operating license issued by state agency in charge of construction.
- 2. The operation of the foreign contractor in Vietnam must comply with Vietnamese law and international treaties that Vietnam concluded or acceded.

Article 71. Requirements for issuance of the construction operating license

- 1. The foreign contractor involved in construction activities prescribed in Clause 3 Article 69 of this Decree must post information on the website of the Ministry of Construction and Service of Construction in charge.
- 2. If bidding packages subject to regulations of law on bidding of Vietnam, the foreign contractor must ensure that it is awarded the contract.
- 3. If bidding packages not subject to regulations of law on bidding of Vietnam, the foreign contractor must satisfy following conditions:
- a) It is awarded the contract by the investor;
- b) It is qualified to execute the contract as prescribed in law on construction.
- 4. The foreign contractor must set up a joint venture with a Vietnamese contractor or employ Vietnamese sub-contractors, unless the Vietnamese contractor is not qualified to execute any tasks of the bidding package. Upon the joint venture or employment of Vietnamese contractor, it is required to clarify contents, quantity and value of tasks performed by Vietnamese contractor in the joint venture or Vietnamese sub-contractors.
- 5. The foreign contractor must commit to comply with regulations of Vietnamese law on contract execution in Vietnam.

Article 72. Application for and competence in issuance of license for construction

- 1. The foreign contractor must send an application directly or by post to the agency issuing construction operating license (hereinafter referred to as issuing agency), including:
- a) An application form for construction operating license (using form as prescribed by the Ministry of Construction);
- b) A certified true copy of the report on bid results or the decision on lawful contract award;
- c) A certified true copy of the establishment license or the Certificate of Business registration and practice license (if any) of the foreign contractor issued by its home country;
- d) A report on experience in contract execution and a report on finance auditing within 3 (three) latest years (for the case prescribed in Clause 3 Article 71 of this Decree);
- <u>dd)</u> A joint-venture contract with the Vietnamese contractor or an official contract or a rule contract with the Vietnamese sub-contractor to carry out the contract (available in the bid-envelopes);
- e) A lawful power of attorney held by the person who is not the legal representative of the contractor.
- 2. The application form for construction operating license shall be made in Vietnamese. The foreign establishment license or the foreign business registration certificate must be consularly legalized, unless an international treaty to which Vietnam and relevant countries are signatories provides for exemption for consular legalization. If documents prescribed in Point b, c, dd and e Clause 1 of this Article are made in foreign languages, they are required to be translated into Vietnamese and the translations must be notarized or certified as prescribed in Vietnamese law.
- 3. Competence in issuance of construction operating licenses:
- a) Construction authorities affiliated to the Ministry of Construction shall issue construction operating licenses to foreign contractor in charge of projects group A or construction projects located in at least two provinces;
- b) Services of Construction shall issue construction operating licenses to foreign contractor in charge of B or projects group C of provinces.

Article 73. Time limit and fees for issuance of the construction operating license

- 1. The construction authority prescribed in Clause 3 Article 72 of this Decree shall verify the application for construction operating license to the foreign contractor within 20 (twenty) days, from the date on which the sufficient application prescribed in Article 72 of this Decree is received. If the application is rejected, the issuing agency must provide explanation in writing for the contractor.
- 2. When receiving the construction operating license, the foreign contractor must pay fees as prescribed by the Ministry of Finance.
- 3. The construction operating license shall be invalid in following cases:

- a) The contract agreement is completed and terminated;
- b) The contract is invalid due to the suspension, dissolution, bankrupt of the foreign contractor or other reasons as prescribed in Vietnamese law and law of the home country of the contractor.

Article 74: Rights and obligations of the foreign contractor

- 1. The foreign contractor has rights to:
- a) Request the competent agency to give instructions in formulation of application for construction operating license and issues related to the contractor as prescribed in this Decree;
- b) Make denunciation or complaints against violations of organizations or individuals prescribed in this Decree;
- c) Request for protection of their lawful business interests in Vietnam according to their contract permit.
- 2. The foreign contractor has obligations to:
- a) Register address, phone number, fax, email of executive office and the representative exercising the contract at agencies involved in about regulations as prescribed by the People's Committee of the province where the project is located. If the contractor executes bidding packages of construction planning formulation, construction project formulation, construction survey or construction design, it may register above packages at another local government other than the local government where the project is located.

After registering above packages, the contractor shall send notification directly or by post to the Ministry of Construction, the Ministry of Public Security, the Ministry of Finance, the Ministry of Industry and Trade, the State bank of Vietnam, the People's Committee of the central-affiliated city or province where the construction work is located, according to the instructions of the Ministry of Construction;

- b) Register the seal of the executive office at the Service of Public security where the construction work is located. The foreign contractor may only use this seal for exercising contract in Vietnam as prescribed in its contract permit. When the contract expires, the foreign contractor must return the seal to the issuing agency;
- c) Register and pay taxes as prescribed in Vietnamese law, follow accounting policies, open accounts and make payments in accordance with instructions of the Ministry of Finance and the State bank of Vietnam to serve its business;
- d) Recruit employees, employment of Vietnamese and foreign labors as prescribed in Vietnamese law on labors.

The foreign contractor may only send economic management specialists, technical management specialists and skilled labors to Vietnam that Vietnam is unable to satisfy.

Each foreigner working for the foreign contractor in individual is required to comply with Vietnamese law on exit and entry, temporary or permanent residence registration and application for work permit issuance as prescribed in Vietnamese law on labors;

dd) Follow procedures for export and import of materials, machinery or equipment related to the contract award agreement in Vietnam as prescribed in Vietnamese law and instructions of the Ministry of Industry and Trade, including:

Register temporary import of materials, machinery or equipment of construction;

Register list of import of materials, fuel, * of the contract agreement;

- e) Execute joint-venture contract concluded with the Vietnamese contractor or employ Vietnamese sub-contractors mentioned in the application for construction operating license;
- g) Buy insurance as prescribed in Vietnamese law for contractors, including: professional liability insurance for construction consultancy contractors; cargo insurance for procurement contractors; insurance for construction execution contractors and other insurance policies as prescribed in Vietnamese law;
- h) Register and inspect quality of imported materials or equipment provided by the contract agreement;
- i) Register and inspect construction equipment safety and means of transport related to business activities of the foreign contractor as prescribed in Vietnamese law;
- k) Conform to regulations on standards, criteria, construction quality control, occupational safety and environment protection as well as other regulations of Vietnamese law;
- I) Follow reporting policies prescribed in the construction operating license;
- m) When the construction work is completed, the foreign contractor must formulate the as-built documents; take responsibility for warranty; make statement of exported materials; handle remaining materials in the construction contract as prescribed in regulations of law on import and export; reexport materials registered temporary import re-export; and complete the contract. Concurrently, the foreign contractor shall send notification of the contract termination and shutdown of the executive office to the competent agencies.

Article 75. Responsibility of the investor or the project owner to the foreign contractor

The investor or the project owner has responsibility to:

1. Conclude the contract agreement with the foreign contractor only when the foreign contractor has been issued the construction operating license; instruct the foreign contractor to comply with this Decree and relevant law provisions; support the foreign contractor in preparation of documents related to the construction work that the foreign contractor declares in the application for contract permit issuance and relevant procedures as prescribed in Vietnamese law. Register export or import of materials, machinery or equipment related to the contract execution in company with the foreign contractor as prescribed herewith.

- 2. Supervise the foreign contractor executing the joint-venture contract with the Vietnamese contract or employment of Vietnamese sub-contractors as prescribed in Article 71 of this Decree.
- 3. Consider the capacity of domestic construction equipment supply of the foreign contractor before making a list of construction machinery, equipment that applies for temporary import re-export.
- 4. Consider capacity of technical labor supply in Vietnam of the foreign contractor before making a list of foreigner staff working for the contractor before they apply for entering Vietnam.
- 5. Certify the statement of imported materials of the foreign contractor upon the construction completion.
- 6. Send notification of functions and tasks of the foreign contractor carrying out project management consultancy and supervising construction quality on behalf of the investor or the project owner to other contractors and agencies in charge of construction quality management.

Chapter V

IMPLEMENTATION

Article 76. Implementation

- 1. The Ministry of Construction
- a) Be in charge of state management of scope of regulation of this Decree. Provide guidance on and inspect implementation of this Decree of relevant Ministries, agencies or organizations.
- b) Direct and inspect their agencies in charge of project appraisal, basic design, design, construction estimate of civil constructions, light industry Works, building materials Works, technical infrastructure and transportation Works in urban areas (excluding urban area railways, bridges, and urban area highways).
- 2. Ministries in charge of field-based Works shall direct and inspect the project appraisal, basic design, design, and construction estimate of the field-based Works under management of construction authorities below:
- a) Transport works under management of the Ministry of Transport (excluding works under management of the Ministry of Construction prescribed in Point b, Clause 1 of this Article);
- b) Agriculture and rural development works under management of the Ministry of Agriculture and Rural Development;
- c) Mining or petroleum works, power plants, power transmission lines, electrical substations and field-based industrial Works (excluding light industry Works) under management of the Ministry of Industry and Trade;
- d) National defense and security works under management of the Ministry of National Defense or the Ministry of Public Security.

- 3. The Ministry of Finance shall provide guidance on fees and charges for: project appraisal; basic design appraisal; design appraisal, construction estimate; issuance of construction operating license to foreign contractors, issuance of construction practice licenses; examination for issuance of certificates of eligibility for construction activities; insurance for construction activities; accounting policies and funding use of PMB.
- 4. The Ministry of Planning and Investment must provide guidance on supervision and evaluation of construction project funded by public investment capital; and operation of the state appraisal council of construction projects.
- 5. The People's Committees of central-affiliated cities and provinces shall carry out state management of scope of regulation of this Decree in the provinces; decide project appraisal, basic design and design, construction estimate of Works within their competence; direct and inspect Services of field-based Works in terms of project appraisal, basic design, design, construction estimate of the field-based Works, in particular:
- a) Civil constructions, light industry Works, building materials Works, technical infrastructure and transport Works in urban areas (excluding urban area railways, bridges, and urban area highways) under management of Services of Construction.
- b) Transport works under management of the Services of Transport (excluding works under management of the Services of Construction prescribed in Point a of this Clause);
- c) Agriculture and rural development works under management of Services of Agriculture and Rural development:
- <u>d) Mining or petroleum works, power plants, power transmission lines, electrical substations and field-based industrial Works under management of Services of Industry and Trade.</u>
- 6. The People's Committees of districts shall carry out state management of regulations of this Decree in the districts; direct and inspect the offices in charge of construction management in terms of project appraisal, design, and construction estimate of Works under management of the People's Committees of the provinces.
- 7. Ministries, agencies, People's Committees of central-affiliated cities and provinces, economic groups, and state-owned general companies shall establish and re-organize field-based PMBs, area-based PMBs in order to manage construction projects funded by government budget capital, capital derived from loans, bonds, funds, etc under their management as prescribed in this Decree. Any guiding document on this Decree may only be issued by the Ministry of Construction.
- 8. Ministries in charge of field-based PMBs, the People's Committees of central-affiliated cities and provinces, economic groups, state-owned general companies shall send quarterly reports on project appraisal, design and construction estimate to the Ministry of Construction. The report forms shall be used as prescribed by the Ministry of Construction.

Article Transitional provisions

1. Any basic design document that is submitted to competent agencies and any construction design that is submitted to construction authorities for assessment before January 1, 2015 shall keep complying with the Law on Construction dated 2003. Any approval for adjustments to project or design that is issued after January 1, 2015 shall comply with the Law on Construction dated 2014.

- 2. Every Works that are commenced before January 1, 2015 and exempt from construction permit shall keep executing. If there is any construction work that has been not commenced and subject to construction permit, the application for construction permit is required as prescribed in this Decree.
- 3. Licenses for construction practice issued by competent agencies shall be kept using until they expire, these practice licenses may be converted before their expiry dates as prescribed in this Decree. After March 1, 2016, procedures for application for the practice licenses shall be followed as prescribed in this Decree.
- 4. Every training organizations in construction activities certified by the Ministry of Construction may keep operating. After January 1, 2016, any training organization wishes to provide training courses shall apply for certificate and announce on the website of the Ministry of Construction as prescribed in this Decree.
- 5. Every participating organizations prescribed in the Law on Construction dated 2014 that are required certificates of eligibility for construction activities must have those licenses before March 1, 2016 as prescribed in this Decree.

Article 78. Effect

- 1. This Decree takes effect from August 5, 2015 and replaces Decree No. 12/2009/NĐ-CP dated February 12, 2009 of the Government on construction project management; Decree No. 83/2009/NĐ-CP dated October 15, 2009 on amendments to Decree No. 12/2009/NĐ-CP dated February 12, 2009 of the Government on construction project management; Decree No. 64/2012/NĐ-CP dated September 4, 2012 of the Government on construction permit issuance: regulations on design assessment prescribed in Decree No. 15/2013/NĐ-CP dated February 6, 2013 of the Government on construction quality management; Decree No. 71/2005/NĐ-CP dated June 6, 2005 of the Government on particular construction work management; regulations of Section 1 Chapter II of Decree No. 37/2010/NĐ-CP dated April 7, 2010 on formulation, appraisal, approval and management of urban planning; Decision No. 87/2004/QD-Tag dated May 19, 2004 of the Prime Minister on issuance of Regulations of management of foreign contractor operation in Vietnam; Decision No. 03/2012/QD-Tag dated January 16, 2012 of the Prime Minister on amendments to Regulations of management of foreign contractor operation in Vietnam issued together with Decision No. 87/2004/QĐ-Tag; Decision No. 39/2005/QĐ-Tag dated February 28, 2005 of the Prime Minister on guidelines for Article 121 of the Law on Construction. Every regulation of the Government, Ministries, ministerial-level agencies and local governments in contrary to this Decree shall be annulled.
- 2. The Minister of Construction is responsible for guidance and implementation of this Decree./.

ON BEHALF OF THE GOVERNMENT PRIME MINISTER

Nguyen Tan Dung

APPENDIX 1

CONSTRUCTION PROJECT CLASSIFICATION (Issued together with Decree No. 59/2015/NĐ-CP dated June 18, 2015 of the Government)

No.	Construction project type	Total investment
I	PROJECT OF NATIONAL IMPORTANCE	
	By total investment:	
	Project funded by public investment capital	≥ VND 10,000 billion
	2. By degree of impact on environment or potential serious risks to the environment, including: a) Nuclear power plants; b) Use of following land types requesting for changes in land use purposes: national parks, nature reserves, protected landscape areas, research and scientific experiment forests with at least 50 hectares in area; riverhead protective forests with at least 50 hectares in area; windbreak, sand break, surf break, , sea encroachment, environment protective forests with at least 500 hectares in area; or production forests with at least 1,000 hectares in area; c) Use of paddy land plot that is cultivated for at least two crops and requested for changes in land use purposes with at least 500 hectares in area; d) Relocation of at least 20,000 emigrants in mountainous region or at least 50,000 emigrants in other regions; dd) Projects that require special polices decided by the National Assembly.	Regardless of total investment
II	GROUP A	
II.1	Projects located in administrative divisions having special national vestige.	Regardless of total investment

	Projects located in essential administrative divisions to national defense and security as prescribed.	
	3. Projects related to national defense and security and state secrets.	
	4. Projects of manufacturing of noxious agents or explosives.	
	Projects of industrial zone or processing and exporting zone infrastructure.	
	Transportation, including bridges, sea ports, river ports, airports, railway and highway.	
	2. Electrical industry.	
	3. Petroleum extraction.	
II.2	4. Chemical, fertilizer, cement.	≥ VND 2,300 billion
	5. Mechanical manufacture, metallurgy.	
	6. Mineral extraction and processing.	
	7. Residential area construction.	
	Transportation projects, excluding projects prescribed in Point 1 of Section II.2	
	2. Irrigation.	
11.3	3. Water supply and drainage and infrastructural constructions.	
	4. Electrical engineering.	≥ VND 1,500 billion
	5. Communications or electronics equipment manufacture.	
	6. Pharmaceutical chemistry.	
	7. Material manufacture, excluding projects prescribed in Point 4 of Section II.2	
	8. Mechanical construction, excluding projects prescribed in Point 5 of Section II.2	

	9. Post and telecommunications.	
11.4	 Agricultural production, forestry, aquaculture. National parks, wildlife sanctuary. New urban area infrastructure. Industry, excluding projects of industrial field prescribed in Sections I.1, I.2 and I.3. 	≥ VND 1,000 billion
II.5	 Health, culture, education; Scientific research, computing, broadcast; Depot; Tourism, sports; Civil construction, excluding residential construction prescribed in Section II.2. 	≥ VND 800 billion
III	GROUP B	
III.1	Projects prescribed in Section II.2	From VND 12 billion to VND 2,300 billion
III.2	Projects prescribed in Section II.3	From VND 80 billion to VND 1,500 billion
III.3	Projects prescribed in Section II.4	From VND 60 billion to VND 1,000 billion
III. 4	Projects prescribed in Section II.5	From VND 45 billion to VND 800 billion
IV	GROUP C	
IV.1	Projects prescribed in Section II.2	< VND 120 billion
IV.2	Projects prescribed in Section II.3	< VND 80 billion

IV.3	Projects prescribed in Section II.4	< VND 60 billion
IV.4	Projects prescribed in Section II.5	< VND 45 billion

APPENDIX II

REQUEST FOR APPRAISAL OF CONSTRUCTION PROJECT AND BASIS DESIGN (Issued together with Decree No. 59/2015/NĐ-CP dated June 18, 2015 of the Government)

Form No.1	Request for appraisal of construction project and basis design	
Form No.2	Notification of project appraisal results	
Form No.3	Notification of basic design appraisal results	
Form No.4	Request for appraisal of construction economic-technical reports	
Form No.5	Notification of results of appraisal of construction economic-technical reports	
Form No.6	Request for appraisal of construction design and construction estimate	
Form No.7	Notification of results of appraisal of construction design and construction estimate	