

## **Annex I of Decree No. 87/2010/ND-CP, dated August 13, 2010**

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### **A. ESPECIALLY ENCOURAGED SECTORS**

Industries in the list of especially encouraged sectors under Annex I-A include:

#### **I. Manufacture of new materials and production of new energy; manufacture of products of high-technology, of bio-technology and of information technology; mechanical manufacturing**

1. Manufacture of composite materials, light construction materials, precious and rare materials.
2. Production of high-quality steel, alloys, special metal, and porous iron.
3. Investment in construction of establishments using solar energy, wind energy, biogas, geothermic and tidal energy.
4. Production of medical equipment for analytical and extractive technology in the medical sector; orthopedic equipment, and specialized vehicles and equipment for the disabled.
5. Production of high-tech semi-conductors and electronic components; production of software products, of pivotal information technology (IT) products and of digital items.
6. Investment in production and manufacture of precision mechanical engineering equipment; equipment and machinery for examination and safety control of industrial manufacturing; and industrial robots.

#### **II. Breeding, rearing, growing and processing agricultural, forestry and aquaculture products; salt production; and creation of new plant and animal varieties**

7. Forestation, nurturing forests.
8. Breeding, rearing and growing agricultural, forestry and aquaculture products on uncultivated land, and on unexploited waters.
9. Fishery in offshore waters.
10. Production of strains, propagation and hybridization of new seedlings and new animal breeds.
11. Production, mining and refining of salt.

#### **III. Use of high-tech and advanced techniques; protection of the ecological environment; research, development and creation of high-tech**

12. Application of high-tech or new technology which has not yet been used in Vietnam; application of bio-technology.
13. Treatment of pollution and protection of environment; production of equipment for pollution treatment and equipment for observation and analysis of the environment.
14. Collection and treatment of waste water, gas waste and solid waste; recycling and reuse of waste.

15. Research, development and creation of high-tech.

#### **IV. Construction and development of infrastructure facilities and important projects**

16. Investment in construction and development of infrastructure of industrial zones and economic zones and other important projects as decided by the Prime Minister of the Government.

#### **V. Development of education, training, health care, sports and physical education**

17. Investment in construction of facilities for treatment of tobacco and drug addiction.
18. Investment in establishment of facilities for epidemic control.
19. Investment in establishment of geriatric centers, and centers for care of the disabled and orphans.
20. Investment in construction of training centers for improvement and achievement in sports, training for the disabled; construction of sport facilities with apparatus and facilities satisfying requirements for organization of international tournaments.
21. Provision of services on software, research on IT and training human resources for IT.

#### **VI. Other manufacturing and service sectors**

22. Investment in research and development (R&D) accounting for 25 percent or more of revenue.
23. Salvage operations at sea.
24. Investment in construction of student housing, housing for workers in industrial zones, processing zones and high-tech zones; investment in construction of residential housing for low-income earners with housing difficulties in urban zones

### **B. ENCOURAGED AREAS**

Industries in the list of encouraged sectors under Annex I-B include:

#### **I. Manufacture of new materials and production of new energy; manufacture of high-tech products, of bio-tech and IT products; mechanical manufacturing**

1. Production of non-ferrous metals and refinement of steel.
2. Production of moulds and prototypes for metal and non-metal products.
3. Investment in new construction of power plants, in power distribution and transmission.
4. Production of medical supplies and equipment, construction of warehouses for protection of pharmaceutical products, reserves of medicine for humans for use in case of natural disasters, fire and dangerous epidemics.
5. Production of testing equipment for toxic substances in foodstuffs.
6. Development of the petrochemical industry.

7. Production of coke coal and active coal.
8. Production of vegetation protective medicines, pesticides, prevention and treatment medicines for animals and aquatic creatures; and veterinary drugs.
9. Production, investment and development of raw materials and medicines for prevention or treatment of social diseases; vaccines; biological products; medicines produced from pharmaceutical materials; eastern medicines; application of progressive biological technology for production of human medicines satisfying GMP standards; production of raw materials for antibiotics.
10. Investment in construction of facilities for biological experiments, evaluation of usability of medicines; pharmaceutical establishments satisfying good practical standards in producing, preserving, testing, and carrying out clinical experimentation of medicines, planting and growing, harvesting and processing pharmaceutical materials.
11. Development of sources of pharmaceutical materials and production of medicine from pharmaceutical materials; projects for research or substantiation of scientific bases for prescriptions for eastern medicines and formulation of standards for testing prescriptions for eastern medicines.
12. Production of machinery, equipment and component packs for the following sectors: oil and gas exploitation, mining and energy; cement; production of large-size lifting equipment; production of machine tools for metal processing and metallurgical equipment.
13. Investment in production of high and medium voltage electric devices and generators with large capacity.
14. Investment in production of diesel engines; investment in ship building and repair; equipment and parts for cargo ships and fishing ships; production of dynamic and hydraulic machinery, parts and compressing machines.
15. Production of equipment, vehicles and machinery for construction; technical equipment for the transport industry; locomotives and railway compartments.
16. Investment in production of machine tools, machinery, equipment and components for agricultural and forestry production; machinery for food production; irrigation equipment.
17. Investment in production of equipment and machinery for textiles, garments and leather.
- II. Breeding, rearing, growing and processing agricultural, forestry and aquaculture products; salt production; creation of new plant and animal varieties**
18. Growing plants for pharmaceutical purposes.
19. Investment in post-harvest preservation of agricultural products, preservation of agricultural, aquaculture products and foodstuffs.
20. Production of bottled or packaged drinks from fruit.
21. Production and refining of feed for cattle, poultry and aquatic creatures.
22. Technical services for planting industrial and forest trees, husbandry, fishery, protection of

plants and animals.

23. Production, multiplication and cross-breeding of new varieties of plants and animals.
24. Investment in the sector of processing agricultural, forestry and aquaculture products.
25. New construction and upgrading abattoirs; concentrated and industrial preserving and processing of poultry and domestic animals.
26. Construction and development of zones growing raw materials on an industrial scale serving industrial processing.

### **III. Use of high-tech and modern techniques; protection of ecological environment; research, development and creation of high-tech**

27. Production of equipment for responding and dealing with oil spills.
28. Production of equipment for waste treatment.
29. Investment in construction of technical facilities and works: laboratories and experimental stations to apply new technology in production; investment in establishment of research institutes.

### **IV. Construction and development of infrastructure facilities**

30. Investment in and construction of infrastructure and investment in production serving the construction and development of infrastructure facilities in industrial complexes and industrial locations.
31. Investment in and development of water plants, power plants, water supply systems, bridges, roads, railways, airports, seaports and river ports; and terminals.

### **V. Development of education, training, health care, sports, physical education and national culture**

32. Investment in construction of infrastructure for education and training establishments; investment in construction of schools, semi-public and private educational establishments at the levels of pre- school, general education, vocational, high-school and university education.
33. Establishment of private and people-funded hospitals.
34. Construction of physical exercise and sport centers, training facilities and sports and physical exercise clubs; establishments for production, manufacture and repair of equipment, supplies and apparatus for sports training and physical exercise.
35. Establishment of national cultural houses; national dance, music and song groups; theatres, film studios, cinemas; establishments for production, manufacture and repair of national musical instruments; maintenance and preservation of museums, cultural houses and schools of culture and arts.

### **VI. Other manufacturing and service sectors**

36. Development of public transport including: transport by ships, aircraft and railway; road

transport of passengers by buses with 24 seats or more; passenger transport by model and high-speed vehicles on inland waterways; transport by containers.

37. Production of toys for children.

38. Production of paper pulp.

39. Making textile fabrics and completing textile products; production of silk and fiber of all types; tanning and processing of leather.