

ANNEX 2 SUMMARY SURVEYS FOR VIETNAM

The final results displayed below are reflected in USD using foreign exchange rates from September 2014, though original data was typically provided in local currency. Coding rules were developed in advance of the assessment and applied across countries to ensure comparable data points.

LMI SUMMARY SURVEY – HYBRID SEED

Case Study Assumptions

Please provide responses to the survey questions based on the case study assumptions below.

Seed Supplier	<ul style="list-style-type: none"> Engages in the import, export, storage, and sale of hybrid seed of the most widely traded staple grain in the country. Registers a new proprietary staple grain variety of the most widely traded staple grain in the country. The variety has not been registered in another country. Operates in Ho Chi Minh City. Domestic, non-state-owned enterprise. 	
Import Product – Hybrid Seed	<ul style="list-style-type: none"> Hybrid seeds imported in a standard 40-ft container, packed into 20-kg sacks, 400 such sacks (on pallets of 20 sacks each) per container, and valued at US\$20,000. The shipment is imported from Vietnam’s largest trading partner globally through the main point of entry for seed imports. The point of entry may be a seaport or an inland border post. 	
	Most commonly used point of entry in Vietnam for import of hybrid seed:	Cat Lai Port (Ho Chi Minh City)
Export Product – Hybrid Seed	<ul style="list-style-type: none"> Hybrid seeds exported in a standard 40-ft container, packed into 20-kg sacks, 400 such sacks (on pallets of 20 sacks each) per container, and valued at US\$20,000. The shipment is exported to Vietnam’s largest trading partner in the Lower Mekong region through the main point of exit for seed exports. The point of exit may be a seaport or an inland border post. 	
	Most commonly used point of exit in Vietnam for export of hybrid seed:	Tan Son Nhat Airport (Ho Chi Minh City)

Procedure: Any interaction of the **seed** supplier’s owner, manager or employees with external parties, including any relevant government agencies, lawyers, auditors, notaries, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the **seed** supplier are not counted as procedures. All procedures that are legally or in practice required for the **seed** supplier to operate within its respective normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the seed supplier has received a final document or completed the required

activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: All costs are listed as **USD** unless otherwise specified. Only include **official fees and taxes**. Bribes are excluded. If possible, relevant fee schedule or calculation formula are listed – for example, as a percentage of shipment value. Professional fees (notaries, lawyers, accountants, private laboratories, inspectors) are only included if the **seed** supplier is required to use such services by law.

Agency: Indicate name of agency.

A. Licenses and Permissions for Seed Supplier

Please describe every procedure required for the seed supplier described in the case study to obtain all necessary licenses and permissions to be fully operational and appropriately registered as a seed importer or exporter. For example, this may include **licenses to import hybrid seed, procedures to qualify to import seed, re-export or transit licenses, licenses to export hybrid seed, storage licenses, general trade licenses, and health and safety licenses**. This also includes any applicable inspections. Where inspections are required as a separate procedure, please list separately and note any waiting times for inspectors.

Please include references to applicable laws and regulations (including fee schedules), information on renewal periods for licenses, and any other necessary explanatory details or additional assumptions required. Please add boxes for additional procedures as needed.

Procedure I Business Registration Certificate (BRC) and Investment Certificate (IC) for foreigners to import or export controlled seed for commercial purposes		
Time 14 days	Cost 5 USD	Agency Industrial Zone Management Board, Ministry of Planning and Investment (MPI)
<p>Details</p> <p>All business enterprises in Vietnam must have either a business registration certificate (BRC) or an Investment Certificate (IC). For foreign investors, the IC is not only the approval to undertake the investment project, but also the BRC. This document is necessary to do any business in Vietnam—and works as the license to do any trade of all inputs. The license for seed will be specific to the seed business and will carry with it the privilege of supply, importing, and exporting seed. The IC states the legal name of the company, the nature of the company (LLC or JSC), its business lines, its legal representative, business address, the amount of registered capital, and the details of any authorized project. This registration process usually takes place at the Business Registration Department of the Provincial or City Office of Planning and Investment of the Ministry of Planning and Investment (MPI). The process to register your business consists of three main stages. Firstly, the company must submit the application for registration directly at the Business Registration Department and make an appointment to collect the certificate. The application consists of a request paper for registration of the enterprise and an ID of the company owner - either a notarized copy of the passport or citizen card will do. In some special cases, the company owner will also need to produce the certificate of legal capital or the certificate of profession if they are required.</p> <p>The Business Registration Department will assess the application to examine whether it is valid or not, and prepare the business license to the valid application. Typically, after 10 days from the submitting the application, the company owner can come again to the Business Registration Department to collect the</p>		

results. If the application is approved, the owner can receive the business license immediately, but if not, the application will be taken back for modification and fixing, and then resubmitted at the same place. If the business registration certificate is refused, the owner of the company must be notified in writing. The notice must specify the reasons and the amendments or additions required. The process can take up to 2 weeks. The fee for each application is 100,000VND (5 USD).

Business registration documents for private enterprises:

- Request for business registration in the standard form published by the authorized business registration body.
- Copy of people's identity card, passport or other lawful personal identification.
- Document of an authorized body or organization certifying the legal capital in respect of enterprises conducting lines of business for which legal capital is required by law.
- Practicing certificates of the director and other individuals in respect of enterprises conducting lines of business for which a practicing certificate is required by law.

(Please note that documents vary according to types of business--such as shareholding companies, and limited liabilities companies -- however not mentioned in this study).

Procedure 2 Registration of a New Seed Variety

Time	30 days	Cost	263 USD	Agency	Industrial and Crop Division, Department of Plant Protection
-------------	---------	-------------	---------	---------------	--

Details

Vietnamese organizations and individuals, foreign organizations and individuals may research into, select and create new plant varieties in the Vietnamese territory. New plant varieties which are selected, created or imported but not yet named in the list of plant varieties permitted for production and trading shall be put on this list only after they have been assayed and recognized. Organizations and individuals wishing to have new plant varieties assayed shall submit assay registration dossiers to the assaying establishments accredited by the Ministry of Agriculture and Rural Development (MARD) or the Ministry of Fisheries (MOF). An assay registration dossier consists of an assay registration application and the plant variety dossier clearly stating the name of the plant variety, its origin, quantity, techno-economic norms and cultivation process and techniques. MARD and the MoF shall issue lists of major plant varieties and lists of plant varieties permitted for production and trading. If the application is approved, result will be announced on the website or magazine and applicant will also receive a notification. Each new plant variety shall have only one appropriate name. After being recognized, the name shall become the sole official name to be used in activities related to such plant variety.

New plant varieties used in agriculture and/or forestry shall be recognized if they meet the following requirements:

- Having the assay results of the new plant variety-assaying establishments;
- Having their trial production results, which have been accepted for mass production by the provincial/municipal Agriculture and Rural Development Services of the localities of trial production;
- Having appropriate names as prescribed in Article 17 of this Ordinance;
- Having their assay results and trial production results already evaluated and proposed for recognition by the specialized scientific council set up by the Minister of Agriculture and Rural Development

Organizations and individuals being owners of new plant varieties registered for assay must bear all assay costs--survey respondents noted that it is about 5.5 million VND (251 USD) for assay activities. Every year, 100 applications are turned in for new varieties for all types of crops (focused specifically on 60

percent rice, rest are flowers, vegetables, soy bean, and peanuts). On average, about 95 percent of the applications get approved. Respondents have stated that the Vietnamese government has plans to reduce the number of varieties released to "focus more on quality" to about 5 to 6 main varieties for each region and season. Most surveyors stated that the variety registration process is long, burdensome, and costly--for example, seed must not only pass standard DUS and VCU tests, but must do so under two separate (Northern and Southern) jurisdictions, doubling the regulatory burden for companies seeking to register varieties across Vietnam.

Total Number of Procedures	2
Total Time	44 days
Cost	267 USD

B. Import of Hybrid Seed

Please provide details on the procedures, time, cost, and documentation for the import of hybrid seed as described in the case study. If significant delays are typically experienced, please note the cause of such delays in the "Comments" sections – for example, import shipments are sent to another location for testing for customs clearance or there is a lack of trained inspectors or laboratory facilities.

I. License and Document Preparation

Please include all applicable documentation required for customs clearance by customs authorities, port or border authorities, health and technical control agencies, and other government ministries. **List each necessary document separately**, such as phytosanitary certificate, sample analysis certificate, seed quality certificate, certificate of registration, certificate of origin, certificate of conformity, packing list, road manifesto, commercial invoice, import permit or customs import declaration, inspection results, terminal handling receipts, or bill of lading.

Import Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
1. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Provincial Department of Planning and Investment where the organizations/company is located (PVP)	0	0
2. Trade Contract	Exporter	Customs	1 hour	0
3. Bill of Lading	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	12
4. Invoice	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0

5. Packing List	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
6. Certificate of Origin	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
7. Terminal Handling Receipt	Terminal Operator	Exporter	1 hour <i>Simultaneous with Trade Contract</i>	135
8. Customs Declaration	VNACCS/VCIS system	Customs	1 hour	1
9. Application for Phytosanitary certificate for import, transit and domestic transport	National Center for Testing and Verification of Plant Seeds	Customs	7	0
Total time and cost for document preparation			7 days	148 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Supplier Documents: Certificate of Origin, Trade Contract, Bill of Lading, Invoice, and Packing List 				
<p>Comments:</p> <p>All businesses operating in Vietnam must have the business license to be able to conduct trades of any kind. Each license will be specific to the company and their trade products. Sources say that the import process is significantly longer than exports in Vietnam due to lack of government support. However, the process tends to be relatively easy, with the phytosanitary application as the longest process (7 days).</p> <p>Other relevant laws for Seed:</p> <ul style="list-style-type: none"> Seed Ordinance 15/2014 Circular 95/2007 Circular 128/2013 Decree 114/2013 Decision 41/2007 Circular 40/2012 Circular 88/2010 Circular 180/2011 				

2. Customs clearance

Please describe the typical customs clearance procedures, including any relevant cargo inspections. For inspections, list the **total average time and cost in practice**, including wait time for inspectors and payment time. Please list the government agency(s) involved for each procedure, as applicable. Please elaborate on each customs procedure in the “Comments” box, as needed.

Customs Clearance Procedure	Time	Agency
1. Time from arrival of shipment of seed to lodgment of customs declaration (includes queue/wait time, unloading time, and time to deliver hybrid seed to temporary storage)	4 days	Customs
2. Lodgment of customs declaration and customs documentary control	2 days	Customs
3. Inspections – <i>please list only if the inspection typically occurs</i>		
a. Customs tax/duty valuation inspection	1 day	Customs
b. Quality/standards inspections (including laboratory analysis, if required)	16 days	Customs and National Seed Testing Center
c. Health and safety inspection	1 day	Customs
d. Security inspections and pre-shipment inspection	1 day	Customs
e. Other inspections, please specify:		
4. Payment of duties/taxes	1 day	Customs
5. Release of shipment of seed and removal from the seaport or land border post premises	2 days	Customs
6. Average TOTAL time for customs clearance (from arrival of shipment of seed to cargo release)	27 days	
7. Minimum and maximum TOTAL time for customs clearance (from arrival of shipment of seed to cargo release)	7, 27 days	
8. Which activities above are carried out simultaneously?		
<p>Comments: Consignments entering Southern ports are allowed to enter the country during the inspection process but the imported seed must remain in storage and cannot be circulated in the market until phytosanitary results are confirmed. Phytosanitary certificate is approved for six months -- and every six months, companies need to resubmit an application for a new updated certificate. Quality test is provided by the National Seed Testing Center—they take the sample from the port and can take about 10-15 days to get the results. This test involves looking at germination, purity, and moisture. Phytosanitary inspections include time for a temporary release of certificate as well as an official release. If all tests comply with government standards, customs will then release the cargo. If tests fail, the product cannot be distributed in the market but can be re-exported.</p>		
Import Cost (USD) (Exchange Rate VND: 20,949 to 1 USD)		
1. Administrative charges for customs clearance	1	
2. Customs brokers charges	76	
3. Inspection fees	130	
4. Other, please specify:	239	
5. TOTAL cost for all the above	446	
6. Are informal facilitation payments (e.g. bribes) common for clearing imports of hybrid seed?	Y	
<p>Comments:</p> <p>Pursuant to the provisions of Circular No. 172/2010/TT-BTC dated 02/11/2010 guiding the collection, collection conditions, submission, management and use of custom fees in the customs field, customs fee includes: VND 20,000 (1 USD) per declaration sheet. Thus, the administrative fee for custom clearance is 20,000 VND (1 USD) and payment must be made under the regulation. Other than that, there is no additional fee at the Customs agency.</p> <p>Inspection fees refer to the cost of the weight and amount of the consignment; for the case study</p>		

amount, the cost is approximately 200,000 VND (10 USD) per container. In addition, the application and results for the phytosanitary inspection is approximately 412,000 VND (20 USD). In Other costs, companies have listed an Invoice fee of 5 million VND (239 USD).

Informal payments are usually applied to facilitate the examination process and to shorten the customs time. Most respondents are hesitant to discuss that their own company does it, but they verified that it does happen.

3. Trade Facilitation Index

Please respond to the following survey questions on the extent to which the legal framework facilitates the international trade of hybrid seed. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Can the documents required to import hybrid seed be submitted in advance of the consignment's arrival at Customs? <i>Please specify which documents.</i>	<input checked="" type="checkbox"/> All documents <input type="checkbox"/> Some documents <input type="checkbox"/> No documents	All documents have been moved to the new E-Customs system and can be submitted in advance of no more than 15 days. According to a Logistics company, conditions for documents that can be submitted in advance changes by modes of transportation. By sea: It can be done but it is difficult to submit in advance -- must have all original versions of the supplier documents.
2. Can the documents required to import hybrid seed be submitted electronically? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents <input type="checkbox"/> No documents	Documents that can be submitted electronically: Electronic Customs Declaration, Contract of Trading or the equivalent legal document, Receipt, Official Documents of Transportation, Packing List, Certificate of Origin, and Testing Results.
3. Do Customs and other agencies utilize a risk management system to screen shipments of seed for physical inspection?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Consignments are categorized into three channels through the new E-Customs system using 140 indicators: Green (can pick up consignment with an approved document), Yellow (need additional documentation before consignment can be picked up), and Red (goods that need to be reviewed through an x-ray machine, with more checks on the shipment). All shipments vary and their status is determined by their legal documents, country of origin, product, etc.
a. If YES, is the risk management system electronic?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The newly implemented E-Customs system.

4. Does Customs use audit-based controls to reduce the frequency of cargo inspections for trusted traders?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
5. Are all required physical inspections of shipments of seed (by Customs and any other relevant agencies) carried out at the same place and time?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Physical inspections are carried out only the first few times of imports. They stop after a while if it is the same importer and the same product over time. However, there could be times when consignments get randomly checked.
6. Are consignments of imported seed allowed to enter the country (and remain in storage) while samples undergo laboratory analysis?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

C. Export of Hybrid Seed

I. License and Document Preparation

Please include all applicable documentation required for customs clearance by customs authorities, port or border authorities, health and technical control agencies, and other government ministries. List each necessary document separately, such as phytosanitary certificate, seed quality certificate, certificate of origin, certificate of conformity, packing list, road manifesto, commercial invoice, export permit, customs export declaration, inspection results, terminal handling receipts, or bill of lading.

Export Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
1. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Customs	0	0
2. Phytosanitary Certificate (for export)	MARD/PPD	Customs	5	17
3. Trade Contract	Exporter	Customs	1 hour	0
4. Packing List	Exporter	Customs	1 hour	0
5. Certificate of Origin	Vietnam Chamber of Industry and Commerce	Customs	1 hour	0
6. Customs Export Declaration	VNACCS/VCIS system	Customs	1	0
Total time and cost for document preparation			6 days	17 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Trade Contract, Packing list, Certificate of Origin 				

Comments: There is very little formal export of seed from Vietnam to international trade partners. Where it does occur, interviewees suggested that it is informal and most likely limited to a narrow band along the border with neighboring countries.

2. Legal Framework for Phytosanitary Certificates for Export

Please respond to the following survey questions on the extent to which the legal framework enables an efficient phytosanitary system that facilitates the export of hybrid seed. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Is your country a signatory of the International Plant Protection Convention (IPPC)?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
2. Does the National Plant Protection Organization (NPPO) follow international guidelines (ISPM 7 and 12) on the issuance of phytosanitary certificates and requirements for phytosanitary management?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
3. Does the NPPO provide information to exporters on destination country phytosanitary requirements (e.g. import document requirements, list of quarantine pests)?	<input checked="" type="checkbox"/> By request only <input type="checkbox"/> Published in print <input type="checkbox"/> Published online (list website) <input type="checkbox"/> Other (please describe)	
4. Does the NPPO provide information on obtaining a phytosanitary certificate for export (e.g. documents and fee schedules for sample collection, testing, and issuing the certificate)?	<input checked="" type="checkbox"/> By request only <input type="checkbox"/> Published in print <input type="checkbox"/> Published online (list website) <input type="checkbox"/> Other (please describe)	
5. Can exporters request a phytosanitary certificate on the internet?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
6. Can exporters make an electronic payment for phytosanitary export certification?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
7. Can inspections to obtain a phytosanitary certificate for export be conducted at:		
a. The exporter's warehouse or storage facility?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
b. Bonded warehouses?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
c. All points of exit from the country (including land, air, and sea ports)?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
d. Other (please specify):		
8. Does the NPPO notify exporters of the reason(s) for rejecting an application for a phytosanitary certificate?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

9. Does the NPPO enter into mutual equivalence agreements with main trade partners when phytosanitary measures are demonstrated to achieve an equivalent level of protection?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
---	--	--

D. Registering a Proprietary Staple Grain Variety

Please describe the full sequence of procedures necessary for the company described in the case study to properly register a new proprietary staple grain variety. These typically include application, field testing, technical review, and approval and official release of the variety. **Please include** references to applicable laws and regulations and any necessary explanatory details or additional assumptions required. Please add boxes for additional procedures as needed.

Application		
Time 30 days	Cost 95 USD	Agency Plant Variety Protection Office (PVPO)
<p>Details</p> <p>In order to apply for new plant variety protection titles, organizations and individuals must directly submit dossiers to the Plant Variety Protection office (PVPO). A dossier of application for a new plant variety protection titles consists of 1) the application for a new plant variety protection title, and 2) a written description of the plant variety made according to a set form with photos. Each application costs around 2,000,000 VND (95 USD) per application and per variety. Dossiers must all be made in Vietnamese. Where foreign organizations or individuals apply for new PVP titles, they must submit the Vietnamese language dossiers together with the English-language dossiers. The PVPO will evaluate the dossiers, and organize the evaluation of the new plant varieties applied for protection titles. Within 15 days, the PVPO must certify the validity of all dossiers mentioned. If any information or document is lacking, the applicant will be notified. If all required documents are submitted, evaluation process is done within 30 days (identifying the seed, name of variety, checking if is listed under protection or not, etc.). If the application is valid, result will be announced on the website or magazine and applicant will also receive a notification. If dossiers continue to remain invalid, the PVPO can refuse to accept it after 30 days. The Ordinance on Plant Varieties (no. 15/2004) states that the PVPO must complete the evaluation of dossiers within 90 days as from the date of submission.</p> <p>Through PVP rights, breeders can claim exclusive economic control over plant materials they develop for about 20 years--in conformity with the 1991 Act. UPOV prohibits farmers from saving and exchanging seeds of protected varieties for commercial purposes. However, it does allow member states to permit some seed saving as long as farmers pay a royalty.</p> <p>When individuals or organizations want to protect the new plant variety, they may assign a representative of Department of Intellectual Property to carry out the procedure. The specific procedures are as follows:</p> <ul style="list-style-type: none"> • Agency in charge: Department of Crops Production under Minister of Agriculture and Rural Development (MARD). • Time Limit of settlement: Formal examination of application - 15 days since the date of application was received. • Publication of valid applications on Journal of Plant Varieties within 90 days since the application is accepted; Verification period of technical assessment is 90 days since receiving result of technical assessment 		
Field Testing		

Is the <i>Distinctness, Uniformity, and Stability (DUS)</i> test required? X YES NO		
Number of Seasons 2	Number of Testing Locations 2	Agency National Testing Center for Crops (NTCC)
Details New plant varieties on the list of major plants are subject to DUS testing upon official recognition. New plant varieties other than those on the list of major plants are encouraged to apply for DUS testing. The National Testing Center for Crops (NTCC) is the unique office that is responsible for independently evaluating and testing new varieties in Vietnam before release. Generally for variety testing, it takes about 3 seasons before a provisional release. Then it takes about 2 seasons to conduct the production evaluation before the official release. This takes about 3 years. MARD is currently working to revise this process by eliminating the provisional release step. This is, however, still in discussion. DUS Experiment fee is 8,300,000 VND/variety/2 season (396 USD) seasonal crop's tree; 11,000,000 VND (525 USD) for annual crop's tree and 24,000,000 VND (1146 USD) for perennial tree. DUS experiment is required for main plant: maize, rice; but is recommended for other plans. Experiment is conducted in 1 location during 2 seasons with similar conditions and is compulsory. DUS Testing is done by the Department of Crops Production – NQL/CNP/VTTH. During 2008-2012, up to 1575 DUS tests were conducted in Vietnam.		

Is the <i>Value for Cultivation and Use (VCU)</i> test required? X YES NO	
Number of Seasons 3	Number of Testing Locations 3
Agency Experiment Center, Department of Crops Production	Agency Level
Details There are no set rules/regulations that define the number of locations but it depends on the plant species and requirements to determine the number of locations; however, the minimum location is 3 locations. VCU Testing currently applies only on 5 main plant groups: rice, maize, peanut, soybean, potatoes. The experiment is processed according to national standard for VCU for each plant. And the number of ecoregion is decided by authorities. VCU testing on main crops (rice, corn, peanut, soybean, and potatoes) will be carried out by the Testing Centre. It can be self-assessed for the other crops as long as complying with the regulations, and report to Department of Crops Production for monitoring and evaluation - VTTH. Between 2008 to 2012, 4329 VCU tests were conducted in Vietnam.	

Other field testing requirements (please list)	
Total time for field testing	730 days
Total cost for field testing	750 USD
Can VCU test be undertaken simultaneously with the DUS test? X YES NO	

Technical Review (Seed Recognition Council under Department of Horticulture)		
Time 53 days	Cost 2148 USD	Agency Department of Crops Production (DCP), Ministry of Agricultural and Rural Development (MARD)
Details The seed supplier pays an evaluation fee of 4,500,000 VND/variety (215 USD) to the Department of Horticulture.		

Approval and Official Release		
Time 38 days	Cost 0	Agency DCP, MARD
Details After the DUS evaluation results are satisfactory, it will be proposed to the Department of Crop		

Production for a decision. The decision will be announced within 30 days if there are no objections. This process could incur at a wait-time of 45 days, including time waiting for the decision and approval.

Listing in National Catalog or Gazette

Time 49 days	Cost 0	Agency DCP, MARD
---------------------	---------------	-------------------------

Details

New seed variety is entered into the National Gazette to be registered in the seed national list for production and trade in Vietnam.

All testing requirements are stated in the National standard. Other tests including biological and environmental safety are necessary for genetically modified seeds.

Time days	Cost	Agency
------------------	-------------	---------------

Details

Please respond to the following questions on plant variety registration and protection. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Does the authority in charge of seed variety registration accept testing data from the breeder as the official test? (e.g. breeder conducts DUS and VCU trials and seed authority audits the process)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The European Union recently signed an agreement with Vietnam in 2011 with terms to exchange results of technical examination and plant material for re-examination (if necessary) and oversight of the use of reports on Distinctness, Uniformity and Stability (DUS Test reports). Vietnam also accepts DUS testing from Japan. However, this does not apply for VCU testing. For VCU testing, apart from main plants, other plants' experiment is conducted by the seed supplier. Refer to Decree 88CP-2010 for more information.
2. Do current regulations allow for a faster or facilitated registration process for seed varieties that have already been registered or field-tested in another country?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	In case the crop has outstanding features, it can be exceptionally recognized under Decision QD 95/2007, but only after receiving the inspection result. Other companies have personal relationships with certain agencies and are allowed a faster registration process but this is in no way official.
a. If YES, with which country(s) and what is the facilitated process?	There is a signed agreement with organizations/individuals in member countries of UPOV to test or buy the test	Most test results are used as an additional document--all seeds must be tested again due to different climate conditions.

	result.	
3. Is your country party to a regional agreement with respect to common procedures for variety testing, registration, and/or release? If YES, please answer the questions below.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
a. Please list the other countries party to the regional agreement.	European Union and Japan	
b. Are common procedures effectively implemented in practice?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
c. Are new varieties registered in your country automatically accepted in other countries party to the agreement, and vice versa?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	No, Vietnam will have to do its own re-testing throughout the region to make sure the variety is compatible with the country's geographical conditions (PVP). Even just in Vietnam, there are different regional changes, thus testing must be done in many locations of the country. This process, although long, is used to reduce and mitigate the risk for farmers.

LMI SUMMARY SURVEY – CHEMICAL FERTILIZER

Case Study Assumptions

Please provide responses to the survey questions based on the case study assumptions below.

Fertilizer Supplier	<ul style="list-style-type: none"> • Engages in the import, export, storage, and sale of chemical fertilizer for plants. Does not manufacture or repackage fertilizer. • Registers a new fertilizer product that has not previously been registered in the country. • Operates in Ho Chi Minh City. • Domestic, non-state-owned enterprise. 	
Import Product – Fertilizer	<ul style="list-style-type: none"> • Chemical fertilizer imported in a standard 40-ft container, packed into 50-kg bags, 400 such bags (on pallets of 20 bags each) per container, and valued at US\$2,000. • The shipment is imported from Vietnam’s largest trading partner globally through the main point of entry for fertilizer imports. The point of entry may be a seaport or an inland border post. 	
	Most commonly used point of entry in Vietnam for import of chemical fertilizer:	Lao Cai Customs Gate
Export Product – Fertilizer	<ul style="list-style-type: none"> • Chemical fertilizer exported in a standard 40-ft container, packed into 50-kg bags, 400 such bags (on pallets of 20 sacks each) per container, and valued at US\$2,000. • The shipment is exported to Vietnam’s largest trading partner in the Lower Mekong region through the main point of exit for fertilizer exports. The point of exit may be a seaport or an inland border post. 	
	Most commonly used point of exit in Vietnam for export of chemical fertilizer:	Hai Phong Port

Procedure: Any interaction of the **fertilizer** supplier’s owner, manager or employees with external parties, including any relevant government agencies, lawyers, auditors, notaries, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the **fertilizer** supplier are not counted as procedures. All procedures that are legally or in practice required for the **fertilizer** supplier to operate within its respective normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the seed supplier has received a final document or completed the required activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: All costs are listed as **USD** unless otherwise specified. Only include **official fees and taxes**. Bribes are excluded. If possible, relevant fee schedule or calculation formula are listed – for example, as a percentage of shipment value. Professional fees (notaries, lawyers, accountants, private laboratories, inspectors) are only included if the **fertilizer** supplier is required to use such services by law.

Agency: Indicate name of agency.

A. Licenses and Permissions for Chemical Fertilizer Supplier

Please describe every procedure required for the fertilizer supplier described in the case study to obtain all necessary licenses and permissions to be fully operational and appropriately registered as a fertilizer importer or exporter. For example, this may include **licenses to import fertilizer, re-export or transit licenses, export licenses, storage licenses, general trade licenses, health and safety licenses, and environmental licenses**. This also includes any applicable inspections. Where inspections are required as a separate procedure, please list separately and note any waiting times for inspectors.

Please include references to applicable laws and regulations (including fee schedules), information on renewal periods for licenses, and any other necessary explanatory details or additional assumptions required. Please add boxes for additional procedures as needed.

Procedure I Business Registration Certificate (BRC) and Investment Certificate (IC) for foreigners to import or export fertilizer for commercial purposes			
Time	14 days	Cost	5 USD
Agency	Industrial Zone Management Board, Ministry of Planning and Investment (MPI)		
Details			
<p>All business enterprises in Vietnam must have either a business registration certificate (BRC) or an Investment Certificate (IC). For foreign investors, the IC is not only the approval to undertake the investment project, but also the BRC. This document is necessary to do any business in Vietnam—and works as the license to do any trade of all inputs. The license for fertilizer will be specific to the fertilizer business and will carry with it the privilege of supply, importing, and exporting fertilizer. The IC states the legal name of the company, the nature of the company (LLC or JSC), its business lines, its legal representative, business address, the amount of registered capital, and the details of any authorized project. This registration process usually takes place at the Business Registration Department of the Provincial or City Office of Planning and Investment of the Ministry of Planning and Investment (MPI). The process to register your business consists of three main stages. Firstly, the company must submit the application for registration directly at the Business Registration Department and make an appointment to collect the certificate. The application consists of a request paper for registration of the enterprise and an ID of the company owner - either a notarized copy of the passport or citizen card will do. In some special cases, the company owner will also need to produce the certificate of legal capital or the certificate of profession if they are required.</p> <p>The Business Registration Department will assess the application to examine whether it is valid or not, and prepare the business license to the valid application. Typically, after 10 days from the submitting the application, the company owner can come again to the Business Registration Department to collect the results. If the application is approved, the owner can receive the business license immediately, but if not, the application will be taken back for modification and fixing, and then resubmitted at the same place. If the business registration certificate is refused, the owner of the company must be notified in writing. The notice must specify the reasons and the amendments or additions required. The process can take up to 2 weeks. The fee for each application is 100,000VND (5 USD).</p> <p>Business registration documents for private enterprises:</p> <ul style="list-style-type: none"> • Request for business registration in the standard form published by the authorized business registration body. • Copy of people's identity card, passport or other lawful personal identification. • Document of an authorized body or organization certifying the legal capital in respect of enterprises conducting lines of business for which legal capital is required by law. • Practicing certificates of the director and other individuals in respect of enterprises conducting 			

lines of business for which a practicing certificate is required by law.

(Please note that documents vary according to types of business--such as shareholding companies, and limited liabilities companies -- however not mentioned in this study).

Procedure 2 New Fertilizer Registration

Time 5 days	Cost 2000 USD	Agency Ministry of Industry and Trade
--------------------	----------------------	--

Details

Applying for and receiving permission to list a new fertilizer product on the market is an on-going and complicated process. The Decree on Fertilizer Management (202/2013) sets out the general framework for the sector's regulation on managing the sector. However, during the time of our study, no new fertilizer products can be registered while the Ministry of Industry and Trade develops detailed regulations related to registration and national standards for chemical fertilizers. New laws and regulations are expected to come out late September 2014. Administrative responsibilities for managing the fertilizer market are split between the Ministry of Industry and Trade (inorganic fertilizer) and the Ministry of Agriculture and Rural Development (organic fertilizer), which has caused a significant amount of confusion amongst market participants regarding administrative oversight and policy setting responsibilities. After signing contract with the Testing Centre, the Centre will send the applications to the Department of Crops Production; after approximately 5 working days, the Department will send the certificate of fertilizer assessment registration to the Testing Center or business.

Total Number of Procedures: 2

Time 19 days	Cost 2005 USD
---------------------	----------------------

B. Import of Chemical Fertilizer

Please provide details on the procedures, time, cost, and documentation for the import of chemical fertilizer as described in the case study. If significant delays are typically experienced, please note the cause of such delays in the "Comments" sections – for example, import shipments are sent to another location for testing for customs clearance or there is a lack of trained inspectors or laboratory facilities.

I. License and Document Preparation

Please include all applicable documentation required for customs clearance by customs authorities, port or border authorities, health and technical control agencies, and other government ministries. **List each necessary document separately**, such as certificate of registration, certificate of origin, certificate of conformity or quality assurance certificate, sample analysis certificate, manufacturer's declaration, packing list, road manifesto, commercial invoice, import permit or customs import declaration, inspection results, terminal handling receipts, or bill of lading.

Import Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
I. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Provincial Department of Planning and Investment where the	1 hour	0

		organizations/com pany is located (PVP)		
2. Certificate of Conformity	Appointed Certification Body	Customs	1 hour	4
3. List of Registered Fertilizer Products	Northern Center for Fertilizer Testing or Departments of Quality Assessment	Customs	1 hour	0
4. Trade Contract	Exporter	Customs	1 hour	0
5. Packing List	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
6. Invoice	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
7. Bill of Lading	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
8. Certificate of Origin	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
9. Certificate of Analysis	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
10. Customs Declaration	VNACCS/VCIS system	Customs	1 hour <i>Simultaneous with Trade Contract</i>	1
11. Terminal Handling Receipt	Terminal Operator	Exporter	1 hour	135
12. Quality Verification Registration	Southern Plant Protection Chemical Testing Center	Customs	1	57
Total time and cost for document preparation			3 days	197 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Supplier Documents: Certificate of Origin, Trade Contract, Bill of Lading, Invoice, and Packing List. 				
Comments: Organizations and/or individuals are able to import fertilizer if they meet the following conditions: <ul style="list-style-type: none"> Having business registration certificate with fertilizer production industry issued by 				

<p>competent authorities;</p> <ul style="list-style-type: none"> • Having Certificate of conformity registration of the imported fertilizer lot issued by the assigned recognized organizations; • The imported fertilizer bearing legitimate label, meeting requirement of the law on goods, service quality; ensuring environment. <p>Nearly half of fertilizer imports originate from China -- other major suppliers include Belarus, Israel, Canada, Russia, and Japan. Other than the Customs Department, other competent agencies are in charge of the import process. The Ministry of Industry and Trade is responsible for issuing fertilizer-specific business and trade licenses, the Northern and Southern Centers for Fertilizer Testing are responsible for issuing the list of registered fertilizer products, while multiple private companies are also able to run conduct tests for fertilizer.</p> <p>Relevant laws for Fertilizer in Vietnam include:</p> <ul style="list-style-type: none"> • Law on Government Organization 2001 • Decree 202/2013 • Decree 163/2013 • Dispatch 2114 /BCT-HC • Dispatch 1315/BNN-TT • Decision 12 • Decision 187
--

2. Customs clearance

Please describe the typical customs clearance procedures, including any relevant cargo inspections. For inspections, list the **total average time and cost in practice**, including wait time for inspectors and payment time. Please list the government agency(s) involved for each procedure, as applicable. Please elaborate on each customs procedure in the Comments box, as needed.

Customs Clearance Procedure	Time	Agency
1. Time from arrival of shipment of fertilizer to lodgment of customs declaration (includes queue/wait time, unloading time, and time to deliver fertilizer to temporary storage)	1 day	Customs
2. Lodgment of customs declaration and customs documentary control		
3. Inspections – <i>please list only if the inspection typically occurs</i>		
a. Customs tax/duty valuation inspection	1 day	Customs Dept. and Department of Goods/Standards, Metrology and Quality/Ministry of Science and Technology
b. Quality/standards inspections (including laboratory analysis, if required)	7 days	Centre of Fertilizer Assessment and VinaChem
c. Health and safety inspection	0	
d. Security inspections and pre-shipment inspection	0	

e. Other inspections, please specify:	0	
4. Payment of duties/taxes	1 hour	Ministry of Finance
5. Release of shipment of fertilizer and removal from the seaport or land border post premises	4 hours	Customs
6. Average TOTAL time for customs clearance (from arrival of shipment of fertilizer to cargo release)	10 days	
7. Minimum and maximum TOTAL time for customs clearance (from arrival of shipment of fertilizer to cargo release)	5, 10 days	
8. Which activities above are carried out simultaneously?		
<p>Comments:</p> <p>Unlike other inputs, consignments entering Southern and Northern ports must be left at the port until Customs can verify the product quality through one of the testing centers. Before, quality and standards inspections use to take about 2 days, now it takes about a week. Delays in the import process tend not to be the fault of the Customs Department; instead, many respondents blame the lack of capacity within other higher level agencies that are not as well versed with import procedures. Most containers must be left at the port with demurrage charges of about 1,047,450 VND (50 USD) per container per day. Due to this situation, companies tend raise the price of fertilizer products to compensate for their high costs.</p>		
Import Cost (USD) (Exchange Rate VND: 20,949 to 1 USD)		
1. Administrative charges for customs clearance	1	
2. Customs brokers charges	39 per consignment	
3. Inspection fees	57	
4. Other, please specify:	382 (210 to 573 USD for storage, container, and port fees)	
5. TOTAL cost for all the above	478	
6. Are informal facilitation payments (e.g. bribes) common for clearing imports of fertilizer?	Yes	
<p>Comments:</p> <p>Pursuant to the provisions of Circular No. 172/2010/TT-BTC dated 02/11/2010 guiding the collection, collection conditions, submission, management and use of custom fees in the customs field, customs fee includes: 20,000 VND (1 USD) per declaration sheet. Thus, the administrative fee of custom clearance is 20,000 VND (1 USD) and payment must be made under the regulation.</p> <p>VinaChem is the agency in charge of fertilizer inspections.</p>		

3. Trade Facilitation Index

Please respond to the following survey questions on the extent to which the legal framework facilitates the international trade of fertilizer. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Can the documents required to import fertilizer be submitted in advance of the consignment's arrival at Customs? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents <input type="checkbox"/> No documents	Arrival notice is needed before they can submit an application.
2. Can the documents required to import fertilizer be submitted electronically? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents	Documents that can be submitted electronically: Electronic Customs

	<input type="checkbox"/> No documents	Declaration, Contract of Trading or the equivalent legal document, Receipt, Official Documents of Transportation, Packing List, Certificate of Origin, and Testing Results.
3. Do Customs and other agencies utilize a risk management system to screen shipment of fertilizer for physical inspection?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Consignments are categorized into three channels through the new E-Customs system using 140 indicators: Green (can pick up consignment with an approved document), Yellow (need additional documentation before consignment can be picked up), and Red (goods that need to be reviewed through an x-ray machine, with more checks on the shipment). All shipments vary and their status is determined by their legal documents, country of origin, product, etc.
a. If YES, is the risk management system electronic?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
4. Does Customs use audit-based controls to reduce the frequency of cargo inspections for trusted traders?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
5. Are all required physical inspections of shipments of fertilizer (by Customs and any other relevant agencies) carried out at the same place and time?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
6. Are consignments of imported fertilizer allowed to enter the country (and remain in storage) while samples undergo laboratory analysis?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	

C. License and Document Preparation for Export of Chemical Fertilizer

Please include all applicable documentation required for customs clearance by customs authorities, port or border authorities, health and technical control agencies, and other government ministries. **List each necessary document separately**, such as certificate of registration, certificate of origin, certificate of conformity or quality assurance certificate, sample analysis certificate, manufacturer's declaration, packing list, road manifesto, commercial invoice, export permit, customs export declaration, inspection results, terminal handling receipts, or bill of lading.

Export Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
1. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Provincial Department of Planning and Investment where the organizations/company is located (PVP)	1 hour	0
2. Conformity assessment documentation (Only if the consignee requires)	“Qualified” laboratory	Customs	1 hour	0
3. List of Registered Chemical Fertilizers	Ministry of Industry and Trade	Customs	1	0
4. Trade Contract	Seller/Manufacturer	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
5. Packing List	Seller/Manufacturer	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
6. Invoice	Seller/Manufacturer	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
7. Certificate of Origin	Seller/Manufacturer	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
8. Certificate of Analysis	Seller/Manufacturer	Customs	1 hour	0
9. Customs Export Declaration	VNACCS/VCIS system	Customs	1	1
Total time and cost for document preparation			2 days	1 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Supplier Documents: Certificate of Origin, Trade Contract, Invoice, Packing List, and Customs Export Declaration. 				
<p>Comments:</p> <p>Organizations and individuals trading on fertilizer are able to export fertilizer upon satisfying the following conditions (laid out in Circular 202/2013 on Fertilizer Management):</p> <ul style="list-style-type: none"> Having business registration certificate with fertilizer production industry issued by competent authorities; Implement relevant national technical regulations during manufacture process or apply quality management systems to ensure product quality for export; The exported fertilizer must conform with regulations of imported countries, contracts, international treaties, international agreements admitted each other on conformity assessment with related countries and territories. While exports are few, many interviewees continue to describe the process as smooth and efficient due to the government's emphasis 				

on export-led development.

D. Registering a New Fertilizer Product

Please describe the full sequence of procedures necessary for the company described in the case study to register a new fertilizer product and receive approval to begin marketing the product. If registration of new fertilizer products is NOT legally required, skip this section. This may include application, content verification, environmental report, technical review, field testing, approval by national committee, and listing of the fertilizer product. **Please include** references to applicable laws and regulations and any necessary explanatory details or additional assumptions required. Add boxes for additional procedures as needed.

Application					
Time	5 days	Cost	2000 USD	Agency	MARD
Details					
Applying for and receiving permission to list a new fertilizer product on the market is an on-going and complicated process. The Decree on Fertilizer Management (202/2013) sets out the general framework for the sector's regulation on managing the sector. However, during the time of our study, no new fertilizer products can be registered while the Ministry of Industry and Trade develops detailed regulations related to registration and national standards for chemical fertilizers. New laws and regulations are expected to come out late September 2014. Administrative responsibilities for managing the fertilizer market are split between the Ministry of Industry and Trade (inorganic fertilizer) and the Ministry of Agriculture and Rural Development (organic fertilizer), which has caused a significant amount of confusion amongst market participants regarding administrative oversight and policy setting responsibilities. After signing contract with the Testing Centre, the Centre will send the applications of business to the Department of Crops Production; after approximately 5 working days, the Department will send the certificate of fertilizer assessment registration to the Testing Center or business.					

Environmental Report –N/A		
Time	days	Agency
Details		

Content Verification and Technical Review			
Time	9 days	Agency	National Testing Center
Details			
Fertilizer is assessed on the content and proportion of fertilizer.			

Field Testing			
Time	365 days	Agency	South Vietnam Fertilizer Testing Center
Number of Seasons	1	Number of Testing Locations	2
Details			
This process tests the productivity improvement capacity of the examined fertilizer. The number of seasons required is 1 for perennial crops and about 6 months for fertilizer subject to short term crops. The number of testing locations depends on the area for distributing that type of fertilizer (for the distribution in Tay Nguyen and South East Vietnam, testing number is 2).			

Approval by National Committee		
Time 18 days	Cost 0	Agency Department of Crops Production
Details 3 days from the date of forming the board of assessment, the Department of Crops Production will request the set of complete documents. Within 5 days after receiving adequate documents, the board of assessment will have up to 15 days.		

Listing in National Catalog or Gazette (<u>only if required to market new fertilizer product</u>)		
Time 90 days	Cost 0	Agency Department of Crops Production
Details Every 3 months the Department of Crops Production updates list of fertilizer to the Department's website.		

Please respond to the following questions on new fertilizer product registration. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Is there an official catalogue listing all registered fertilizers?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	There is a booklet that houses over 4000 registered products. This includes the trade name, ingredients, and owner. Available in the website of Department of Crops Production, yet the search may encounter significant difficulty since there are a vast range of commercial fertilizers.
2. Does the authority in charge of fertilizer registration accept testing data from the manufacturer?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Only applicable to fertilizers such as NPK, Urea, DAP as well as other inorganic fertilizer and ground fertilizers.
3. Does the authority in charge of fertilizer registration follow international standards to test and review fertilizer?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
4. Do current regulations allow for a faster or facilitated registration process for fertilizer products that have already been registered or field-tested in another country?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Due to variance in soil conditions from one country to another.
a. If YES, with which country(s) and what is the facilitated process?		
5. Is your country party to a regional agreement with respect to common procedures for fertilizer registration? If YES, please answer the questions below.	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
a. Please list the other countries party to the regional agreement.		
b. Are common procedures effectively implemented in practice?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
c. Are new fertilizer products registered in your	<input type="checkbox"/> YES	Every product must be tested;

country automatically accepted in other countries party to the agreement, and vice versa?	<input checked="" type="checkbox"/> NO	however, if the fertilizer only has one ingredient, they might not carry out the inspection -- if there are two or more then all tests are done.
---	--	--

LMI SUMMARY SURVEY - PESTICIDE

Case Study Assumptions

Please provide responses to the survey questions based on the case study assumptions below.

Pesticide Supplier	<ul style="list-style-type: none"> • Engages in the import, export, storage, and sale of pesticide. Does not manufacture or repackage pesticide. • Registers a new pesticide product that has not previously been registered in the country. • Operates in Ho Chi Minh City. • Domestic, non-state-owned enterprise. 	
Import Product – Pesticide	<ul style="list-style-type: none"> • Pesticide imported in a standard 40-ft container, packaged in 20-liter containers, with 500 such containers per 40-ft container, valued at US\$30,000. • The shipment is imported from Vietnam’s largest trading partner globally through the main point of entry for pesticide imports. The point of entry may be a seaport or an inland border post. 	
	Most commonly used point of entry in Vietnam for import of pesticide:	Cat Lai Port (Ho Chi Minh City)
Export Product – Pesticide	<ul style="list-style-type: none"> • Pesticide exported in a standard 40-ft container, packaged in 20-litre containers, with 500 such containers per 40-ft container, valued at US\$30,000. • The shipment is exported to Vietnam’s largest trading partner in the Lower Mekong region through the main point of exit for pesticide exports. The point of exit may be a seaport or an inland border post. 	
	Most commonly used point of exit in Vietnam for export of pesticide:	Cat Lai Port (Ho Chi Minh City)

Procedure: Any interaction of the **pesticide** supplier’s owner, manager or employees with external parties, including any relevant government agencies, lawyers, auditors, notaries, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the **pesticide** supplier are not counted as procedures. All procedures that are legally or in practice required for the **pesticide** supplier to operate within its respective normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the seed supplier has received a final document or completed the required activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: All costs are listed as **USD** unless otherwise specified. Only include **official fees and taxes**. Bribes are excluded. If possible, relevant fee schedule or calculation formula are listed – for example, as

a percentage of shipment value. Professional fees (notaries, lawyers, accountants, private laboratories, inspectors) are only included if the **pesticide** supplier is required to use such services by law.

Agency: Indicate name of agency.

A. Licenses and Permissions for Pesticide Supplier

Please describe every procedure required for the pesticide supplier described in the case study to obtain all necessary licenses and permissions to be fully operational and appropriately registered as a pesticide importer or exporter. For example, this may include **licenses to import pesticide, re-export or transit licenses, export licenses, storage licenses, general trade licenses, health and safety licenses, and environmental impact assessments or licenses**. This also includes any applicable inspections. Where inspections are required as a separate procedure, please list separately and note any waiting times for inspectors.

Please include references to applicable laws and regulations (including fee schedules), information on renewal periods for licenses, and any other necessary explanatory details or additional assumptions required. Please add boxes for additional procedures as needed.

Procedure 1 Pesticide Trading Practice Certificate		
Time 105 days	Cost 200 USD	Agency Northern and Southern Chemical Testing Centers
Details All companies must have a pesticide trade practice certificate before they can conduct any import/export of pesticide. It involves a review of the company infrastructure (i.e. warehouses), management qualifications (i.e. must have degree), or must go through training on the safety of pesticide use.		

Procedure 2 Business Registration Certificate (BRC) and Investment Certificate (IC) for foreigners to import or export pesticide for commercial purposes		
Time 14 days	Cost 5 USD	Agency Industrial Zone Management Board, Ministry of Planning and Investment (MPI)
Details All business enterprises in Vietnam must have either a business registration certificate (BRC) or an Investment Certificate (IC). For foreign investors, the IC is not only the approval to undertake the investment project, but also the BRC. This document is necessary to do any business in Vietnam—and works as the license to do any trade of all inputs. The license for pesticide will be specific to the pesticide business and will carry with it the privilege of supply, importing, and exporting pesticide. The IC states the legal name of the company, the nature of the company (LLC or JSC), its business lines, its legal representative, business address, the amount of registered capital, and the details of any authorized project. This registration process usually takes place at the Business Registration Department of the Provincial or City Office of Planning and Investment of the Ministry of Planning and Investment (MPI). The process to register your business consists of three main stages. Firstly, the company must submit the application for registration directly at the Business Registration Department and make an appointment to collect the certificate. The application consists of a request paper for registration of the enterprise and an ID of the company owner - either a notarized copy of the passport or citizen card will do. In some special cases, the company owner will also need to produce the certificate of legal capital or the certificate of profession if they are required.		

The Business Registration Department will assess the application to examine whether it is valid or not, and prepare the business license to the valid application. Typically, after 10 days from the submitting the application, the company owner can come again to the Business Registration Department to collect the results. If the application is approved, the owner can receive the business license immediately, but if not, the application will be taken back for modification and fixing, and then resubmitted at the same place. If the business registration certificate is refused, the owner of the company must be notified in writing. The notice must specify the reasons and the amendments or additions required. The process can take up to 2 weeks. The fee for each application is 100,000VND (5 USD).

Business registration documents for private enterprises:

- Request for business registration in the standard form published by the authorized business registration body.
- Copy of people's identity card, passport or other lawful personal identification.
- Document of an authorized body or organization certifying the legal capital in respect of enterprises conducting lines of business for which legal capital is required by law.
- Practicing certificates of the director and other individuals in respect of enterprises conducting lines of business for which a practicing certificate is required by law.

(Please note that documents vary according to types of business--such as shareholding companies, and limited liabilities companies -- however not mentioned in this study).

Procedure 3 Pesticide Registration Certificate

Time 10 days	Cost 6,778 USD	Agency Plant Protection Department (PPD)
---------------------	-----------------------	---

Details

By most accounts, the pesticide registration is an increasingly difficult process, in part the result of an intentional government policy to reduce the number of products on the market. For example, in 2014, the Committee will only meet once. Pesticide registration currently costs around 7,000 USD per product. According to Circular 03/2013, pesticides need to be authorized by the Plant Protection Department (PPD) of the Ministry of Agriculture and Rural Development (MARD) before being released for sale on the open market. The Pesticide Management Division at PPD assesses technical aspects of a company's application and is in charge of bio efficacy field trials, a process that takes two years, maybe longer depending on a company's relations with the Ministry. It generally takes two years to register a product on the market. However, interviewees noted that the time to register a new product will be a function of the quality of a company's relationship with the authorities (i.e., PPD). The following documents listed are submitted as part of a combined pesticide registration dossier and are processed together:

- Original letter of authorization issued by the chemical's manufacturer
- Letter of Attorney
- Original or certified copy of Certification confirming that the above manufacturer produces the chemical
- Original or certified copy of certification of product registration in other countries
- Technical documents in Vietnamese or English certified by manufacturer
- Proposed product label
- Certified copy of Intellectual Property Certificate issued by Vietnam Intellectual Property Department or letter of authorization/franchise of the product's owner (if any)

Total Number of Procedures: 3

Time 129 days	Cost 6,983 USD
----------------------	-----------------------

B. Import of Pesticide

Please provide details on the procedures, time, cost, and documentation for the import of pesticide as described in the case study. If significant delays are typically experienced, please note the cause of such delays in the “Comments” sections – for example, import shipments are sent to another location for testing for customs clearance or there is a lack of trained inspectors or laboratory facilities.

I. License and Document Preparation

Please include all applicable documentation required for customs clearance by customs authorities, port or border authorities, health and technical control agencies, environmental agencies, and other government ministries. **List each necessary document separately**, such as certificate of registration, certificate of origin, certificate of conformity or quality assurance certificate, sample analysis certificate, manufacturer’s declaration, packing list, road manifesto, commercial invoice, import permit or customs import declaration, inspection results, terminal handling receipts, or bill of lading.

Import Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. Fees</i>
1. Pesticide Trading Practice Certificate	Plant Protection Sub-Departments at provincial level	Customs	1 hour	0
2. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Provincial Department of Planning and Investment where the organizations/company is located (PVP)	1 hour	0
3. Certificate of Pesticide Registration	MARD	Customs	7	3
4. List of registered pesticide products	Plant Protection Department	Customs	1 hour	0
5. Trade Contract	Exporter	Customs	1 hour	0
6. Packing List	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
7. Invoice	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
8. Bill of Lading	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0

9. Certificate of Origin	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
10. Customs Declaration	VNACCS/VCIS system	Customs	1 hour	1
11. Terminal Handling Receipt	Terminal Operator	Exporter	1 hour	135
12. Quality Verification Registration	Southern Plant Protection Chemical Testing Center	Customs	1 hour	57
Total time and cost for document preparation			9 days	196 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Supplier Documents: Certificate of Origin, Trade Contract, Bill of Lading, Invoice, and Packing List. 				
<p>Comments:</p> <p>Vietnam imported \$469 million in crop protection chemicals (herbicide, insecticide, fungicide, etc.) in 2012, a 14% increase on five years before. The import of crop protection chemicals, including pesticide, is tightly regulated (with mixed results) by Vietnamese authorities. Customs plays the role of lead border agency in charge of the clearance process. Following Vietnamese regulations and laws, all companies must first get the business license which includes the ability to import and export pesticide. Business licenses can last forever until a change of name or sector activity--in that case, companies must then re-apply. With pesticide specifically, main staff of each company must get 3.5 month training for a professional license or a qualified university training for pesticide production (prior to getting a business license). In order to import pesticide, all active ingredients must be registered with the Plant Protection Department--less than 1 week to get it registered. Pesticide registration only happens once where they must mention the name of the company and the name of the product (if it's the first time being imported). The next time, importers just sign a contract with the exporter to import the product as normal. The Certificate of Pesticide Registration must show the active ingredient with the company name -- stamped once. Every time products are imported, the document must be kept as proof and is valid for 5 years. Afterwards, importers must sign a contract with the exporter -- together with six supplier documents. After the contract and when consignment arrives at the port -- importers must do their customs declaration form online. They must print out the document to bring over to the port to be checked. If all is correct and declared properly for labels, ingredients, etc., PPD can decide if the product must go through inspection. PPD will inform importers that they will carry out the inspection. 99% of enterprises import pesticide, Vietnam only produces 1% of their pesticide.</p> <p>Relevant Laws for Pesticide:</p> <ul style="list-style-type: none"> Law on Plant Protection 41/2013 Circular 03/2013 Decree 58/2002 Decree 114/2013 Circular 21/2013 Decision 46/2007 				

2. Customs clearance

Please describe the typical customs clearance procedures, including any relevant cargo inspections. For inspections, list the **total average time and cost in practice**, including wait time for inspectors

and payment time. Please list the government agency(s) involved for each procedure, as applicable. Please elaborate on each customs procedure in the Comments box, as needed.

Customs Clearance Procedure	Time	Agency
1. Time from arrival of shipment of pesticide to lodgment of customs declaration (includes queue/wait time, unloading time, and time to deliver pesticide to temporary storage)	5 days	Customs
2. Lodgment of customs declaration and customs documentary control	6 days	Customs
3. Inspections – <i>please list only if the inspection typically occurs</i>		
a. Customs tax/duty valuation inspection	1 day	Customs
b. Quality/standards inspections (including laboratory analysis, if required)	10 days	Pesticide Management Division at PPD
c. Health and safety/environmental inspections		
d. Security inspections and pre-shipment inspection		
e. Other inspections, please specify:		
4. Payment of duties/taxes	1 day	State Treasury
5. Release of shipment of pesticide and removal from the seaport or land border post premises	1 day	Customs
6. Average TOTAL time for customs clearance (from arrival of shipment of pesticide to cargo release)	14 days	
7. Minimum and maximum TOTAL time for customs clearance (from arrival of shipment of pesticide to cargo release)	7, 14 days	
8. Which activities above are carried out simultaneously?		
<p>Comments:</p> <p>Customs will check the general appearance of the consignment--looking at the value, number, and type to see if it matches the label. This part takes less than one day. The enterprises then will inform PPD for testing of the quality. If this is okay, customs will release the products to the market. It takes about 7-10 days to test and get the results. Before April 2014, more than 10 centers in Vietnam could be used for quality analyses. Nowadays, only two centers can be used for pesticide quality analyses: Vietnam Control and Chemical Management Center. In July 2013, there was a new law that was passed where taxes must be paid in full once consignments enter the country. Earlier, taxes could be paid with a 30 day delay. This has been hard on enterprises as taxes are a larger sum when paid in full.</p> <p>All consignments can be temporary released to a warehouse storage where tests will be carried out. In other instances, when consignments arrive at the port, companies have to wait on the competent agency for sampling and quality testing. Importers are required to pay storage fees for all related delays. Major improvements in customs processing reported over the last few years. Despite these improvements, including the introduction of a risk management system, all pesticide consignments are physically opened at the port to allow for testing. Companies were particularly concerned about consignments being opened at the port where staff is insufficiently trained to deal with hazardous material and where exposure to the elements is a concern for product quality. Companies find the process cumbersome and “risky” as non-experts are opening consignments of hazardous material in a relatively uncontrolled environment.</p>		
Import Cost (USD) (Exchange Rate VND: 20,949 to 1 USD)		
1. Administrative charges for customs clearance	1	
2. Customs brokers charges	38	
3. Inspection fees	57 (Testing fee per substance)	

4. Other, please specify:	382 (210 to 573 USD for container and port fees)
5. TOTAL cost for all the above	478
6. Are informal facilitation payments (e.g. bribes) common for clearing imports of pesticide?	Yes
<p>Comments:</p> <p>Informal payments were not considered necessary to substantially speed clearing process. Likewise, companies with experience using informal payments noted that they were always low value, less than 1 percent of consignment value. Pursuant to the provisions of Circular No. 172/2010/TT-BTC dated 02/11/2010 guiding the collection, collection conditions, submission, management and use of custom fees in the customs field, customs fee includes VND 20,000 (1 USD) per declaration sheet. Thus, the administrative fee for custom clearance is 20,000 VND (1 USD) and payment must be made under the regulation. Other than that, there is no additional fee at the Customs agency.</p>	

3. Trade Facilitation Index

Please respond to the following survey questions on the extent to which the legal framework facilitates the international trade of pesticide. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Can the documents required to import pesticide be submitted in advance of the consignment's arrival at Customs? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents <input type="checkbox"/> No documents	Most documents have been moved to the new E-Customs system and can be submitted in advance. However, quality verification cannot be submitted until after Vietnamese authorities have sampled the shipment and provided a test report.
2. Can the documents required to import pesticide be submitted electronically? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents <input type="checkbox"/> No documents	Documents that can be submitted electronically: Electronic Customs Declaration, Contract of Trading or the equivalent legal document, Receipt, Official Documents of Transportation, Packing List, Certificate of Origin, and Testing

		Results.
3. Do Customs and other agencies utilize a risk management system to screen shipments of pesticide for physical inspection?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<p>Consignments are categorized into three channels through the new E-Customs system using 140 indicators: Green (can pick up consignment with an approved document), Yellow (need additional documentation before consignment can be picked up), and Red (goods that need to be reviewed through an x-ray machine, with more checks on the shipment). All shipments vary and their status is determined by their legal documents, country of origin, product, etc. Respondents have indicated pesticide usually falls in the yellow channel but still does not take a significant amount of time.</p>
a. If YES, is the risk management system electronic?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
4. Does Customs use audit-based controls to reduce the frequency of cargo inspections for trusted traders?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
5. Are all required physical inspections of shipments of pesticide (by Customs and any other relevant agencies) carried out at the same place and time?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<p>While Customs physically inspects each consignment, the Southern Plant Protection Chemical Testing Center must carry out quality tests on the chemical product at their own laboratories. While other</p>

		consignments get checked the first few times, with pesticide, all consignments have to be checked out all the time.
6. Are consignments of imported pesticide allowed to enter the country (and remain in storage) while samples undergo laboratory analysis or inspections are undertaken?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Companies that fall under Customs Authorized Economic Operator (AEO) green light are permitted to move consignments to their own premises while inspections are taking place.

C. License and Document Preparation for Export of Pesticide

Please include all applicable documentation required for customs clearance by customs authorities, port or border authorities, health and technical control agencies, environmental agencies, and other government ministries. **List each necessary document separately**, such as certificate of registration, certificate of origin, certificate of conformity or quality assurance certificate, sample analysis certificate, manufacturer's declaration, packing list, road manifesto, commercial invoice, export permit, customs export declaration, inspection results, terminal handling receipts, or bill of lading.

Export Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
1. Pesticide Trading Practice Certificate	Plant Protection Sub-Departments at provincial level	Customs	1 hour	0
2. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Provincial Department of Planning and Investment	1 hour	0
3. Quality Verification Registration	Plant Protection Department (PPD)	Customs	1 hour	0
4. Trade Contract	Exporter	Customs	1 hour	0
5. Packing List	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
6. Invoice	Exporter	Customs	1 hour <i>Simultaneous</i>	0

			<i>with Trade Contract</i>	
7. Certificate of Origin	Vietnam Chamber of Industry and Commerce	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
8. Certificate of Analysis	Exporter	Customs	1 hour <i>Simultaneous with Trade Contract</i>	0
9. List of Registered Pesticide	MARD	Customs	1 hour	0
10. Pesticide Product Registration Certificate	MARD	Customs	1 hour	0
11. Customs Export Declaration	VNACCS/VCIS system	Customs	1	1
Total time and cost for document preparation			2 days	1 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Supplier Documents: Certificate of Origin, Trade Contract, Invoice, and Packing List. 				
Comments: Vietnam exports (mostly re-exports) crop protection chemicals to regional and other international trade partners. Consistent with other product categories, interviewees described the export process as facilitated by the government without significant room for improvement.				

D. Registering a New Pesticide Product

Please describe the full sequence of procedures necessary for the company described in the case study to register a new pesticide product and receive approval to begin marketing the product. If registration of new pesticide products is NOT legally required, skip this section. This may include application, content verification, environmental report, technical review, field testing, approval by national committee, and listing of the pesticide product. **Please include** references to applicable laws and regulations and any necessary explanatory details or additional assumptions required. Add boxes for additional procedures as needed.

Application		
Time 10 days	Cost 6,778 USD	Agency Plant Protection Department (PPD)
Details According to Circular 03/2013, pesticides need to be authorized by the Plant Protection Department (PPD) of the Ministry of Agriculture and Rural Development (MARD) before being released for sale on the open market. The Pesticide Management Division at PPD assesses technical aspects of a company's application and is in charge of bio efficacy field trials, a process that takes two years, and sometimes longer depending on a company's relations with the Ministry. Dossiers are submitted as specified in Clause 2, Article 8 of Circular 3/2013. The review process can take up to 15 days to be assessed upon receipt of all necessary documents. The cost for this application is listed in Circular 223/2013 as 6,000,000 VND (286 USD) though other respondents have stated that it cost much more in practice. The following documents listed are submitted as part of a combined pesticide registration dossier and are processed together: <ul style="list-style-type: none"> Original letter of authorization issued by the chemical's manufacturer Letter of Attorney 		

- Original or certified copy of Certification confirming that the above manufacturer produces the chemical
- Original or certified copy of certification of product registration in other countries
- Technical documents in Vietnamese or English certified by manufacturer
- Proposed product label
- Certified copy of Intellectual Property Certificate issued by Vietnam Intellectual Property
- Department or letter of authorization/franchise of the product's owner (if any).

The whole process includes these steps:

- Importer or trader applies for a permit for testing in field. This includes a document dossier application form and notarized copy of right to use product.

PPD takes approximately 5 working days to review. Once field trials are completed, review by the Pesticide Advisory Council can commence based on dossier including:

- Application form for plant protection chemical registration
- Certified copy of testing license by PPD
- Product's label
- Original of testing result on biology effect, on isolation time
- Meeting of Advisory Committee to evaluate and approve applied chemicals (meets three times per year)
- Provide the certificate of products registration
- Certificate is valid for 5 years
- Registration extended at cost of 2,000,000 VND (95 USD)
- Minister of Agriculture and Rural Development issues a Circular updating the list of permitted pesticides in Vietnam

Companies complain that intellectual property protections specific to pesticide are absent from the current legal framework, including the Law on Plant Protection 2013 and Circular 03/2013, and not included in the new draft law. Companies interviewed for this report noted that the legal framework as it is currently written lacks three critical pillars of IPR for crop protection chemicals. These include, data protection (i.e., protection of efficacy and safety data for a limited period of time against unfair commercial use and disclosure), protection of confidential business information (i.e., keeping impurity profiles confidential) and the patenting of mixtures (i.e., PPD allows companies to register exact formulations of products found in other markets, even if the maker of that product is in Vietnam).

Content Verification – N/A	
Time days	Cost
Agency	Agency Level
Details	

Environmental Report – N/A	
Time days	Cost
Agency	Agency Level
Details	

Field Testing			
Time 700 days	Cost 7256 USD	Agency Southern Chemical Testing Center	
Number of Seasons	Number of Testing Locations 2		

2
<p>Details</p> <p>Once the application is complete and approved, field testing can then begin. Companies must have a certified copy of certificate verifying that a manufacturer produced the related active ingredient or technical pesticide. The agency in charge of this in Ho Chi Minh City is the Southern Pesticide Control and Testing Center (SPCTC), under the Plant Protection Department (PPD). The number of trials is specified in Article 50 of Circular 3/2013. There are currently 8 narrowed trials, 2 broad trials over two seasons. The entire process takes between 1.5 to 2 years. The costs for each trial is listed in Circular 223/2013 as follows:</p> <ul style="list-style-type: none"> • Narrowed trial: 13 million VND (621 USD) per trial • Broad trial: 11 million VND (525 USD) per trial <p>While these costs are listed in the Circular, respondents have noted other costs that make this process more costly.</p>

Approval by Pesticide Advisory Council		
Time 30 days	Cost 444 USD	Agency Southern Chemical Testing Center
<p>Details</p> <p>An independent Evaluation Committee then makes recommendations to the Pesticide Advisory Council, made up of Government officials and scientists. The Advisory Council, which generally meets 2 to 3 times per year, makes a recommendation to MARD who then makes the final authorization. This year, however, it was a different circumstance. The National Committee only met once--as the Vietnamese Government is preparing for the Plant Protection Law of 2015. Before a pesticide can be traded or used, it must be registered at the PPD. Only after MARD issues an updated list of registered pesticides can companies sell their product on the market.</p>		

Listing in National Catalog or Gazette (<u>only</u> if required to market new pesticide product) – N/A	
Time days	Cost
Agency	Agency Level
Details	

Please respond to the following questions on new pesticide product registration. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Is there an official catalogue listing all registered pesticides?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Part of the MARD Circular--every second quarter of the year, electronically. Can be submitted no later than 15 working days after the submission of dossier by the registration agency.
2. Does the authority in charge of pesticide registration accept testing data from the manufacturer?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	All testing data must be reproduced domestically
3. Does the authority in charge of pesticide registration follow international standards to test and review pesticide?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	GMP and ISO

4. Do current regulations allow for a faster or facilitated registration process for pesticide products that have already been registered or field-tested in another country?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Widespread sentiment that “Vietnam is different”
a. If YES, with which country(s) and what is the facilitated process?		
5. Is your country party to a regional agreement with respect to common procedures for pesticide registration? If YES, please answer the questions below.	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
a. Please list the other countries party to the regional agreement.		
b. Are common procedures effectively implemented in practice?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
c. Are new pesticide products registered in your country automatically accepted in other countries party to the agreement, and vice versa?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Automatic registration of products approved in ASEAN or other international markets is not permitted under the law (and isn’t envisioned in the draft law). Similarly, testing data from other countries is reviewed but does not reduce the number or length of tests carried out by Vietnamese authorities.

LMI SUMMARY SURVEY – FISH FRY

Case Study Assumptions

Please provide responses to the survey questions based on the case study assumptions below.

Fish Fry Supplier	<ul style="list-style-type: none"> Engages in the import, export, storage, and sale of the most widely traded species of fish fry in the country. Operates in Ho Chi Minh City. Domestic, non-state-owned enterprise. 	
	Most widely traded species of fish fry (i.e. pangasius, tilapia, grouper):	Tilapia Fry
Import Product – Fish Fry	<ul style="list-style-type: none"> Fish fry of 3 cm imported in a standard container, 20,000 pieces sealed in plastic bags with chilled water and oxygen (500 pieces per bag), packed into boxes, 40 boxes per container at a total weight of 460kg, and valued at US\$2,000. The shipment is imported from Vietnam’s largest trading partner globally for fish fry through the main point of entry for fish fry. The point of entry may be an airport, seaport, or an inland or river border post. 	
	Most commonly used point of entry in Vietnam for import of fish fry:	Tan Son Nhat airport (Ho Chi Minh City)

Export Product – Fish Fry	<ul style="list-style-type: none"> Fish fry of 3 cm exported in a standard container, 20,000 pieces sealed in plastic bags with chilled water and oxygen (500 pieces per bag), packed into boxes, 40 boxes per container at a total weight of 460kg, and valued at US\$2,000. The shipment is exported to Vietnam’s largest trading partner in the Lower Mekong region through the main point of exit for fish fry. The point of exit may be an airport, seaport, or an inland or river border post. 	
	<table border="1"> <tr> <td>Most commonly used point of exit in Vietnam for export of fish fry:</td> <td>Tan Son Nhat airport (Ho Chi Minh City)</td> </tr> </table>	Most commonly used point of exit in Vietnam for export of fish fry:
Most commonly used point of exit in Vietnam for export of fish fry:	Tan Son Nhat airport (Ho Chi Minh City)	

Procedure: Any interaction of the **fish fry** supplier’s owner, manager or employees with external parties, including any relevant government agencies, lawyers, auditors, notaries, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the **fish fry** supplier are not counted as procedures. All procedures that are legally or in practice required for the **fish fry** supplier to operate within its respective normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the seed supplier has received a final document or completed the required activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: All costs are listed as **USD** unless otherwise specified. Only include **official fees and taxes**. Bribes are excluded. If possible, relevant fee schedule or calculation formula are listed – for example, as a percentage of shipment value. Professional fees (notaries, lawyers, accountants, private laboratories, inspectors) are only included if the **fish fry** supplier is required to use such services by law.

Agency: Indicate name of agency.

A. Licenses and Permissions for Fish Fry Supplier

Please describe every procedure required for the fish fry supplier described in the case study to obtain all necessary licenses and permissions to be fully operational and appropriately registered as an importer or exporter of fish fry. For example, this may include **licenses to import fish fry, procedures to qualify to import fish fry, licenses to export fish fry, fish seed supplier certificates, general trade licenses, and health and safety licenses**. This also includes any applicable inspections. Where inspections are required as a separate procedure, please list separately and note any waiting times for inspectors.

Please include references to applicable laws and regulations (including fee schedules), information on renewal periods for licenses, and any other necessary explanatory details or additional assumptions required. Please add boxes for additional procedures as needed.

Note: *In order to register a fish species that is not currently on the list in Vietnam, one has to submit an application to the Directorate of Fisheries (DOF) in Hanoi. DOF then evaluates the economic and environmental concerns for each new variety before registration and release. An expert at the Quality Assurance agency stated it takes around 2 weeks when DOF gives the official reply to then register the new fish species.*

Procedure I Business Registration Certificate (BRC) and Investment Certificate (IC) for foreigners to import or export fish fry for commercial purposes		
Time 8 days	Cost 5 USD	Agency Industrial Zone Management Board, Ministry of Planning and Investment (MPI)
<p>Details</p> <p>All business enterprises in Vietnam must have either a business registration certificate (BRC) or an Investment Certificate (IC). For foreign investors, the IC is not only the approval to undertake the investment project, but also the BRC. This document is necessary to do any business in Vietnam—and works as the license to do any trade of all inputs. The license for fish fry will be specific to the aquaculture business and will carry with it the privilege of supply, importing, and exporting fish fry. The IC states the legal name of the company, the nature of the company (LLC or JSC), its business lines, its legal representative, business address, the amount of registered capital, and the details of any authorized project. This registration process usually takes place at the Business Registration Department of the Provincial or City Office of Planning and Investment of the Ministry of Planning and Investment (MPI). The process to register your business consists of three main stages. Firstly, the company must submit the application for registration directly at the Business Registration Department and make an appointment to collect the certificate. The application consists of a request paper for registration of the enterprise and an ID of the company owner - either a notarized copy of the passport or citizen card will do. In some special cases, the company owner will also need to produce the certificate of legal capital or the certificate of profession if they are required.</p> <p>The Business Registration Department will assess the application to examine whether it is valid or not, and prepare the business license to the valid application. Typically, after 10 days from the submitting the application, the company owner can come again to the Business Registration Department to collect the results. If the application is approved, the owner can receive the business license immediately, but if not, the application will be taken back for modification and fixing, and then resubmitted at the same place. If the business registration certificate is refused, the owner of the company must be notified in writing. The notice must specify the reasons and the amendments or additions required. The process can take up to 2 weeks. The fee for each application is 100,000VND (5 USD).</p> <p>Business registration documents for private enterprises:</p> <ul style="list-style-type: none"> • Request for business registration in the standard form published by the authorized business registration body. • Copy of people's identity card, passport or other lawful personal identification. • Document of an authorized body or organization certifying the legal capital in respect of enterprises conducting lines of business for which legal capital is required by law. • Practicing certificates of the director and other individuals in respect of enterprises conducting lines of business for which a practicing certificate is required by law. <p>(Please note that documents vary according to types of business--such as shareholding companies, and limited liabilities companies -- however not mentioned in this study).</p>		
Total Number of Procedures: 1		
Time 8 days	Cost 5 USD	

B. Import of Fish Fry

Please provide details on the procedures, time, cost, and documentation for the import of fish fry as described in the case study. If significant delays are typically experienced, please note the cause of such

delays in the “Comments” sections – for example, import shipments are sent to another location for testing for customs clearance or there is a lack of trained inspectors or laboratory facilities.

I. License and Document Preparation

Please include all applicable documentation required for customs clearance by customs authorities, border authorities, health and technical control agencies, and other government ministries. **List each necessary document separately**, such as certificate of health, certificate of origin, traceability form, certificate of registration, certificate of conformity, packing list, air waybill, commercial invoice, import permit, customs import declaration, inspection results, or terminal handling receipts.

Import Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
1. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Department of Animal Health (DAH), Regional Animal Health Office No. 6 (RAHO6)	1 hour	0
2. Health Certificate	Exporting Country	Customs	1 hour	0
3. Certificate of Origin	Supplier	RAHO6	1 hour	0
4. Trade Contract	Supplier	RAHO6	1 hour <i>Simultaneous with Certificate of Origin</i>	0
5. Invoice	Supplier	RAHO6	1 hour <i>Simultaneous with Certificate of Origin</i>	0
6. Packing List	Supplier	RAHO6	1 hour <i>Simultaneous with Certificate of Origin</i>	0
7. Customs Declaration	VNACCS/VCIS system	RAHO6	1 hour	0
8. Registration of Quarantine of Aquatic Products	Quarantine Department, DAH	RAHO6	17	152
Total time and cost for document preparation			17 days	152 USD
<ul style="list-style-type: none"> Which documents can be obtained simultaneously? Supplier Documents: Certificate of Origin, Trade Contract, Bill of Lading, Invoice, and Packing List 				
<p>Comments:</p> <p>Three agencies take part in the imports of fish fry: Directorate of Fisheries (DOF), looking at the overall management, the Regional Animal Health Office No. 6 (RAHO6) and the Quality Assurance and Aquatic Resources Protection. Vietnam imports very little fish fry -- but focuses more so on broodstock—white leg shrimp and black tiger shrimp. Recently, imports have been for domestication purposes to adapt it</p>				

into Vietnamese environments for breeding. Importer must satisfy requirement that their location/facility is suitable to breed the animal (applicable for only some main types of breeds). For other types, enterprises do not need to satisfy this location process.

The Registration of Quarantine of Aquatic Products takes between 14-21 days—and acts as the notification to bring in a fish fry shipment. The payment of 3,200,000 VND (152 USD) is paid for the notification and the right to use the staff and facilities at the border post once shipments arrive.

Relevant laws surrounding Fish Fry in Vietnam include:

- Circular 6/2010
- Circular 88/2011
- Circular 4/2012
- Decision 666/2014
- Decision 349/2014
- Official letter 356/2011
- Circular 32/2012

2. Customs clearance

Please describe the typical customs clearance procedures, including any relevant cargo inspections or quarantine. For inspections or quarantine, list the **total average time and cost in practice**, including wait time for inspectors and payment time. Please list the government agency(s) involved for each procedure, as applicable. Please elaborate on each customs procedure in the “Comments” box, as needed.

Customs Clearance Procedure	Time	Agency
1. Time from arrival of shipment of fish fry to lodgment of customs declaration (includes queue/wait time, unloading time, and time to deliver fish fry to temporary storage)	1 day	Customs
2. Lodgment of customs declaration and customs documentary control		
3. Inspections – <i>please list only if the inspection typically occurs</i>		
a. Customs tax/duty valuation inspection	1 day	National Agro-Forestry-Fisheries Quality Assurance Department
b. Quality/standards inspections (including laboratory analysis, if required)	3 days	Fisheries Quality Assurance and Aquatic Resources Protection
c. Health and safety inspection	7 days	Department of Animal Health and NAFIQAD
d. Security inspections and pre-shipment inspection		
e. Other inspections, please specify:		
4. Payment of duties/taxes		
5. Release of shipment of fish fry and removal from the	2 days	Customs

airport, seaport or land/river border post premises		
6. Average TOTAL time for customs clearance (from arrival of shipment of fish fry to cargo release)	14 days	
7. Minimum and maximum TOTAL time for customs clearance (from arrival of shipment of fish fry to cargo release)	7, 14 days	
8. Which activities above are carried out simultaneously?		
Comments:		
Import Cost (USD) (Exchange Rate VND: 20,949 to 1 USD)		
1. Administrative charges for customs clearance	1	
2. Customs brokers charges		
3. Inspection fees	22	
4. Other, please specify:		
5. TOTAL cost for all the above	23	
6. Are informal facilitation payments (e.g. bribes) common for clearing imports of fish fry?	N	
Comments:		
<p>Pursuant to the provisions of Circular No. 172/2010/TT-BTC dated 02/11/2010 guiding the collection, collection conditions, submission, management and use of custom fees in the customs field, customs fee includes: 20,000 VND (1 USD) per declaration sheet. Thus, the administrative fee of custom clearance is 20,000 VND (1 USD) and payment must be made under the regulation. Other than that, there is no additional fee at the Customs agency.</p> <p>Importers must notify the time and period when they will import a shipment to the Department of Animal Health (DAH) so that the DAH can arrange the staff necessary to monitor for inspections. Once tests are done, the Quarantine Certificate is then issued. The Quarantine Certificate costs 70,000 VND (3 USD), a fixed price made by the Ministry of Finance. The certificate lasts until the importer sells out of the breed.</p> <p>Fees for phytosanitary inspections are based in Circular No. 4/2012 by the Ministry of Finance.</p>		

3. Trade Facilitation Index

Please respond to the following survey questions on the extent to which the legal framework facilitates the international trade of fish fry. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Can the documents required to import fish fry be submitted in advance of the consignment's arrival at Customs? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents <input type="checkbox"/> No documents	1. Application for quarantine certificate 2. Copy of health certificate issued by exporting country 3. Official letter issued by Department of Animal health to authorize inspection at point of exit

2. Can the documents required to import fish fry be submitted electronically? <i>Please specify which documents.</i>	<input type="checkbox"/> All documents <input checked="" type="checkbox"/> Some documents <input type="checkbox"/> No documents	Customs Declaration can now be submitted online through the E-Customs System
3. Do Customs and other agencies utilize a risk management system to screen shipments of fish fry for physical inspection?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Consignments are categorized into three channels through the new E-Customs system using 140 indicators: Green (can pick up consignment with an approved document), Yellow (need additional documentation before consignment can be picked up), and Red (goods that need to be reviewed through an x-ray machine, with more checks on the shipment). All shipments vary and their status is determined by their legal documents, country of origin, product, etc.
a. If YES, is the risk management system electronic?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
4. Does Customs use audit-based controls to reduce the frequency of cargo inspections for trusted traders?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Currently, no official trusted traders system; however, some companies are subjected to lower numbers of inspections due to relationships with the Customs Department.
5. Are all required physical inspections of shipments of fish fry (by Customs and any other relevant agencies) carried out at the same place and time?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
6. Are consignments of imported fish fry allowed to enter the country (and remain in quarantine) while samples undergo testing or analysis?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Consignments are moved to a quarantine zone –

		but cannot be distributed into market until all samples are tested and approved.
--	--	--

C. Export of Fish Fry - License and Document Preparation

4. License and Document Preparation

Please include all applicable documentation required for customs clearance by customs authorities, airport, port or border authorities, health and technical control agencies, and other government ministries. List each necessary document separately, such as certificate of health, certificate of origin, traceability form, certificate of registration, certificate of conformity, packing list, air waybill, commercial invoice, export permit, customs export declaration, inspection results, or terminal handling receipts.

Export Documents and Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (USD) <i>Doc. fees</i>
1. Business License or Foreign Investment License	Industrial Zone Management Board, Ministry of Industry and Trade	Department of Animal Health (DAH), Regional Animal Health Office No. 6 (RAHO6)	1 hour	0
2. Registration of Quarantine of Aquatic Products & Receipt of Quarantine (Health) Certificate	Quarantine Department, DAH	RAHO6	11	2
3. Certificate of Origin	Vietnam Chamber of Industry and Commerce	RAHO6	1 hour	0
4. Trade Contract	Exporter	RAHO6	1 hour <i>Simultaneous with Certificate of Origin</i>	0
5. Invoice	Exporter	RAHO6	1 hour <i>Simultaneous with Certificate of Origin</i>	0
6. Packing List	Exporter	RAHO6	1 hour <i>Simultaneous with Certificate of Origin</i>	0
7. Customs Export Declaration	VNACCS/VICIS system	Customs	1	1
Total time and cost for document preparation			12 days	3 USD

- Which documents can be obtained simultaneously? Trade Contract, Invoice, Packing List

Comments:

In Vietnam, interviewees noted that there is relatively little trade in fish fry outside of species newly established in Vietnam including sturgeon, trout and grouper. Health certificates are only carried out based on foreign client requirements. If there are no requirements, Vietnam won't be carrying it out. Most catfish fry for instance is used not for consumption but for disease research.

5. Legal Framework for Health Certificates for Export

Please respond to the following survey questions on the extent to which the legal framework enables an efficient system for providing health certificates that facilitates the export of fish fry. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Does the agency issuing health certificates for fish fry exports (i.e. Department of Fisheries) follow international best practices for testing procedures, such as those provided by the World Organization for Animal Health (OIE), Best Aquaculture Practice (BAP), or GlobalGAP?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Firstly, must follow all mandates of Circular No. 6/2010/TT. Then based on law of foreign destination by country. They decide if they want a phyto inspection to identify specific diseases. Also, must abide by the World Organization for Animal Health, GlobalGap, ASC and BAP
2. Does the issuing agency provide information to exporters on destination country health certificate requirements (e.g. list of diseases to be tested for, most recent date of testing for diseases)?	<input type="checkbox"/> By request only <input checked="" type="checkbox"/> Published in print <input type="checkbox"/> Published online (list website) <input type="checkbox"/> Other (please describe)	Not provided – must ask from private exporters separately to receive the necessary information.
3. Does the issuing agency provide information on the procedures for obtaining a health certificate for export (e.g. documents and fee schedules for sample collection, testing, inspection, and issuance of certificate)?	<input type="checkbox"/> By request only <input checked="" type="checkbox"/> Published in print <input checked="" type="checkbox"/> Published online (list website) <input type="checkbox"/> Other (please describe)	Published on their website, and printed information that is on the wall of the organization for all exporters to see.
4. Can exporters request a health certificate on the internet?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Must do it in person at the office of Quality Assurance and Aquatic Resources. Frequent exporters can send it online but new exporters will have to do it in person for the purpose of having a

		discussion about the processes required.
5. Can exporters make an electronic payment for a health certificate?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Must do it in person at the office of Quality Assurance and Aquatic Resources – must do direct payment and receive an invoice/receipt of payment. The fee is set at 70,000 VND for the health certificate and is set by the Ministry of Finance based on Circular 4/2012. However, a health certificate fee is up to the volume of the consignment (% based following the regulation of MoF as well).
6. Can inspections to obtain a health certificate for export be conducted at:		
a. The exporter's storage facility?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Most inspections can be done at the storage facility however must do health certificate at the Quality Assurance and Aquatic Resources.
b. All points of exit from the country (including land, air, and sea ports)?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	It is rare to do it at the border posts because exporters are unable to continue with packaging of the product.
c. Other (please specify):		
7. Does the issuing agency notify exporters of the reason(s) for rejecting an application for a health certificate?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	It is rare that an application would be rejected. There are two possible scenarios: 1) If fish fry is not on the list that can be exported. Exporters must ask for permission before moving forward.

	<p>2) If there are diseases with the fish. Then they will notify the exporter and ask to delay the contract and solve the disease ASAP. Other rejection issues include: high levels of antibiotic for fish, as well as incorrect information on shipment label. Exporters can then reapply. NAFIQAD will always provide a reason and tell them how to fix the problem. It is noted that if shipments get rejected three times, the government may revoke the license and companies cannot export for one year.</p>
--	--