

Republic of Viet Nam

Ministries of Economy and Finance

ECONOMIC AND FINANCIAL REFORM PROGRAM

AUTUMN 1971

Documentation II
Documents Promulgated

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19. Letter from the Minister of Finance to all the employees of tax agencies.

Proclamation by the President of the RVN
On Investment and Export Promotion
On November 15, 1971

With the purpose of mobilizing the nation's total efforts for the promotion and development of the Vietnamese economy, I hereby declare the determination of the RVN government to stimulate, and give maximum support to, investments for production and export.

1. The economic development policy of the RVN government is based upon the principle of respecting the rights of private property and free enterprise of private individuals, the government advocates that the private business sector must be healthily developed in order to contribute most effectively to the economic and social progress of the nation.

Businessmen will be specially encouraged by the government to promote their initiatives and expand their operations in all economic sectors.

2. The government warmly welcomes foreign investors who will invest their capital in Viet Nam, under any form and within the framework of, and on the line devised by, the national economic development plan.

Foreign investors shall enjoy the same privileges as Vietnamese industrialists are entitled to. The government pledges to observe the rights and the fundamental guarantees provided in the Investment Law.

3. The government will promulgate a most liberal Investment Law to provide generous privileges and guarantees to both Vietnamese and foreign investors.

4. Expansion of exports is an objective of highest priority in the national endeavor for economic independence.

5. The government will undertake all necessary measures to foster an actually invigorating business climate and create basic conditions for the building of a most efficient industry to develop and regularly meet the healthy competitive requirements on the international and the domestic markets.

6. The government will carry out a program of fundamental reform the major objective of which is to put economic activities in Viet Nam on a healthy footing, to eliminate distortions and inefficiencies from the structures of exchange, taxation and foreign trade, in order to orientate the economy towards an active development stage.

7. Along with the forementioned major objective, the following measures will be applied:

a. the intricate administrative procedures will be repealed to remove all impediments to investors;

b. the competent agencies directly concerned with investments will be reorganized and strengthened in order to give investors guidance and effective assistance in a sound and responsible spirit;

c. banking and credit institutions will be specially encouraged to improve their organization and expand their scope of activities for an active mobilization of savings into the productive investment sector;

d. a capital market will be established to form a medium favorable for the mobilization and circulation of medium and long term investment capital;

e. an Economic Development Fund will be established with an initial appropriation of VN\$10 billion to grant medium and long term credits to investment projects;

f. import regulations and procedures, especially those for the import of industrial machines, spare parts and raw materials will be simplified to the maximum in the spirit of free trade;

g. export regulations and procedures will be free in order to permit local industrialists to avail themselves of every opportunity to contribute to the expansion of exports which is at present entitled to the highest priority of national policy;

h. a National Council for Export Promotion with the participation of government agencies and private business sectors will be established to plan, coordinate and promote export activities;

8. In an effort to improve and develop the national economy on a healthy footing, the government will pursue a rational and flexible protection policy to provide favorable conditions in which local industries can grow and at the same time be able to compete effectively with foreign products on the domestic market as well as on the international market.

In order to meet the rational allocation of national resources, the government's industrial protection policy will not support inefficient industries with no prospect for a healthy growth.

9. The government's advocacy on promotion of productive and export investments, as set forth in this proclamation, will serve as guiding principles for the activities of all governmental agencies directly or indirectly involved in the economic development operations.

I will personally and regularly keep a close watch on the correct implementation of the above policies. I earnestly call upon my fellow citizens to make an all-out effort towards national progress, with the full confidence that the Vietnamese people will overcome the difficulties of economic developments.

Decree No. 677/TT/SL of November 15, 1971
Establishing the National Council for
Export Promotion

The President of the R. V. N.

- Considering the Republic of Viet Nam/^{Constitution} of April 1, 1967;
- Considering Decree No. 394-TT/SL of September 1, 1969 determining the composition of the government, revised and amended by Decree No. 366/TT/SL of June 12, 1971;
- In compliance with the recommendation of the Prime Minister;

D E C R E E S

Article 1:

The National Council for Export Promotion is now established with the following duties:

- Determine the national policy of exports and urge the implementation of this policy;
- Establish program and export expenses, urge and control the implementation of this program;
- Direct and coordinate the work of all governmental agencies and private organizations related to exports, for support to the above program;
- Provide final decisions on all export matters.

Article 2:

The National Council for Export Promotion is placed under the chairmanship of the Prime Minister, and consists of the following members:

- Minister of Foreign Affairs
- Minister of National Defense
- Minister of Economy
- Minister of Finance
- Minister of Planning and National Development
- Minister of Land Reform and Development of Agriculture,
- Fishery and Animal Husbandry
- Minister of Communications and Post
- Vice Minister of Interior
- Governor of National Bank
- Director General of Budget and Foreign Aid
- President of Banking Association
- President of Saigon Chamber of Commerce, Industry
and Craft
- Chairman of Vietnamese Confederation of Handicraft
and Industry

When necessary, the Council can invite individuals having expertise in export questions as well as representatives of private business circles specialized in the export line, to participate in the Council's meeting sessions as consultants.

Article 3:

The National Council for Export Promotion will meet at least once a month, and whenever necessary as deemed by the Council Chairman.

Article 4:

A coordination office run by a Secretary General is established to take charge of the Council's operation. The Secretary General will be appointed by the Prime Minister via a Decree and in compliance with the recommendation from the Economy Minister.

Article 5:

The detailed organization of the permanent coordination office will be determined via a Decree by the Prime Minister.

Article 6:

The Council's organization and operation expenses will be financed by the National Budget.

Article 7:

The GVN Prime Minister and the above listed Council members are charged, each according to his duties, with the execution of this Decree.

This Decree is to be published in the Official Gazette of the Republic of Viet Nam.

Saigon, November 15, 1971

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Decree No. 149/SL/TC of November 15, 1971 from the GVN Prime Minister, revising High Cost of Living Allowance for GVN employees and servicemen

The GVN Prime Minister

- Considering the RVN Constitution of April 1, 1967;
- Considering Decree No. 394/TT/SL of September 1, 1969 and subsequent documents determining the composition of the government;
- Considering Decree No. 118/SL/TC of October 3, 1970 revising the salaries and allowances of regular employees;
- Considering Arrete No. 915/ND/TC of October 3, 1970 and Arrete No. 1107/ND/ThT/CV of November 23, 1970 re-fixing the salaries and allowances of non-regular employees;
- Considering Arrete No. 916-ND/TC of October 3, 1970 and Arrete No. 1108-ND/ThT/CV of November 23, 1970 re-fixing the salaries and family allowances of cadre (agents);
- Considering Decree No. 120/SL/TC of October 3, 1970 fixing family allowances for employees retired on pension;
- Considering Decree No. 121/SL/TC of October 3, 1970, setting special allowance for each employee retired on pension;
- Considering Decree No. 122/SL/TC of October 3, 1970, revising the pay scales (tariffs for basic pay, high cost of living allowances and family allowance) for the officers, non-commissioned officers and soldiers of the Regular and Regional Forces;
- Considering Decree No. 124/SL/TC of October 3, 1970 revising tariffs of basic pay, technical allowance, high cost of living allowances and family allowance for corporals and privates of first and second class of Regular and Regional Forces;
- Considering Decree No. 125/SL/TC of October 3, 1970 re-setting tariffs of flat salary and allowances for Popular Force men;
- Considering Decrees No. 028/SL/QP of March 3, 1970 and No. 126/SL/TC of October 3, 1970 setting pay scales for various workers and technicians at the Navy dock;

- Considering Decree No. 017/SL/Tht/ CV of March 6, 1971 raising the high cost of living allowances for civil servants and servicemen;

D E C R E E S

Article 1:

Effective from November 1, 1971 the high cost of living allowance for GVN regular civil servants, non-regular employees (contractual, daily basis paid, floating put on the same footing as regular, floating put on the same footing as daily basis paid, permanently floating, flat salaried retired regular or non-regular employees maintained at their post or re-hired), cadres of various branches, and military men belonging to Regular, Regional and Popular Forces, is now raised according to the following procedures:

1. If the take-home pay consists of all components: basic pay, high cost of living allowances and family allowance, the pay raise is as follows:

- High cost of living allowance of the incumbent: raise of VN\$1,200 - per month;

2. If the take-home pay consists of the basic pay and the family allowance only, the pay raise is as follows:

- Basic pay: raise of VN\$1,200 - per month;

3. If the take-home pay consists of the basic pay and the high cost of living allowance for the family only (no high cost of living allowance for the incumbent himself), the pay raise is as follows:

- Basic pay: raise of VN\$1,200 - per month;

4. If the take-home pay is a flat salary (no high cost of living allowance and no family allowance), the pay raise of VN\$1,200 - per month is added to the flat salary;

5. Daily basis salaried personnel: raise of VN\$46 per day, but not exceeding VN\$1,200 - per month;

6. Retired employees:

- Special allowance: raise of VN\$1,200 - per month.

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Article 2:

The Vice Prime Minister, the Ministers of State, the Ministers, and the Vice Ministers are charged, each according to his duties, with the execution of this Decree.

This Decree is to be published in the Official Gazette of the Republic of Viet Nam.

Saigon, November 15, 1971

s/Tran Thien Khiem

THE PRIME MINISTER

Considering the Constitution of the Republic of Vietnam, dated April 1, 1967;

Considering Decree No. 010/70 dated October 3, 1970 which establishes the limited parallel exchange rate;

Considering Decree No. 020/SLU dated September 3, 1966, which amends and complements Decree No. 48 dated December 31, 1954 establishing the National Bank;

Considering Decree Law No. 017/SLU dated September 3, 1966 regulating the exchange system;

Considering Decree No. 116-SL/TC dated October 3, 1970, fixing the formalities for organizing and managing the limited parallel exchange rate;

D E C R E E

Article 1. Decree No. 116-SL/TC dated October 3, 1970, fixing the formalities for organizing and managing the limited parallel exchange rate is hereby cancelled and being substituted by subsequent articles.

Article 2. The Exchange Committee is hereby established, and having the duties:

- to fix the norm, and formalities for organizing and managing one limited parallel exchange;
- to fix the rates of change to be applied for transactions carried out on the limited parallel exchange;
- to decide other necessary measures pertaining to the limited parallel exchange.

Article 3. The composition of the Exchange Committee consists of

Minister of Finance	Chairman
Minister of Economy	Member
Governor of National Bank	"

The Exchange Committee has a Secretary General, nominated by the Chairman.

The Secretary General is the reporter of the Committee (is not entitled to vote)

The Office of the Exchange Committee is settled at the National Bank and all relative expenses will be borne by the Budget of the National Bank.

Article 4. The Parallel Exchange Compensation Fund established by Decree No. 117/SL/TC dated October 3, 1970 is placed under the Control of the Exchange Committee mentioned above in Article 2 and Article 3.

Article 5. The Parallel Exchange Committee carries out special transactions on some kinds of foreign currency fixed by the Exchange Committee.

Article 6. The purchase and yielding of foreign currency on the Limited Parallel Exchange are herebelow fixed:

Item 1. Foreign Currency Yielding: The following transactions are carried out through the Limited Parallel Exchange:

a. All financial currency yielding transactions of real and/or juristic persons, including currency yielding transactions carried out by allied military men for their own use, with the exception of:

1. Currency yielding transactions carried out by V.N. governmental organizations.
2. Currency yielding transactions carried out by foreign governments.
3. Other special currency yielding transactions approved by the Exchange Committee.

b. All export transactions.

Item 2. Purchase of Foreign Currency: The following foreign currency purchasing transactions are carried out through the Limited Parallel Exchange:

a. All finance transferring transactions from Vietnam to offshore countries, with the exception of:

1. Transfers for students abroad.
2. Transfers carried out by V.N. Government.

b. Commodity importing transactions, with the exception of special and important transactions fixed by the Exchange Committee.

Article 7. The cost of purchase and yielding of foreign currency applied to each transaction mentioned in above Article 6, will be fixed by the Exchange Committee.

Article 8. The Minister of Economy, the Minister of Finance, the Minister at the Prime Minister Office, the Director General of Budget and Foreign Aid and the Governor of the National Bank, will, relative to the duties of each, have the responsibility to carry out this Decree.

Saigon, November 15, 1971

S/Tran Thien Khien

True Copy

For the Director of Cabinet

S/Ly Kim Huynh
Deputy Director of Cabinet

THE PRIME MINISTER

- In view of the Constitution of the Republic of Viet Nam dated April 1, 1967:
- Considering the Decree No. 394/SL/TT dated September 1, 1969 and amendments fixing the composition of the government;
- Considering the Decree No. 122/SL/TC dated October 3, 1970 fixing the salary and allowance status for Officers, Non-Commissioned Officers and Corporal I of Regular and Regional Forces;
- Considering the Decree No. 124/SL/TC dated October 3, 1970 fixing the salary and allowance status for Corporals, enlisted rates 1st Class and 2nd Class of Regular and Regional Forces.
- Considering the Minister of National Defense's proposal.

DECREES

Article 1:

Hereby established is an allowance called "Temporary Special Allowance" for servicemen working at 133 Infantry Battalions, 9 Paratroop Battalions, 9 Marine Corps Battalions, 57 Ranger Battalions and 46 Mobile Regional Force Battalions listed in the attachments.

Article 2:

The tariff of the Temporary Special Allowance is fixed as follows:

1. FOUR THOUSAND AND FIVE HUNDRED PIASTERS (VN\$4,500.00) per month for active duty servicemen of the above listed Infantry, Marine Corps, Paratroop and Ranger Battalions.
2. TWO THOUSAND PIASTERS (VN\$2,000.00) per month for active duty servicemen of the 46 above listed Mobile Regional Force Battalions.

Article 3:

Other equivalent new established battalions, if any, will automatically receive the same Temporary Special Allowances mentioned in Article 2.

Article 4:

The related expenses will be financed by the National Defense Budget.

Article 5:

The Minister of National Defense, the Minister of Finance and the Minister of State at the Prime Minister's Office are charged, as far as their duties are concerned, with the execution of this Decree.

The present decree will be effective from November 1, 1971 and it shall be published in the Official Gazette of the Republic of Viet Nam and the National Defense and PVNAF Official Journal.

Saigon, November 15, 1971

s/Tran Thien Khien

Copy for:

Director of Cabinet
Deputy Director of Cabinet

LY KIM HUYNH

THE PRIME MINISTER

Considering the Constitution of the Republic of Vietnam dated April 1, 1967,

Considering Decree No. 394-TT/SL dated September 1, 1969 and subsequent documents fixing the composition of the Government,

Considering Decree Law No. 107-SLJ dated September 3, 1966 regulating the exchange system,

Considering Decision No. 246-KT dated August 15, 1956 fixing the formalities for import and export of products and commodities,

Considering Decision No. 1032/ND/TM dated May 9, 1967 amending the last paragraph of Article 4, Decision No. 246-KT dated August 15, 1956,

Considering the proposition of the Minister of Economy,

DECREE

Article 1. Decree No. 1032-ND/TM dated May 9, 1967 is hereby abolished;

Article 2. The last paragraph of Decision No. 246-KT dated August 15, 1956 which fixed the formalities for import and export of products and commodities over the territory of Vietnam, is abolished and replaced as follows:

Last Paragraph of (new) Article 4: However, this Institute has direct authority to issue exchanges at the maximum of US\$100 for import transaction of cultural documents, replacement parts for machinery and all non-commercial commodities.

Article 3. The Minister of Economy, the Minister of Finance, the Minister of Education, the Minister at the Prime Minister office and the Governor of the National Bank have the responsibility to carry out this decree.

This Decree will be published in the Official Journal of the RVN.

Saigon, November 15, 1971

S/Tran Thien Khien

Copies: Signed by Ly Kim Huynh
Deputy Director of Cabinet
for the Director of Cabinet

Mission Order No. 149/SVL/ThT/PC2 dated November 15, 1971
from GVN Prime Minister, establishing the National Committee
for Market Stabilization.

Considering civil service needs,

1. Is hereby established a National Committee for Market Stabilization with the following components:

- Prime Minister	Chairman
- Minister of Economy	Member
- Minister of Finance	"
- Minister for Justice	"
- Minister for Information	"
- Secretary of State at Prime Minister's Office	"
- Military Governor of Saigon - Gia Dinh	"
- Commander of National Police	"
- Mayor of Saigon	"

2. The above National Committee has the following duties:

- Follow up on the market situation everyday;
- Direct and coordinate the related agencies' operations on price control, and apply appropriate punitive measures under prevailing regulations against violators;
- Apply every necessary measure to eradicate speculation and hoarding; Regularize commodity supplies to the market, especially the market of essential commodities; remove obstruction to and strengthen commodity transport facilities.

3. To carry out the above duties, the National Committee for Market Stabilization is assisted by 2 Sub-Committees as follows:

a. Sub-Committee of Control:

- Secretary of State at Prime Minister's Office:	Chairman
- Representative of Economy Ministry	: Member
- Representative of Finance	: "
- Representative of Military Governor of Saigon - Gia Dinh's Office	: "
- Representative of National Police Command	: "
- Representative of Saigon Administrative Office:	"
- Representative of Saigon Chamber of Commerce, Craft and Industry	: "

b. Sub-Committee of Information:

- Minister of Information : Chairman
- Representative of Economy Ministry: Member
- Representative of Finance Ministry: "

4. The National Committee for Market Stabilization and the Sub-committees will meet at any time when necessary and when convened by the chairman.

The chairman will determine, in the first meeting session, the work procedures of the committee and Sub-committees for the operations to be effective.

Saigon, November 15, 1971

Prime Minister

s/Tran Thien Khien

Republic of Viet Nam Interministries
of Economy and Finance

Interministerial Order No. 492-BKT/BTC/ND/LB dated
November 15, 1971 fixing a Subsidiary and Supplemental
Perequation Tax and Imported Commodities

Minister of Economy

and

Minister of Finance

- Considering the Constitution of the Republic of Viet Nam of April 1, 1967;

- Considering Decree No. 394/TT/SL dated September 1, 1969 fixing the constituents of the government, changed and amended by Decree No. 366/TT/SL dated June 12, 1961;

- Considering Decree No. 107/SL/CT dated March 23, 1964, changed by Decree Order No. 004/SLu dated October 17, 1966, gave power of attorney to the Minister of Economy to fix perequation tax rates imposed on imported and domestic produced commodities;

Considering Order No. 1038/KTTC dated June 18, 1966 establishing the perequation tax fund.

O R D E R

Item 1:

Fixing a subsidiary and supplemental perequation tax on imported commodities under all programs, as stipulated in the following:

Item 2:

The basic percentage for calculating the subsidiary and supplemental perequation tax mentioned in Item 1 above is provided in the Addendum attached to this Order.

Item 3:

Payment of subsidiary or collection of supplemental perequation tax mentioned in Items 1 and 2 above are established as follows:

a. Importer will pay the Customs Agency the amount due, calculating on the percentage basis of the rate applicable to each imported transaction category which is valid at the date of the declaration.

In cases where the declaration was registered prior to November 15, but commodities have not been removed from Customs warehouses, the applicable rates will be the rates in effect on November 16, 1971. Importers will not have to pay the Customs Agency any inland taxes other than those stated above.

b. The Customs Agency will perform the collection of inland and austerity taxes in accordance with current regulations.

c. The differential between (a) and (b) above will be considered as subsidiary or supplemental perequation tax. In case of subsidiary, the Ministry of Economy guarantees the payments to Customs Agency by its resources of the perequation tax funds. In case of supplemental collection, the Customs Agency will collect for the Ministry of Economy and transfer to the perequation tax fund.

Item 4:

This order applies to commodities for which the Customs declaration has not been registered or paid or to commodities which have not been removed from Customs as of 00 hours of November 16, 1971.

Item 5:

Regulations for payment of subsidiary or supplemental perequation tax between the Ministry of Economy and the Customs Agency will be established later.

Item 6:

The Assistant Minister for Commerce, Secretary General of Ministry of Economy, Secretary General of Ministry of Finance, according to each of their functions, will execute this order.

This order is promulgated in the state of emergency and will be published in the Official Gazette of the Republic of Viet Nam.

Saigon, November 15, 1971

Minister of Finance
signed & sealed: Ha-Xuan-Trung

Minister of Economy
signed & sealed: Pham-Kim-Ngoc

The Minister of Economy and Minister of Finance,

- Considering the April 1st, 1967 Constitution of the Republic of Vietnam;
- Considering the Decree #394/TT/SL of Sept. 1, 1969 and subsequent documents specifying the composition of the Government;
- Considering the Decree Law #020/SL of Sept. 3, 1966 modifying and complementing the Ordinance #48 of Dec. 31, 1954 relative to the establishment of the National Bank;
- Considering the Decree Law #017/SL of Sept. 3, 1966 specifying the foreign exchange regime;
- Considering the Arrête #011/TUV/ND of Aug. 29, 1967 and subsequent documents applying the Decree Law #017/SL of Sept. 3, 1966;
- Considering the present economic and financial situation of the country;
- Considering the agreement reached with the National Bank;

DECREE:

Article 1.- It is hereby established a regime called the "Foreign investment capital" regime with the purpose of promoting Foreign capital investment into Vietnam so as to contribute to the modernization and development of the national economy.

Article 2.- Will be considered "Foreign Investment Capital", all foreign exchange resources brought into Vietnam to carry on business and related to the ownership of real persons residing permanently in foreign countries or of foreign legal persons concerning their properties in overseas.

Article 3.- All transactions relative to the "foreign investment capital" shall be registered according to procedures specified by the National Bank (Directorate General of Foreign Exchange).

Article 4.- The "Foreign investment capital" brought into Vietnam from overseas shall be transferred to the approved banks and credited in an account called "The Foreign Investment Capital Account".

The opening and operation of the "Foreign Investment Capital Account" shall be specified by the National Bank (Directorate of Foreign Exchange).

Article 5.- a) Profits can be transferred annually, up to 20% at the maximum of the registered capital.

b) "Foreign investment capital" can be repatriated annually, up to 25% at the maximum of the registered capital.

Article 6.- "Foreign investment capital" and profits can be transferred annually to foreign countries according to procedures specified by the National Bank (Directorate General of Foreign Exchange).

Article 7.- The Assistant for Commerce, Secretary General of the Economy Ministry, Secretary General of the Finance Ministry, each in accordance with his duties, are charged with the execution of this Decision.

This Decision is published in the Cong-Bao Vietnam Cong Hoa.

Saigon November 15, 1971

Minister of Economy

Minister of Finance

Signed & sealed:

Signed & sealed: HA-XUAN-TRUNG

PHAM KIM NGOC

INTER-MINISTERIAL ORDER No. 493/BKT/BTC/ND/LB RELATIVE TO
PEREQUATION TAX TO BE LEVIED ON IMPORTED GOODS DATED
NOVEMBER 15, 1971

Article 1. Perequation tax rates applied to imported goods are now amended as follows:

- a. Goods imported under the Commercial Import Program (CIP) and of U.S. origin : Exempt.
- b. Goods imported under the Commercial Import Program (CIP) and of origin other than the U.S. (PD-31): VN\$75:US\$1.
- c. Goods imported under the Food for Peace Program (PL-480) : Exempt.
- d. Goods imported under other import programs: Exempt.
- e. Goods imported under the "Without Foreign Exchange" system: the same old system is still applicable.

Article 2. The perequation tax rates set forth in Art. 1 above are applicable to import transactions for which the related letters of credit are opened after 00:00 hour of November 16, 1971.

Article 3. The old perequation tax rates are still applicable to import transactions for which the related letters of credit are opened before 00:00 hour of November 16, 1971, and they continue to be levied by commercial banks.

Article 4. To stabilize the exchange differences, the following complementary perequation tax rates will apply for cases in which the letters of credit are opened before 00:00 hour of November 16, 1971, but the customs declaration has not been registered or payment of duties has not been made before 00:00 hour of November 16, 1971 or the goods have not been withdrawn from the customs warehouse before 00:00 hour of November 16, 1971:

- a. Goods imported under the CIP and of U.S. origin: VN\$157:US\$1 less the perequation tax already paid as set forth in Art. 3 above.
- b. Goods imported under the CIP and of origin other than the U.S. (PD-31): VN\$232:US\$1 less the perequation tax already paid as set forth in Art. 3 above.
- c. Goods imported under the Food for Peace Program (PL-480): VN\$157:US\$1 less the perequation tax already paid as set forth in Art. 3 above. Regarding the freight, if the rate of VN\$275:US\$1 was paid, the importer will not have to pay the difference of VN\$157 per US\$1, but this applies to the freight only.
- d. Goods imported under the GVN on Foreign Exchange System:
 - 1. Exempt: if goods are imported under the Special Credit System.
 - 2. VN\$125:US\$1: less the perequation tax already paid as set forth in Art. 3 above, if the goods are imported at the rate of VN\$275:US\$1.

3. VN\$282:US\$1: less the perequation tax already paid as set forth in Art. 3 above, if the goods are imported at the rate of VN\$118:US\$1. Regarding the freight, if the rate of VN\$275 was paid, the importer will only have to pay the difference of VN\$125:US\$1 for the freight, instead of the rate of VN\$282:US\$1 as for the FOB.

Article 5. The perequation tax stipulated in Art. 3 and Art. 4 will be levied by commercial banks and deposited at the Perequation Tax Fund of the Ministry of Economy.

Article 6. The importers will have to present to the customs authorities certificates issued by commercial banks relative to the rates of exchange applied to the import transaction and the rates and perequation tax paid to commercial banks.

The customs authorities will only authorize the withdrawal of goods from the warehouse after receipt of the commercial banks' certificates evidencing payment of the taxes set forth in Art. 5. The related files will then be submitted to the Directorate of Accounting and Finance, Ministry of Economy, for checking.

Article 7. Import licenses that have been approved by the Ministry of Economy, or checked by the National Bank of Vietnam before 00:00 hour of November 16, 1971, but for which the related letters of credit have not been opened, will be returned to the Ministry of Economy for adjustment of the perequation tax rates or for cancellation as requested by the importer.

Article 8. The Assistant for Commerce, Ministry of Economy, the Secretary General, Ministry of Economy, the Secretary General, Ministry of Finance, will be charged with the carrying out of this Order.

This Order will be promulgated according to the emergency procedures and will be published in the Official Gazette of the Republic of Vietnam.

Minister of Finance
S/Hà Xuan Trung

Saigon, November 15, 1971
Minister of Economy
S/Pham Kim Ngoc

Interministerial Decree No. 494-BKT/BTC/ND/LP dated November 15, 1971 Amending Intermin. Decree No. 242-BKT/BTC/ND/LB dated June 7, 1971 establishing "Funds Allocated for Import" system with CVN Funds.

The Minister of Economy

and

The Minister of Finance

Considering

Article 1:

This Decree is to modify and supersede the Interministerial Decree No. 242/BKT/BTC/ND/LB dated June 7, 1971 establishing a system called "Funds allocated for Import" under CVN financing program.

Article 2:

Effective the date of promulgation of this Decree the "Funds allocated for Import" system is applicable to all import transactions financed with CVN funds.

Exempted from licenses, these import transactions will be effected in accordance with the following articles:

Article 3:

A legally authorized importer can request a Pecognized Commercial Bank to grant him a "Fund allocated for Import." The Pecognized Commercial Banks will buy from the NBVN a necessary number of "Funds allocated for Import" in foreign exchange to meet their customers' requirements. The NBVN will grant to the Pecognized Commercial Banks such amount of foreign exchange at their request after the Pecognized Commercial Banks have paid to the NBVN the counterpart value of the requested amount of foreign exchange at the rate effective on the date the "Funds allocated for Import" are granted.

The formalities for grant of "Funds allocated for Import" and for submission of declaration to the NBVN will be determined by the NBVN.

Article 4:

The foreign exchange rate applicable in the settlement of the counterpart value of the "Funds allocated for Import" will be the rate effective on the date the NEVN grants "Funds allocated for Import" to the Recognized Commercial Banks.

For import transactions effected under this system the foreign exchange contract is cancelled.

Article 5:

Apart from the rate as stated in Article 3, importers, through the Recognized Commercial Banks, have to pay:

(a) an amount of perequation, if any, to be fixed by the M.O.E. in a Decree;

(b) an amount of advance deposits, if any, to be determined by the M.O.E. in a notice.

Article 6:

Entry tax and Custerity tax will be paid in accordance with the regulations in force.

Article 7:

Importers are only allowed to use the above "Funds allocated for Import" for procurement of commodities on a list made by the M.O.E. and these commodities are subject to change.

It is absolutely forbidden to use such "Funds allocated for Import" in other transactions.

The "Funds allocated for Import" cannot be returned to the Commercial Banks, but they can be partly or wholly ceded to other importers recognized by the M.O.E.

On the other hand, after use, the balance of the "Funds allocated for Import" may be cancelled.

Article 8:

The "Funds allocated for Import" can be used for opening of L/Credit within a period of one year. However, this period can be extended. The L/Credit validity cannot exceed the maximum period to be fixed by the M.O.E.

Article 9:

If there is a violation of Article 7, the related importer must be jointly responsible with the Commercial Bank for reimbursement to the NEVN of an amount of foreign exchange illegally utilized. In addition, the importer can be subject to other punitive measures to be taken by the M.O.E.

Article 10:

The Assistant Minister of Commerce, the Secretary General of the M.O.E., the Secretary General of the M.O.F. are charged each as to that which concerns him, with the execution of this Decree.

This Decree is promulgated under emergency procedure and will be published in the gazette of the Republic of Viet Nam.

Saigon, November 15, 1971

s/ Pham-Kim-Ngoc
Minister of Economy

s/ Ha-Xuan-Trung
Minister of Finance

Interministerial Decree No. 495-BKT/BTC/NL/LB dated
November 15, 1971 establishing an "Export Transaction
Surcharges" System

The Minister of Economy

and

The Minister of Finance

Considering

D E C R E E:

Article 1:

This is to establish a system called "Export Transaction Surcharges" aiming at encouraging export transactions of products and commodities.

Article 2:

This system is stipulated as follows:

After export of commodities and receipt of foreign exchange from foreign purchases, exporters are exempted from cession of a maximum percentage equal to 3% of the total value of foreign exchange of the export transaction for settlement of surcharges relating to the export transaction, such as:

- Commission paid to foreign sales agents in connection with the sale of exported products and commodities;
- Charges for advertisement required by export transaction;
- Charges required by export transaction due to professional purposes;
- Charges resulting from participation in the exhibition of products and commodities in Fairs;
- Relation-expenditures in foreign countries, etc...

Article 3:

Formalities for declaration report, stock and utilization of foreign exchange amount exempted from cession mentioned in Article 2 will be determined by the NEVN (Directorate General of Exchange).

Article 4:

The Secretary General of the Ministry of Finance will be charged with the execution of this Decree. This Decree will be published in the gazette of RVN.

Saigon, November 15, 1971

s/ Ha-Xuan-Trung
M.O.F.

s/ Pham-Kim-Ngoc
M. O. E.

Interministerial Decision No. 496-BKT/BTC/NGT/PC/QD
dated November 15, 1971 Withdrawing Decision No. 373-
BKT/BTC/NGT/PC/QD dated September 4, 1971 on Supple-
mental Subsidy for export of Black Tea.

The Minister of Economy

and

The Minister of Finance

Considering

D E C R E E:

Article 1:

This is to revoke the Interministerial Decree No. 373/BKT/BTC/NGT/PC/ND dated September 4, 1971 on special subsidy of VN\$50/US\$1 or equivalent foreign exchange obtained from export transactions of Black Tea.

Article 2:

This Decision is applicable to every foreign exchange cession effected after 00 hour 00 of November 16, 1971 in connection with the exportation.

Article 3:

The Assistant Minister for Commerce, the Secretary Generals of M.O.E. and M.O.F., the Director General of Customs, the Director General of Exchange, the DCE Director are charged each as to that which concerns him with the execution of this Interministerial Decision.

This Decision will be published in the gazette of RVN.

Saigon, November 15, 1971

s/ Ha-Xuan-Trung
M.O.F.

s/ Pham-Kim-Ngoc
M.O.E.

Decree No. 497-BKT/NGT/PC/ND dated November 15, 1971
Withdrawing Decree No. 251-BKT/NGT/PC/ND dated June 10,
1971 and Decree No. 435-BKT/NGT/PC/ND dated September
30, 1971 concerning Supplemental Subsidy for Export.

The Minister of Economy

Considering

D E C R E E S:

Article 1:

This is to revoke from the date of signature of this Decree
the above said Decrees No. 251-BKT/NGT/PC/ND dated June 10,
1971 and No. 435-BKT/NGT/PC/ND dated September 30, 1971
regarding Supplemental Subsidy for export transactions of
miscellaneous products and on-spot-export.

This Decree applies to all foreign exchange cessions effected
after 00 hour 00 of November 16, 1971 in connection with
exportation.

Article 2:

The Assistant Minister for Commerce and the Secretary General
of the M.O.E. are charged each as to that which concerns him
with the execution of this Decree.

Saigon, November 15, 1971

s/Pham-Kim-Ngoc
M. O. E.

3/

Notice No. 185-BKT/VTTM/VTM/Tgc dated November 16, 1971
Regarding Procedures for Import of Commodities Under
AID Financing Program.

Reference: (1) Notice No. 3851/VTTM/VTR/Tgc
dated September 3, 1971

(2) Notice No. 176/BKT/VTTM/VTR
dated October 22, 1971

With a view to simplify the formalities and release the unnecessary controls, the following provisions will be published in connection with the procedures for import of commodities under the AID Financing Program:

(1) OSB Requirement Procedure: Effective from the date of signature of this notice, all commodities apart from Cement, Fertilizers, or products to be procured through tenders organized by the CLA or the M.O.E., are exempted from OSB requirement procedure.

An importer is generally required to solicit 3 offers and select the lowest.

The importer is allowed to import machinery parts from the same source country of the original equipment which was bought previously.

Sole agency importers of foreign suppliers have to get Agency Waiver from AID/W.

(2) Price Control: It is generally required that 3 offers be obtained from 3 bona fide suppliers of the same source country for competition.

However, in case, an importer is unable to get 3 offers, if he wants his file to be considered, he has to provide proper and correct reasons for justification.

If the chosen offer is given by a new supplier, this offer can also be approved provided that among the 3 offers, at least 2 offers are from the 2 old suppliers who had participated in several import transactions.

With regard to finished products with well-known brand names and those from import-sole-agencies, the import file can also be given consideration though the file is supported by only one offer.

In general, the Ministry of Economy encourages importers to do their best to get the much lower offer the better, but it does not want them to falsify offers and consequently, if they cannot obtain a minimal number of offers as required, they may submit their application along with offers received and at the same time state the difficulties with justification documents.

(3) Quantity:

Regarding quantity of commodities requested for import, the M O E. will not limit but will satisfy the quantity as requested. However, it is necessary for importers to examine their requirements carefully in order to avoid possible financial losses on their account.

Regarding quotas of endusers. These quotas were cancelled by Notice No. 176-BKT/VTM/VTM/Tgc dated October 22, 1971. However, raw materials imported for enduse as well as commodities imported for Commerce must be removed from the Customs warehouses within 90 days and wholly consumed within 360 days from their arrival at ports, in order to avoid refund by the GVN of foreign exchange to USAID.

(4) Proforma Invoice: It must be specified that within a period of 10 days after receipt of L/Credit, supplier has to advise his acceptance or non-acceptance of purchase order.

(5) Value of I/License: Each commercial I/License must have a minimum C&F value of US\$5,000. However, for enduse I/License, this value requirement can be less than US\$5,000.

On the other hand, each I/License can cover several commodities with the same first 2 digits instead of 3 digits as previously. For instance, chemicals with the same first 2 digits as 51 in 512, 513, 514 though these cover 3 different chemicals, can be imported under the same I/License.

Especially, regarding machinery parts under digit code 7. It is required that only the first 1-digit be similar instead of the same first 2 digits for other commodity categories.

(6) Origin of Commodity: The U.S. and PD-31 countries included in the Positive List and amendments (Taiwan, Korea, Philippines, Singapore, India, Pakistan, Tunisia and Morocco).

(7) Insurance: Importers are free in selection of insurance company. AID will finance the insurance cost if insurance company's office is in the U.S. and commodity is from the U.S. and in PD-31 countries and commodity from PD-31 countries.

(8) Freight: In principle, commodities must be shipped by 100% U.S. flag vessel.

Commodities from PD-31 countries can be shipped by PD-31 flag vessels.

Commodities imported from India, Pakistan, Singapore ports are exempted from shipment by U.S. flag vessels.

(9) Deposit: The advance deposit rate is temporarily cancelled from the date of signature of this notice.

(10) Extension of T.D.D.:

(a) The T.D.D. of commodities that are no longer imported from PD-31 countries after May 1, 1971 can only be extended until November 30, 1971.

(b) For commodities which can be imported from PD-31 countries after May 1, 1971, the extension can be approved after November 30, 1971. Each extension can last for a maximum of three (3) months if supported by proper reasons but the extended period cannot exceed the related T.D.D.

(11) I/License Amendment:

(a) FOB: It is required that 3 offers be obtained again (please see Part 2 - Price ~~Control~~) for competition in price.

(b) Freight: The following documents must be attached to the file.

- old freight rate from SS company or SS Conference, based on the date of issuing proforma to support I/License.

- new freight rate increased, based on the loading date and the date of application of the new freight rate.

- Bill of Lading of commodity was already put on vessel.

(c) Supplier: It is required that a letter be obtained from the old supplier, giving reasons for non-shipment.

(b) Partly or wholly cancellation of I/License: Please give reasons and tell fault is liable to supplier or importer who does not want to import.

s/Pham-Kim-Ngoc
Minister of Economy

A V I S

Subject : Commodity Import Procedure for the Funds Allocated for Import with GVN Owned Foreign Exchange

Reference : Interministerial Decree No. 242-BKT/BTC/ND/LB of June 7, 1971 Establishing the Funds Allocated for Import with GVN Owned Foreign Exchange

Interministerial Decree No. 494-BKT/BTC/ND/LB of November 15, 1971

The Ministry of Economy wishes to inform of the following:

The Funds Allocated for Import with GVN owned forex has been established by means of Interministerial Decree No. 242/BKT/BTC/ND/LB of June 7, 1971 and amended by Interministerial Decree No. 494/BKT/BTC/ND/LB of November 15, 1971.

This Avis has the purpose to amend and substitute Avis No. 115/BKT/NgT/NC/TgC of June 9, 1971 stipulating the commodity import regulations for the above procedures.

A. SCOPE OF APPLICATION

1. All importers authorized by the Ministry of Economy (individual importers, 18 NC Import Companies, End-users) are permitted to import commodities under the Funds Allocated for Import Procedure.

2. The listing of importers' names appended to Avis No. 115/BKT/NgT/NC/TgC stated above is still valid and will be updated, whenever new importers' names are authorized by the Ministry of Economy or deletion of old names, accordingly.

3. The "Without Foreign Exchange" import procedure is still valid according to the existing regulations.

B. COMMODITIES AUTHORIZED UNDER THE FUNDS ALLOCATED FOR IMPORT PROCEDURE

1. All kinds of commodities, products under the GVN owned foreign exchange import procedure shall be imported under the Funds Allocated for Import Procedure.

2. After the Funds Allocated for Import are approved, the importer can open the L/C to import all kinds of commodities except those currently financed by AID or prohibited by Decision.

In addition, Temporary prohibition is applied until new decision for the following commodities.

- a. Vehicles of 2, 3 and 4 wheels.
- b. Fresh fruits and fresh vegetables.
- c. TV and Radio Sets (CKD) (except for 3 brands, SANYO, NATIONAL, etc.)

3. For confirmation of a commodity which is not stated in Sections B/1, the importer, before opening the L/C, shall have the Office of Foreign Trade approve on a questionnaire as per sample attached to Avis No. 115 stated above.

In order to get a prompt approval, the importer submits 3 copies of the questionnaire to the Office of Foreign Trade (Import Div.) which will send right away back to the importer 1 copy duly approved or disapproved.

4. The provisions respecting the country of origin and the exporting port must be in one same country (letter No. 6126-BKT/NgT/NC of September 21, 1971 from the Ministry of Economy to different chambers of commerce and the Handicraft & Industry Offices in Saigon and Damang) are now abolished.

C. LETTER OF CREDIT

1. Each L/C shall be opened with a minimum C&F value US\$500 for the commodity to be imported.

For statistical practice, commodities of one same NC code shall be imported under one separate L/C (each NC for each L/C) and on the L/C the name of the importing firm, matriculation number and the address of the importer must be stated clearly.

2. The L/C must be opened with U.S. dollars except for those special cases provided for in the Special provision of Circular No. 170-BKT/NgT/NC/TgC of October 11, 1971.

3. The L/C has an initial validity of 6 months regardless of country of origin or exporting country, it can be extended twice at the maximum, each time for 3 months.

The validity above-mentioned is reckoned from the date when the recognized bank signed the L/C to the loading of the commodity on ship at the exporting port.

Thus, the transaction must be completed for each L/C within a period not exceeding 12 months.

4. The importer can, at his convenience, amend, extend or cancel the L/C without prior approval by the Minecon, provided the general rules regarding banking and foreign trade are observed.

D. INVOICES

1. Imports under the Funds Allocated for Import Procedure are exempted from licensing, so the basic documents for the competent authorities to control are L/C and invoices.

2. Each L/C must be compulsorily accompanied by a proforma invoice which the Commercial Representative in Vietnam must sign and stamp, upon issuance, just as the current practice applied to all import licenses.

When the proforma invoice is supplied by a supplier from abroad it must also be signed and stamped by the Commercial Representative as usual.

But American suppliers are not obligatory to have Commercial Representative in Vietnam.

3. The invoice must clearly and fully indicate the following details:

1. Number, date and place where it is issued.
2. Name of the company, matriculation number and address of the importer.
3. Name of the company and address of the supplier.
4. Name of the company, address and matriculation number of the Commercial Representative.
5. Trade name of the commodity and connotation in Vietnamese if the name of the commodity is in foreign language.
6. Brand (trade mark)
7. Quality and specifications of each kind of commodity (please see the remark on specification list attached).
8. Quantity (indicate unit: linear meter, square meter, dozen, gross, etc..)
9. Unit FOB price and total FOB.
10. Estimated freight, state clearly whether it is air freight or ocean freight.
11. Total C&F.
12. Country of origin (where the commodity is produced)
13. Exporting country (where the commodity is shipped).
14. Shipping port (where the commodity is loaded on ship for export)

In addition, the invoice shall bear the particular specifications for each kind of commodity. Only the invoices issued for the following commodities must have approval by the related technical organizations:

- a. NC 3 (Pharmaceuticals)
Ministry of Health (Drug Directorate)
- b. Movies: Ministry of Information.
- c. Books and Magazines (Economy, Information and Education Inter-committee)

4. Before opening the L/C, the recognized bank has the responsibility to verify the detailed specifications stated on the invoice for the following purposes:

- Decline to open the L/C for commodities which are not stated in Section B/1.
- or request the importer to provide any missing specifications.

E. CONTROL AND PENALTY

1. Control

a. Commodities imported under the Funds Allocated for Import Procedure are subject to post audit, i.e., the Minecon will control after the L/C is opened by the importer.

b. Within the maximum period of 10 days (ten) from the day of reception of the copies of the L/C and proforma invoice, the Office of Foreign Trade will notify the recognized bank as to whether there is any amendment or additional information to be completed regarding prices, kind of commodity or the importer's situation.

After the above stated period of time, if there is no notification from the office of Foreign Trade, the recognized bank may consider the related L/C and proforma invoice are ipso facto recognized as regular in principle.

c. As soon as being notified by the Office of Foreign Trade for any amendment to the L/C and proforma invoice, the recognized bank is responsible for informing the importer of same for performing the requirements.

If for any reasons whatever the importer does not amend the L/C and proforma invoice as advised by the Directorate of Foreign Trade, the recognized bank shall immediately advise same to the Minecon for application of appropriate penalty measure.

2. Penalty

Any infringement of regulations provided for in this Avis will be subject to penalty procedure which is stipulated on a separate Avis in addition to punishment regarding customs, foreign exchange, etc.. according to existing rules.

F. DEPOSIT

Provisionally, commodities imported under the Funds Allocated for Import procedure are not subject to deposit (deposit = VN\$0).

In the future, if there is any change in the deposit procedure, the Minecon will communicate in a separate Avis.

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G. TRANSITORY CLAUSE

All import licenses submitted to the Office of Foreign Trade which are not approved on November 16, 1971, will be returned to the importer for resubmission through the Funds Allocated for Import Procedure.

This Avis is to be published in the Republic of Vietnam Official Bulletin.

Saigon, November 15, 1971

Minister of Economy

S/Pham Kim Ngoc

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Saigon, November 15, 1971

Avis No. 010/95/D amending the procedure of organizing and implementing the Limited Parallel Exchange Market.

(Ref.: Decree No. 148/SL/TC of November 15, 1971 amending the procedure of organizing and implementing the Limited Parallel Exchange Market.)

This Avis has the purpose to stipulate the provisions for implementing the above mentioned Decree respecting the amendment of the procedure of organizing and implementing the Limited Parallel Exchange Market.

I. TRANSACTIONS ELIGIBLE UNDER THE LIMITED PARALLEL EXCHANGE MARKET

A. Transactions of Foreign Exchange

1. The following transactions of foreign exchange are eligible for the Limited Parallel Exchange Market:

a. All general financial transactions by physical and juridical individuals such as:

- Transactions by tourists.
- Transactions by Allied Forces Soldiers for private uses
- Transactions by transfers of capital from abroad into Vietnam whether they are Vietnamese capital from abroad to be recovered or foreign capital to be brought into Vietnam for investment, for settlement of debts, etc...

b. Transactions relating to export.

2. However, the transactions enumerated below are still processed through the official exchange market:

a. Transactions respecting expenditure for foreign governments (such as expenditure for embassies, consulate or diplomatic delegate of foreign countries, etc..)

b. Transactions from VN government agencies.

c. Special transactions duly approved by the foreign exchange committee for processing under the official exchange market.

B. Transfer of Foreign Exchange

The following transfers of foreign exchange to foreign countries are subject to the Limited Parallel Exchange Market:

1. All transfers of financial foreign exchange from VN to foreign countries; except:

a. Transfers of foreign exchange from GVN for VN Diplomatic Corps expenditure in foreign countries, expenditure for official trips, etc.. for which the National Budget is in charge.

b. Transfers of foreign exchange for education fees for students abroad including additional charges duly approved by the National Exchange Directorate (transportation, medical care, etc...)

2. Commodity import transactions except those especially necessary transactions which are decided by the Exchange Committee.

II. EXCHANGE RATE TO BE APPLIED FOR TRANSACTIONS UNDER THE LIMITED PARALLEL EXCHANGE MARKET

A. The purchasing and selling prices of foreign exchange to be applied for each kind of transaction are to be decided daily and published by Avis from the Exchange Committee.

Avis published by the Exchange Committee will be posted at the National Bank and disseminated through the TV and Radio systems.

B. Financial transfers from VN to foreign countries realized through the Parallel Exchange Market are all subject to the exchange rate promulgated by the Exchange Committee from the date of issuance of this Avis and become in force on the day when the transfer of foreign exchange is processed.

All transfers of foreign exchange already approved but which have not been realized before the day of issuance of this Avis are also subject to the exchange rate promulgated by the Exchange Committee and to be in force the day when the transfer is realized.

C. All financial transactions through the Parallel Exchange Market are subject to the exchange rate promulgated by the Exchange Committee as of the day of issuance of this Avis.

D. All transfers of foreign exchange for imports through the Parallel Exchange Market shall be realized according to the exchange rate promulgated by the Exchange Committee as of the day of issuance of this Avis. The foreign exchange Contract Procedure is now abolished and the exchange rate applied to import transactions is defined as follows: (the foreign exchange contracts signed before November 16, 1971 are still valid)

1. Regarding the "Funds Allocated for Import" procedure, the exchange rate to be applied is the rate in force on the day the Funds Allocated for Import is approved.

2. With regard to import transactions under other import procedures (US-Aid, ACF, Japanese Aid ... the exchange rate to be applied is as follows:

a. Either the exchange rate in force on the date of settlement abroad as indicated in the Report of Payment from the Assignee Bank or in the Notice of Debit.

b. or the exchange rate in force on the date when the L/C is opened if the importer has on the same date completely settled the amount of VN piasters equivalent to the allocated foreign exchange value.

3. All import licenses already approved by the Minecon and received by the NBVN for which the related L/C's have not been opened as of the date of issuance of this Avis will be returned to the Minecon for implementation or cancellation upon request.

E. All foreign exchange dealings relating to export transactions are to be realized through the Parallel Exchange Market with the exchange rate promulgated by the Exchange Committee as of the date of issuance of this Avis.

The exchange rate is in force on the day when the foreign exchange is allocated regardless whenever the trade agreement is signed or whenever the export transaction is realized.

III. KIND OF FOREIGN EXCHANGE TRANSACTED UNDER THE LIMITED PARALLEL EXCHANGE MARKET

For the time being, only the U.S. dollars is authorized to be transacted under the Limited Parallel Exchange Market.

IV. RECOGNIZED INTERMEDIARIES

Only the recognized intermediaries are authorized to carry on transactions respecting purchasing and selling of foreign exchange under the Limited Parallel Exchange Market.

V. FOREIGN EXCHANGE ALLOCATION PROCEDURE

1. All allocations of foreign exchange through the Limited Parallel Exchange Market are exempted from authorization of the Exchange Committee.

Especially for allocations of foreign exchange which have a particular character relating to ocean shipping companies. Airline companies, Oil companies, etc., the Foreign Exchange Directorate will subsequently determine necessary regulations by a separate circular.

2. All regular residents and foreigner residents (physical or juridical person) having foreign exchange are authorized to resell it through the Limited Parallel Exchange Market except for the cases of GVN agencies, of foreign governments transactions or in cases when the Exchange Committee decided such transactions shall be realized through the Official Exchange Market.

3. All foreign exchange shall be sold to the recognized intermediaries

4. The recognized intermediaries shall daily notify the NBVN (National Exchange Directorate and Foreign Affairs Office) the amount of foreign exchange purchased from customers as per sample form NT/71 attached to this Avis and indication of the seller's name is not necessary.

VI. UNUTILIZED AMOUNTS OF FOREIGN EXCHANGE

The unused amount of foreign exchange bought from the Limited Parallel Exchange Market must be resold at the Parallel Exchange Market rate.

The transaction must be made within a maximum period of one month from the date of expiration of the permit-validity.

However, for regular resident tourists coming home with an unused amount of foreign exchange, the sale of this foreign exchange amount must be effected within 15 days counting from the date of their return to Vietnam as stipulated in the General Directorate of Exchange Communiqué No. 78 dated 3/26/1968.

VII. PROCEDURE FOR TRANSFER OF FOREIGN EXCHANGE

1. It is only allowed to effect on the Limited Parallel Exchange Market all purchases of foreign exchange for settlement of all authorized financial transactions, with conditions stipulated by the General Directorate of Exchange Communiqué No. 160 dated February 23, 1970.

2. These transfers of foreign exchange can be authorized directly by the General Directorate of Exchange or by duly Recognized commercial banks with Powers of Attorney obtained from the General Directorate of Exchange. This Avis does not change the Powers of Attorney given to the Recognized Commercial Banks and conditions for application of these Powers of Attorney

3. Applications for foreign exchange transfer for settlement of financial transactions on the Limited Parallel Exchange Market are always made in 4 copies on yellow Form 01/70/SH.

Transmittal notes from Recognized Commercial Banks to the General Directorate of Exchange are always stamped in red with these words "Parallel Exchange Market".

VIII. TRANSITIONAL CLAUSES

In order to implement the new clauses stipulated in this Avis, the Recognized Commercial Banks are requested:

1. To immediately return to the General Directorate of Exchange for cancellation all permits for financial transfer, which were issued but have not yet been effected as of 00 hour 00 of November 16, 1971 in connection with transactions mentioned in Part I (B) of this Avis.