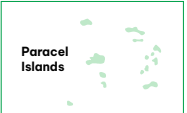
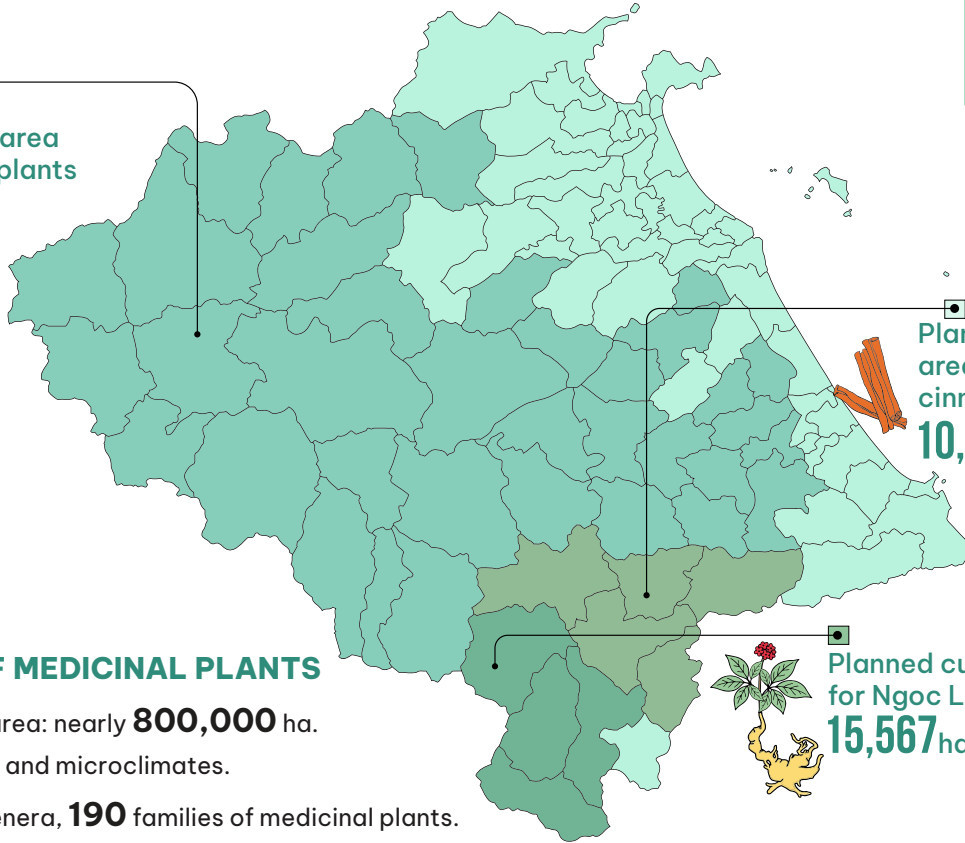




DA NANG - THE MEDICINAL PLANT INDUSTRY CENTER OF VIETNAM



Planned cultivation area for other medicinal plants
64,195_{ha}



Planned cultivation area for Tra My cinnamon
10,000_{ha}

Planned cultivation area for Ngoc Linh ginseng
15,567_{ha}

► POTENTIAL OF MEDICINAL PLANTS

- Large forestry land area: nearly **800,000** ha.
- Diverse terrain types and microclimates.

832 species, **593** genera, **190** families of medicinal plants.

- **36** medicinal plant species are currently listed in the “Viet Nam Red Book”.
- **04** medicinal plant species are not yet named in the Vietnamese Medicinal Plant Catalogue (*Anomianthus dulcis*, *Oxalis barrelieri*, *Didissandra clemensiae*, and *Euodia lepta*).
- Many valuable medicinal plants with high use value and high economic value: Ngoc Linh ginseng, *Eurycoma longifolia*, *Smilax glabra*, Vietnamese cinnamon, *Paris polyphylla*, *Polyscias fruticosa*, Ginger, *Arenga pinnata*, etc.
- **7,300** ha of medicinal plants have been cultivated, mainly in mountainous communes.

► DEVELOPMENT ORIENTATION FOR THE MEDICINAL PLANT INDUSTRY



Production of seedlings, cultivation, processing, and consumption of medicinal plant products shall comply with GACP-WHO principles and standards.



Invest in developing infrastructure for the medicinal plant industrial center in industrial parks, with initial focus on the Chu Lai Open Economic Zone; upgrade and complete infrastructure and regional transport connectivity to facilitate development and attract investment into the medicinal plant industry.



Diversify medicinal plant products, with Ngoc Linh ginseng as the flagship product.



➤ INVESTMENT INCENTIVES FOR MEDICINAL PLANT CULTIVATION PROJECTS R&D CENTER

CORPORATE INCOME TAX INCENTIVES

Investment in areas with difficult socio-economic conditions

Tax rate: **17%** (10 years), including:

- Exemption for 2 years
- 50% reduction for the next 4 years

Investment in areas with extremely difficult socio-economic conditions

Tax rate: **10%** (15 years), including:

- Exemption for 4 years
- 50% reduction for the next 9 years

IMPORT DUTY – CREDIT INCENTIVES

Import duty incentives

Exemption from import duty for imported goods used to form fixed assets

Credit incentives

Eligible for State investment credit loans



➤ INVESTMENT SUPPORT FOR MEDICINAL PLANT CULTIVATION PROJECTS

Beneficiary	Project	Support
Enterprises cultivating medicinal plants (Morinda officinalis, Codonopsis javanica, Angelica sinensis, Gynostemma pentaphyllum, Polyscias fruticosa, Amomum longiligulare, Anoectochilus roxburghii, Solanum procumbens, cinnamon, Sacha Inchi, Ngoc Linh ginseng)	Concentrated area from 05 ha or more	VND 25 million/ha for seedling costs (maximum not exceeding VND 1 billion)
	Concentrated area from 10 ha or more	1. VND 25 million/ha for seedling costs (maximum not exceeding VND 1 billion) 2. 60% of costs for investing in infrastructure construction within the project boundary (not exceeding VND 2 billion)
	There is no access road meeting Grade V (mountainous) standards, and no power and water supply/drainage systems to serve the project	70% of investment costs for construction items (not exceeding VND 5 billion)
Enterprises producing Ngoc Linh ginseng seedlings	Scale of 50,000 Ngoc Linh ginseng seedlings or more per year	80% of investment costs for infrastructure, equipment, environmental treatment, and establishment of mother-stock nursery gardens within the project boundary (not exceeding VND 8 billion)
	There is no access road meeting Grade V (mountainous) standards, and no power and water supply/drainage systems to serve the project	70% of investment costs for construction items (not exceeding VND 5 billion)

LAND INCENTIVES*

Areas not included in the lists of extremely difficult socio-economic conditions or difficult socio-economic conditions

- Exemption from land rent during the basic construction period (maximum of 03 years).

- Exemption from land rent for 3 years following the land-rent exemption during the basic construction period.

Areas with difficult socio-economic conditions

- Exemption from land rent during the basic construction period (maximum of 03 years).

- Exemption from land rent for 11 years after the land-rent exemption during the basic construction period.

Areas with extremely difficult socio-economic conditions

- Exemption from land rent during the basic construction period (maximum of 03 years).

- Exemption from land rent for 15 years after the land-rent exemption during the basic construction period.

* For projects leasing forest environment to cultivate medicinal plants, forest-environment lease payments shall be made in accordance with regulations.

* The R&D Center project in the Hi-Tech Park is exempted from land rent for 19 years after the land-rent exemption during the basic construction period.

➤ INVESTMENT INCENTIVES AND SUPPORT FOR PROJECTS TO BUILD MEDICINAL PLANT PROCESSING PLANTS IN INDUSTRIAL PARKS OF THE CHU LAI OPEN ECONOMIC ZONE

Incentive form	Incentives
Corporate Income Tax	Preferential tax rate of 10% for 15 years, including: - Tax exemption for 04 years from the first year of taxable income - 50% reduction of payable tax for the subsequent 09 years
Investment incentives	Exemption from import duty for imported goods used to form fixed assets
Import duty	Exemption for 05 years for raw materials, supplies, and components not yet produced domestically.
Land	Maximum land lease term: 70 years
Support for investment in project infrastructure	60% of investment costs
Investment support	Support for technology improvement costs
Support for labor training	- VND 2,000,000/month/worker. - Support for up to 03 months.
Support for market development	- 50% of costs for advertising and brand-building for national and provincial key products; 50% of costs for participating in domestic and international exhibitions and trade fairs. - Issuance of the certificate of registration of geographical indication for "Ngoc Linh" ginseng root products.

PROJECTS CALLING FOR INVESTMENT IN THE MEDICINAL PLANT SECTOR

