

DECREE No. 61/ND-CP OF 11 JUNE 2002 OF THE GOVERNMENT

On Royalty Regime

THE GOVERNMENT

- Pursuant to the Law on Organisation of the Government of 25th December 2001;
- Pursuant to the provisions on copyright in Chapter I, Part Six of the Civil Code of 28th October 1995 and the Decree No. 76/CP of 29th November 1996 of the Government on Guidance to the Implementation of a Number of Provisions on Copyright in the Civil Code;
- Aiming at the encouragement of the creative activity of authors and the insurance of the property rights of owners in regard of their works;
- At the proposal of the Minister of Culture and Information,

DECREES

Chapter I GENERAL PROVISIONS

Article 1: Scope of regulation

This Decree provides for and guides the implementation of the royalty regime applicable to authors and owners of work stipulated in Articles 745 and 746, whose works fall under the genres of protected works stipulated in Article 747, of the Civil Code.

Article 2: Objects of application

The royalty regime for works provides the royalty monies payable to the author or authors (hereinafter referred to as author) or to owners of work when their works are used in order to protect the interest of the author and to encourage the author to create more works of high value and provides for the remuneration monies payable to persons who perform work-related tasks.

Article 3: Genres of protected works under Article 747 of the Civil Code, whose authors are entitled to benefit from royalty regime, include:

1. Written works;
2. Lectures, speeches;
3. Theatrical works and works of other kinds of performing art;
4. Cinematographic, video works;
5. Radio, television works;
6. Press works;
7. Musical works;
8. Architectural works;
9. Works of fine art and applied art;
10. Photographic works;
11. Scientific works, textbooks, instructions books;
12. Topographic surveys, drawings, diagrams, maps relating to topography, architecture, scientific projects;

13. Translated, adapted, modified, transformed, compiled, annotated, selected, anthological works;
14. Computer software; and
15. Other works as provided by law.

Article 4: Royalty groups of genres of work

The genres of works shall be divided into six royalty groups, which include:

1. Royalty for works used in the form of publications;
2. Royalty for theatrical works and works of other kinds of performing art;
3. Royalty for cinematographic and video works;
4. Royalty for press works (printed and electronic press);
5. Royalty for radio and television works (spoken and visual press); and
6. Royalty for plastic works (works of fine art), photographic works and works of applied art.

Article 5: Interpretation of a number of terminologies used in the Decree

1. *Royalty* means an amount of money a work user pays to the author or owner of work when the work is used.
2. *Incentive royalty* means an extra amount of money a work user pays to the author or owner of work, for encouraging the author to create works that pertain to certain themes or in special cases stipulated in this Decree.
3. *Royalty fund* means an amount of money, which is reserved by a work user for paying royalties, remunerations and other material interests.
4. *Remuneration* means an amount of money a work user pays to persons who perform work-related tasks stipulated in this Decree.
5. *Material interest* means an interest, to which the author of a work is entitled in addition to the royalty, including complimentary books, complimentary tickets for seeing the work when being published or disseminated, national prizes, international prizes&.

Article 6: Persons entitled to royalty

1. Persons entitled to royalty are authors and owners of work, whose works pertain to one of the royalty groups stipulated in Article 4 of this Decree.
2. In the case of works where there is no heir or the heir refuses to receive the legacy or is not entitled to the legacy and in the case of works where the author is unidentified or anonymous, as stipulated in Articles 764 through 766 of the Civil Code, the royalty belongs to the State. The Government hereby assigns to the Ministry of Culture and Information the tasks of management over and guiding the implementation of royalties relating to works stipulated in this paragraph.
3. The authors of works stipulated in Article 3 of this Decree, who are employed (as staffs or parties to long-term labour contracts) by units that use the works shall be entitled to 100% of royalties, if the works are created outside the authors' duty.

4. Persons other than persons stipulated in paragraphs 1 through 3 of this Article, who participate in the performance of work-related tasks shall be entitled to remunerations that are paid by units using the works, pursuant to contractual agreements and subject to the contribution of such persons. Persons who are employed (as staffs or parties to long-term labour contracts) by units using works shall be entitled to 100% of remunerations paid to the above-mentioned tasks, if they performed such tasks outside their duty.
Remunerations shall be paid out of royalty funds.
5. In the case of architectural works and computer software, the authors or owners of work shall be entitled to royalties in accordance with agreements in contracts for use of work between the authors, owners of work and the parties using works.
6. Parties that use works, texts, translations or documents, as stipulated in Article 748 of the Civil Code, shall pay remunerations to persons who collect or supply the following:
 - a. Folklore literary and artistic works;
 - b. Documents issued by the State authorities, political organisations, political-social organisations, social organisations, socio-professional organisations, economic organisations; and the translations of such documents;
 - c. Daily news for information purposes.

Article 7: Principles of payment of royalties

1. Payments of royalty shall be made so as to reasonably guarantee the interests of authors, owners of work, users of work and persons enjoying works, in conformity with the socio-economic situation of the country.
2. The rates of royalty to be paid to authors and owners of work shall be determined by means of contracts for use of work and based on categories of works, quality of works and economic-social effectiveness of works.
3. The rates of royalty to be paid to works that belong to the categories of original creations and research shall be higher than those to be paid to translations, adaptations, modifications, transformations, compilations, annotations, selections and anthologies. The authors of the original works shall be entitled to a part of the total royalty where their works are used to make new works in the form of selections, anthologies, adaptations, modifications, transformations or compilations, and where their works are translated into other languages.
4. The authors of the words of musical works and authors of words of cartoons shall be entitled to a part of the total royalty. The ratio for sharing royalties shall be the subject-matter of agreements of the authors, with the participation of the parties using the works.
5. Incentive royalties shall be paid extra to authors whose works are made especially for juniors or ethnic minorities, to Vietnamese authors who write in foreign languages, to Kinh authors who write in the languages of ethnic minorities, to ethnic authors who write in the languages of other

- ethnic minorities, to the authors of works created in difficult or dangerous circumstances, and to authors in other special cases.
6. Works circulated internally for non-commercial purposes shall be entitled to royalties at lower rates than works of the same genres but circulated for commercial purposes. The authors or owners of work and the parties using works shall make agreements upon the rates of royalty.
 7. Works that belong to a particular royalty group shall be entitled to royalty applied to that royalty group.
 8. In the case of published or disseminated works that are re-used, the authors and owners of work shall remain entitled to royalties pursuant to the provisions of law.
 9. In the case of works of co-authorship, the ratio for sharing royalties shall be the subject-matter of agreements of the authors, with the participation of the parties using the works.
 10. Organisations using works shall reserve a part of stipulated financial sources to establish royalty funds.
Royalty funds shall be used to pay royalties to the authors and owners of work, whose works are used; to pay remunerations, material interests; and to finance the organization of activities for encouraging creations.
 11. In respect of works of particular features, which are not specifically stipulated in this Decree, the payment of royalties shall be the subject-matter of agreements between the parties using the works and the authors or owners of work, in the form of lump sum lease contracts.
 12. Parties using works shall pay to the authors or owners of work the whole amount of royalties as stipulated in concluded contracts, within a period of 60 days counted from the date the works were published or disseminated. Deferred payments shall be subject to the consent of the authors or owners of work.
 13. The use of works and payment of royalties shall be made by means of written contracts, pursuant to the provisions of law.

Chapter II

ROYALTY FOR WORKS USED IN FORM OF PUBLICATIONS

Article 8: Persons entitled to royalty

1. The authors or owners of work, whose works are used in the form of publications.
2. Persons other than subjects mentioned in paragraph 1 of this Article, who collect or supply works or documents, as stipulated in points a and b paragraph 6 Article 6 of this Decree, and editors shall be entitled to remunerations paid by organisations that use the works, in accordance with their contributions.
Editors who are employed (as staffs or parties to long-term labour contracts) by organisations using works shall be entitled to remunerations

stipulated in paragraph 4 Article 6 of this Decree.
Remunerations shall be included in the price of publications.

Article 9: Royalties for works used in form of publications

Royalties for works used in the form of publications shall be determined on the basis of the categories of publications, the quality and quantity of publications, in accordance with the percentage ratio (%) of royalties stipulated in the following royalty frame:

Groups	Categories	Percentages (%)
I	Books containing original creations	
1	Prose	6-15%
2	Musical scores	8-15%
3	Poems	10-15%
4	Theatrical and cinematographic scripts	10-15%
5	Books containing paintings or photographs	6-10%
6	Cartoons	2-8%
7	Dictionaries and handbooks	10-15%
8	Books containing theoretical studies on politics, culture, society, education	10-12%
9	Scientific-technological and technical books, scientific works	8-15%
10	Books for propagating knowledge on politics, culture, social-education, scientific-technology, techniques	6-10%
11	Textbooks for universities, high schools, vocational schools; methodological books for instructors and parents	6-12%
12	Books containing learning materials or practices; note books containing practices; teachers' books; books for objective-oriented programmes, instructions books for high school of pedagogy (according to the programmes of the Ministry of Education and Training)	30-140% of min salary/tuition hour
13	Reading materials of a general nature to supplement Textbooks	2-10%
II	Books containing adaptations, modifications, transformations, compilations, annotations, selections, anthologies	2-8%
III	Translated books	
1	Translations from Vietnamese into foreign languages	8-12%
2	Translations from foreign languages into Vietnamese (Except for cartoons in Group I)	6-10%
3	Translations from Vietnamese into the languages of ethnic minorities in Vietnam	12-15%

4	Translations from and to the languages of ethnic Minorities in Vietnam	15-18%
IV	Electronic books and CD-ROMs	8-10%
V	Maps	5-20%
VI	Tapes and discs	
	Audio tapes, audio discs	
	Video tapes, video discs	

Article 10: Other provisions

1. Persons who revise translated works shall be entitled to from 5 to 30 % of royalties payable to translated works, subject to the scope and quality of revisions.
In case the revisions represent more than 30 % of translated works, the revisers shall be the co-authors.
2. In the case of translated, adapted, modified, transformed, compiled, annotated, selected, and anthological works the parties using the works shall obtain the authorization of and pay royalties to the authors of the original works. The rates of remuneration shall be agreed upon by the using parties and the authors or owners of work. The translation of works from Vietnamese into the languages of ethnic minorities in Vietnam and vice versa, and the distribution of such works are not subject to the authorization of and payment of royalties to the authors or owners of the original works.
3. The authors of the words of musical works and the authors of the words of cartoons shall be entitled to from 20 to 50 % of royalties payable to such work.
4. The authors of works especially made for juniors or ethnic minorities shall be entitled to incentive royalties, which is of from 10 to 30% of the royalties payable to such works.
5. Vietnamese authors who write in foreign languages, Kinh authors who write in languages of ethnic minorities and ethnic authors who write in languages of other ethnic minorities shall be entitled to incentive royalties, which is of from 40 to 60% of royalties payable to such works.
6. Royalties for bilingual publications shall be of one half of royalties payable to translated books of the same category in the royalty frame.
7. Royalties for non-commercial publications (internally circulated or handed free of charge to the public) shall be of from 80 to 90% of royalties payable to works of the same category but used for commercial purposes.
8. Authors shall be entitled, in addition to royalties, to be given three exemplars of publication. In the case of works of several authors, the entitlement to exemplars of publication shall be subject-matter of the agreement of the authors or owners of work and the parties using works.

Article 11: Mode of payment of royalties

1. Royalties shall be calculated by multiplying the percentage (%) set forth in the royalty frame by the retail price of publications and then multiplying the obtained amount by the quantity of prints of the publications.

Royalty = Ratio % x Retail price of publications x Quantity of prints, wherein:

- a. Percentage ratio (%) means the ratio in the royalty frame and agreed upon by the authors, owners of work and parties using works, as stipulated in contracts for use of work.
- b. Retail price means the price printed on the forth cover page of publications or the retail price indicated on invoices for sale of publications, at the time the payment of royalties are made to the authors or owners of work.
In case the retail price is changed subsequently, the retail price used in the calculation of royalties shall remain unchanged, if there are no other agreements in contracts for use of work.
In the case of ordered or subsidized publications, where the retail price is lower than in usual practices, the retail price used in the calculation of royalties shall be the averaged price of publications of the same category on the market.
- c. The quantity of prints means the quantity stipulated in contracts for use of work.

Republished publications shall be entitled to from 0.5 to 2 % in addition to percentage ratio (%) stipulated in contracts for use of work and the additional royalties shall be calculated on the basis of the new retail price.

2. Particularly, in the case of publications stipulated in item No 12 Group I of the royalty frame, the royalties shall be calculated by multiplying the percentage ratio (%) in the royalty frame by the minimum salary set forth by the State in regard of public servants and officers working in administrative and professional sectors (hereinafter referred to as minimum salary) and then multiplying the obtained amount by the number of lessons or instructions hours.

Royalty = Percentage ratio (%) x Minimum salary x Number of lessons or instructions hours

In the case of such publications, the royalties for re-published publications shall be of from 10 to 25 % of the royalties payable to the first publications.

Article 12: Royalty funds

Organizations using works in the form of publications shall establish royalty funds that are deducted from the total publications turnover, on the basis of percentage ratios in the royalty frame.

Chapter III

ROYATY FOR THEATRICAL WORKS AND WORKS OF OTHER KINDS OF PERFORMING ART

Article 13: Persons entitled to royalty

1. Authors or owners of work, whose works are used in the form of theatrical performance or other kinds of performing art.
2. Directors, scriptwriters, choreographers, music composers, and painters.
3. Authors who are employed (as staffs or parties to long-term labour contracts) by units using their works shall be entitled to royalties stipulated in paragraph 3 Article 6 of this Decree.
4. Persons other than persons stipulated in paragraphs 1 through 3 this Article, including theatrical performers and performers in other kinds of performing art, heads of music organizers, lightings designers, art assistants, aesthetic designers, and programmes directors (in the case of integrated programmes), shall be entitled to remunerations paid by parties using works, in accordance with the degree of their contributions. Where the above-mentioned persons are employed by units using works (as staffs or parties to long-term labour contracts), they shall be entitled to remunerations stipulated in paragraph 4 Article 6 of this Decree. Remunerations shall be included in the price or total expenses for the development of programmes.

Article 14: Royalties for theatrical works and works of other kinds of performing art

Royalties for theatrical works and works of other kinds of performing art shall be agreed upon by parties using works and the authors or owners of work, in either one of the following two ways: pursuant to the royalty frame or pursuant to the percentage ratio of receipts of performances.

Article 15: Royalties paid pursuant to royalty frame

Royalties for theatrical works and works of other kinds of performing art shall be based on their category, quality and calculated pursuant to grades stipulated in the following royalty frame:

1. Royalties for works pertaining to categories traditional singing theatre, folk singing theatre, renovated singing theatre, drama, poetic drama, folk song theatre, contemporary singing theatre, and puppetry.
 - a. Directors, script writers:
Unit: Minimum salary

No	Category and size of works	Director				Script writer			
		Grade 1	Grade 2	Grade 3	Grade 4	Grade 1	Grade 2	Grade 3	Grade 4
1	Brief play 20-45	13.80	27.61	41.90	55.23	19.00	41.90	62.85	83.80

	min.								
2	Medium play 46-105 min.	27.61	41.90	55.23	68.57	41.90	62.85	83.80	104.76
3	Long play 105-150 min.	41.90	55.23	68.57	81.00	62.85	83.80	104.76	123.80

- b.
 - c. Choreographers shall be entitled to royalties equal to 25% of royalties payable to directors.
 - d. Music composers and painters shall be entitled to royalties equal to 60% of royalties payable to directors.
2. Royalties for choreographic works
- a. Choreographers:
Unit: Minimum salary

No	Royalty grades for authors

6	For dances in choreographic drama:				
7	Dances created for and included in circus, puppetry, drama, opera, film, tableau vivant& per each minute of dance	1.00	1.20	1.30	1.47

- b. Music composers who create music (including instrumental arrangements) for choreographic works shall be entitled to royalties equal to royalties payable to choreographers for works of the same category, size and grade.
- c. Script writers shall be entitled to royalties as follows:
 - Script writers of dances with involutions, brief poetry dances and combined dances (except folklore combined dances) are entitled to royalties equal to 20% of royalties payable to choreographers for works of the same category, size and grade.
 - Script writers (including literary scripts, scenario scripts&) for poetry dances, choreographic drama are entitled to royalties equal to royalties payable to choreographers for works of the same category, size and grade.
- d. Painters who paint for choreographic works shall be entitled to royalties as follows:
 - Painters, in case of great works (including maquette, panorama, performing stage, costume, performing tool&), are entitled to royalties equal to 15, 20, 25, or 30% of royalties payable to choreographers for works of the same category, size and grade.
 - Painters, in case of small performances, are entitled to royalties calculated according to the number of decoration and costume patterns. Subject to their quality and complexity, decoration patterns are divided into four grades that represent 1.4, 2.0, 2.4, and 2.9 times of the minimum salary; costume patterns are divided into four grades that represent 0.7, 0.9, 1.0, and 1.2 times of the minimum salary.

(*dd. Subject to the quality and the extent of use of dances, choreographers in category of dances with accompanying singing are entitled to royalties equal to from 50 to 70% of royalties payable to choreographers in categories 1 and 2.

(*dd is to substitute for the letter following d and preceding e in Vietnamese.

3. Royalties for musical works

- a. Music composers:

Unit: Minimum salary

No	Category and size of musical pieces	Grade 1	Grade 2	Grade 3	Grade 4
1	Songs	9.50	11.90	14.28	19.00
2	Ballads, romances	11.90	14.28	19.00	23.80
3	Song cycles	14.28	19.00	23.80	28.57
4	Single part choruses	19.00	21.40	23.80	28.57
5	Multiple part choruses	47.60	71.40	95.20	119.00
6	Instrumental musical pieces of less than 3 episodes	11.90	19.00	28.57	38.10
7	Sonatas and the like	38.10	42.85	47.60	57.10
8	Symphonic poems and the like	57.10	66.66	76.20	85.70
9	Symphonies Concertos of more than 3 parts Ballet for symphonic orchestras	119.00	133.30	147.60	166.66
10	Small musical plays-small - singing plays				
	- Brief (longer than 15 min.)	47.60	52.38	57.10	61.90
	- Medium (longer than 25 min.)	66.66	71.40	76.20	80.95
	- Long (longer than 45 min.)	80.95	85.70	90.47	95.20
11	Oratorios				
	- Medium (longer than 25 min.)	71.40	80.95	90.47	100.00
	- Long (longer than 45 min.)	95.20	104.76	114.28	128.57
12	Operas	147.60	166.60	188.30	260.60

- b.
- c. In the case of music with accompanying words, creators of music and creators of words shall be entitled respectively to 70% and 30% of royalties payable to music composers.
- d. Music composers of instrumental music accompanying songs in the form of musical scores shall be entitled to 25% of royalties payable to creators of songs in the same category and grade.
- e. Music composers who make music arrangements for other orchestras shall be entitled to 30% of royalties payable to the composers of music of the same category and grade.

(*dd. Painters whose creations are used for musical works in small musical plays, small singing plays, and operas shall be entitled to royalties as follows:

- Painters of great works (including maquette, landscape, stage, costume, artistic utensil&) are entitled to 15%, 20%, or 30% of royalties payable to the composers of music of the same category and grade, subject to the size and quality of the works.
- Painters of works used for small items are entitled to royalties stipulated in respect of choreographic works, subject to the number of decorative patterns and costume patterns.

(*dd is to substitute for the letter following d and preceding e in Vietnamese.

- f. In the case of small singing plays, operas, script writers of small singing plays shall be entitled to 5%, 7%, or 10% and script writers of operas shall be entitled to 10%, 20%, or 30% of royalty payable to the composers of music of the same category and grade.

Article 16: Royalty payable pursuant to receipts of performances

Royalties for works that are used in the form of performing art shall be calculated pursuant to percentage ratio (%) of the receipts of performances:

1. In the case of works pertaining to categories of traditional singing theatre, folk singing theatre, renovated singing theatre, drama, poetic drama, folk song theatre, contemporary singing theatre, and puppetry, parties using works shall reserve from 15 to 21% of the receipts of performances for paying royalties, in accordance with the following provisions:
 - a. Directors are entitled to from 5 to 7% of the receipt of performances.
 - b. Scriptwriters are entitled to from 6 to 8% of the receipt of performances.
 - c. Music composers are entitled to from 2.5 to 3% of the receipt of performances.
 - d. Painters are entitled to from 2.5 to 3% of the receipt of performances.

(*dd. Choreographers, authors of puppetry tricks and puppetry techniques, makers of new puppetry figures are entitled to royalties in ratios agreed upon in contracts.

(*dd is to substitute for the letter following d and preceding e in Vietnamese.

- e. In the case of works pertaining to categories of traditional singing theatre, folk singing theatre, renovated singing theatre, drama, folk song theatre and for performances, after the 50th performance the authors shall be entitled extra to incentive royalties of 2% of the receipt of performances.

2. In the case of choreographic works, parties using works shall reserve from 15 to 21% of the receipt of performances for paying royalties to: choreographers, choreographic directors, script writers, music composers, painters, pursuant to percentage ratios agreed upon in contracts.
3. In the case of musical works, parties using works shall reserve from 15 to 21% of the receipt of performances for paying royalties to: script writers, music composers, composers of instrumental music, creators of music arrangements, painters, pursuant to percentage ratios agreed upon in contracts.
In the case of operas and for performances, after the 20th performance the authors shall be entitled extra to incentive royalties of 2% of the receipt of performances, in addition to royalties.
4. In the case of circus, parties using works shall reserve the percentage ratios of the receipts of performances for paying royalties in accordance with the following royalty frame:

Unit: Ratio in % of the receipt of performances

No	Category	Script writers	Directors	Choreographers	Music composers	Painters	Total (%)
1	Items in form of episodes	0.05-0.15	0.1-0.2	0.05-0.13	0.1-0.18	0.05-0.13	0.35-0.79
2	Items with involutions	0.1-0.2	0.15-0.25	0.05-0.13	0.1-0.18	0.05-0.19	0.45-0.95
3	Clowns	0.1-0.2	0.15-0.25	0.05-0.13	0.1-0.18	0.05-0.13	0.45-0.89
4	Pantomimes	0.1-0.2	0.15-0.25	0.05-0.13	0.1-0.18	0.05-0.13	0.45-0.89
5	Creation of new tricks	0.1-0.2	0.15-0.25	0.05-0.13			0.3-0.6
	1 - 2 tricks	0.1-0.3	0.1-0.3				0.2-0.6
	3 - 5 tricks	0.4-0.9	0.4-0.9				0.8-1.8
	6 and more tricks	1-2	1-2				2-4

Article 17: Other provisions

1. In the case of theatrical scripts resulting from prose or poems by transformation, adaptation, modification and in the case of scripts that change from one theatrical genre to another, the authors of the transformed works shall be entitled to from 50 to 70% of royalties payable

www.wincolaw.com

- to works of the same category and the authors of the original works the rest.
2. In the case of works of traditional art (traditional singing theatre, folk singing theatre, renovated singing theatre, puppetry), symphony, opera, choreographic drama, and works especially made for juniors or ethnic minorities, authors shall be entitled extra to incentive royalties of from 10 to 20% of royalties payable to such works, in addition to royalties. The ratios for sharing the entitled royalties among authors shall be determined pursuant to the previously stipulated manner. The monetary amounts of incentive royalty are included in the expenditure for making programmes or plays.
 3. In the case of translated theatrical scripts that are used, the authors shall be entitled to royalties equal to from 50 to 70% of royalties payable to script writers of works of the same category, size, grade. Specifically, in the case of translated words of musical works with accompanying words (including words in operas), royalties are calculated pursuant to royalties payable to the creators of words of musical works with accompanying words, as stipulated in point b paragraph 3 Article 15 of this Decree.
 4. In the case of theatrical works and works of other kinds of performing art, which are published in the form of publications products such as audio tapes, audio discs, video tapes, video discs, royalties shall be calculated as follows:
 - a. Pursuant to the provisions applicable to works that are used in the form of publications, as stipulated in Chapter II of this Decree.
 - b. The ratios for sharing royalties among authors is determined on the basis of categories, grades stipulated in Article 15 of this Decree.

Article 18: Royalty funds

Parties using theatrical works and works of other kinds of performing art shall establish royalty funds that are deducted from the total expenses of making programmes on the basis of coefficients in the royalty frame, or deducted from the total receipts of performances pursuant to stipulated ratios.

Chapter IV ROYALTY FOR CINEMATOGRAPHIC, VIDEO WORKS

Article 19: Persons entitled to royalty

1. Authors or owners of work, whose works are used in the form of cinematography or video (referred to as cinematography in common).
2. Directors, scriptwriters, cameramen, montagers, music composers, painters.

3. Authors who are employed (as staffs or parties to long-term labour contracts) by units using their works shall be entitled to royalties stipulated in paragraph 3 Article 6 of this Decree.
4. Persons other than Persons stipulated in paragraphs 1, 2, and 3 this Article, such as film actors, sounds directors, tricky scenes cameramen, painters who perform gestures (for animated cartoons) shall be entitled to remunerations paid by parties using works, subject to the extent of their contributions.

Where persons who carry out the above-mentioned tasks are employed (as staffs or parties to long-term labour contracts) by units using works, they shall be entitled to remunerations stipulated in paragraph 4 Article 6 of this Decree.

Remunerations shall be included in the expenses of making works.

Article 20: Royalty for cinematographic works

Royalties for cinematographic works (fiction films, document films, report films, animated cartoons) shall be calculated pursuant to the percentage ratios of the total expenses that have been approved (in the case of films ordered or subsidized by the State) or pursuant to percentage ratios of the sale price of cinematographic products, on the basis of the works' quality and category, without regard as to materials on which the images are recorded.

1. Fiction films

The calculation and payment of royalties shall be made according to one of the following two grades:

Unit: Price of work

No	Titles	Grade I	Grade II	Grade III
1	Directors	2.25%	2.50%	2.75%
2	Script writers	2.25%	2.50%	2.75%
3	Cameramen	1.20%	1.35%	1.50%
4	Montagers	0.37%	0.43%	0.50%
5	Music composers	0.70%	0.80%	0.90%
6	Painters	0.80%	0.90%	1.00%

2. Document films, scientific films

The calculation and payment of royalties shall be made according to one of the following three grades:

Unit: Price of work

No	Titles	Grade I	Grade II	Grade III
1	Directors	4.21%	4.72%	5.30%

2	Script writers	4.21%	4.72%	5.30%
3	Cameramen	2.15%	2.50%	2.80%
4	Montagers	0.43%	0.51%	0.60%
5	Music composers	0.86%	1.05%	1.20%
6	Painters	1.00%	1.20%	1.35%

3. Report films

The calculation and payment of royalties shall be made according to one of the following two grades:

Unit: Expense for creation of work

No	Titles	Grade I	Grade II
1	Directors	2.7%	3.2%
2	Script writers	2.7%	3.2%
3	Cameramen	2.2%	2.5%
4	Montagers	0.3%	0.4%
5	Music composers	0.6%	0.7%

4. Animated cartoons

The calculation and payment of royalties shall be made according to one of the following three grades:

Unit: Expense for creation of work

No	Titles	Grade I	Grade II	Grade III
1	Directors	3.65%	4.30%	4.95%
2	Script writers	3.65%	4.30%	4.95%
3	Cameramen	1.80%	2.15%	2.50%
4	Montagers	0.33%	0.43%	0.53%
5	Music composers	1.30%	1.55%	1.80%
6	Painters	2.70%	3.20%	3.70%

Article 21: Other provisions

1. In the case of transformed works, from literary, theatrical & works into cinematographic scripts, the authors of the original works shall be entitled to from 30 to 40% of royalties payable to scriptwriters of works of the same category and grade; the authors of the transformed works shall be entitled to the remaining part of royalties for scriptwriters.

2. In the case of cinematographic works especially made for juniors, ethnic minorities, authors are entitled extra to incentive royalties that are equal to 5% of the average royalty per work calculated in the year in question, provided the production of such cinematographic works is approved by the competent authorities.
3. In the case of plastic films, after the 10th copies the authors shall be entitled extra to incentive royalties that are equal to 8% of the receipt in the sale of films.
4. The ratio for sharing incentive royalties among authors shall be determined pursuant to prescribed manners.
5. Where the expenses of making cinematographic works are great due to special requirements in equipment and materials, the highest rate of royalty shall not exceed two times of royalty for cinematographic works made with expenses that are equal to the average of the total expenses that are approved.

Article 22: Royalty funds

Organizations using cinematographic works shall establish royalty funds, which is calculated by taking the percentage ratio for the highest grade in the royalty frame stipulated in Article 20 of this Decree, then add to the said ratio 30% of it, then multiplying the obtained number by the sale price, or the averaged total production expenses, of cinematographic works in the year in question, provided such sale price or expenses are approved by the competent authorities.

In the case of subsidized cinematographic works, the total expenses include management expenses.

Chapter V **ROYALTY FOR PRESS WORKS** *(Printed press, electronic press)*

Article 23: Persons entitled to royalty

1. Authors or owners of works, whose works are used by press organizations.
2. Authors who are employed by press organizations using their works (as staffs or parties to long-term contracts) shall be entitled to royalties pursuant to the provisions in paragraph 3 Article 6 of this Decree.
3. Persons other than persons stipulated in paragraphs 1 and 2 this Article, who collect and provide works, documents, materials, as stipulated in paragraph 6 Article 6 of this Decree, and editors shall be entitled to remunerations paid by press organizations, subject to the extent of their contributions.

Editors who are employed by press organizations (as staffs or parties to long-term contracts) shall be entitled to remunerations stipulated in paragraph 4 Article 6 of this Decree.

Remunerations shall be included in the total expenses for running press.

Article 24: Royalties for press works

Royalties for press works (printed press, electronic press) shall be based on categories, quality and calculated pursuant to coefficients set forth in the following royalty frame:

Group	Category	Coefficient
1	News Replies to readers	1-10
2	Paintings	1-10
3	Pictures	1-10
4	Editorials	10-30
5	Reports Essays Interviews	10-30
6	Literature	8-30
7	Researches	10-30

1. The chief editors shall make the decision on the royalty coefficients applicable to works, on the basis of their category and quality.
2. In the case of works not stipulated in the royalty frame and in the case of news stipulated in point c paragraph 6 Article 6 of this Decree, the chief editors shall make the decision on the royalty coefficients applicable to authors and on respective remunerations payable to collectors and providers, documents, materials, on the basis of the particularities and features of the works.
3. A unit of the royalty coefficients shall be worth 10% of the minimum salary. In the case of press organizations that are able to balance their budget and make profit from press activities and complementing economic activities, the chief editors may pay authors royalties at rates higher than averaged rate, on the basis of the works' quality and categories stipulated in the royalty frame, provided the payments are kept under the limit set by the royalty funds.
4. The calculation and payment of royalties shall be made by multiplying the royalty coefficients in the royalty frame by the value of royalty coefficient unit.
$$\text{Royalty} = \text{Royalty coefficient} \times \text{Value of royalty coefficient unit}$$

Article 25: Other provisions

1. The authors of words of musical works and cartoons shall be entitled to from 20 to 25% of royalties payable to such works.
2. The authors of translations from foreign languages or languages of ethnic minorities into Vietnamese and vice versa shall be entitled to from 40 to 65% of royalties payable to works of the same category written in Vietnamese. The rates of royalty shall be determined by the chief editors.

3. In the case of works especially made for to juniors, ethnic minorities, authors shall be entitled extra to incentive royalties that are equal to from 10 to 20% of royalties payable to such works.
4. Vietnamese authors who write in foreign languages, Kinh persons who write in languages of ethnic minorities, and members of one ethnic minority who write in languages of other ethnic minorities shall be entitled extra to incentive royalties that are equal to from 30 to 50% of royalties payable to their works.
5. The authors of works created in difficult or dangerous conditions shall be entitled extra to incentive royalties, which shall not exceed the royalties payable to their works.
6. The ratio for sharing royalties among interviewers and interviewees shall be agreed upon by the parties.

Article 26: Royalty funds

1. Press organizations shall establish royalty funds in the following two ways:
 - a. In the case of press organizations whose operation relies mainly on the State budget provided by their supervising organization, the yearly royalty funds shall be calculated by multiplying the number of averaged royalty coefficients in one period of publication of newspapers or journals by the value of royalty coefficient unit, then multiplying the obtained amount by the number of publication periods of newspapers or journals in the year in question, and then adding the incentive royalties and remunerations to the later obtained amount.
 - b. In the case of press organizations that are able to balance their budget and make profit through press activities, the royalty funds shall be deducted from the press activities turnover, pursuant to the following ratios:
 - From 1 to 5% of turnover, in the case of press organizations whose number of circulations are over 100,000.
 - From 5 to 10% of turnover, in the case of press organizations whose number of circulations are under 100,000.
2. The royalty funds of press organizations may be supplemented by other sources of income, with the consent of their supervising authority.

Chapter VI
ROYALTY FOR RADIO, TELEVISION WORKS
(Spoken press, visual press)

Article 27: Persons entitled to royalty

1. Authors or owners of work, whose works are used by radio, television broadcasting organizations.

2. In the case of radio broadcast, scriptwriters, directors, music composers (not including music contained in archive tapes).
3. Script writers, directors, cameramen, montagers, music composers (not including music contained in archive tapes), painters, in the case of television broadcast
4. Authors who are employed by organizations using their works (as staffs or parties to long-term contracts) shall be entitled to royalties pursuant to the provisions in paragraph 3 Article 6 of this Decree.
5. Persons other than persons stipulated in paragraphs 1, 2, 3, and 4 this Article, such as radio speakers, theatrical performers, film actors, performers in other kinds of performing art, programmes directors, chief music managers, lightings designers, art assistants, sounds directors, and tricky scenes cameramen shall be entitled to remunerations paid by parties using works, subject to the extent of contributions.
In case the above-mentioned persons are employed by radio or television broadcasting organizations (as staffs or parties to long-term contracts), they shall be entitled to remunerations pursuant to the provisions in paragraph 4 Article 6 of this Decree.
Remunerations shall be included in the price or total expenses for making works.

Article 28: Royalties for radio, television works

1. Authors or owners of work stipulated in paragraph 1 Article 27 of this Decree shall be entitled to royalties pursuant to the provisions in Chapter V of this Decree.
2. Royalties payable to authors or owners of work stipulated in paragraph 2 Article 27 of this Decree shall be as follows:
 - a. In the case of categories 1,4, 5, and 7 in the royalty frame for press works, authors or owners of work shall be entitled to from 20 to 30% of royalties payable to works of respective categories.
 - b. In the case of category 6 in the royalty frame for press works, authors or owners of work shall be entitled to from 50 to 150% of royalties payable to works of the same category.
 - c. In the case of theatrical works and works of other kinds of performing art, authors or owners of work shall be entitled to from 50 to 70% of royalties stipulated in Chapter III of this Decree.
3. Royalties payable to authors or owners of work stipulated in paragraph 3 Article 27 of this Decree shall be as follows:
 - a. In the case of categories 1,4, 5, and 7 in the royalty frame for press works, authors or owners of work shall be entitled to from 50 to 100% of royalties payable to works of respective categories.
 - b. In the case of category 6 in the royalty frame for press works, authors or owners of work shall be entitled to from 100 to 200% of royalties payable to works of the same category.
 - c. In the case of theatrical works, works of other kinds of performing art, and cinematographic works, authors or owners of work shall be entitled to respective royalties stipulated in Chapter III of this

Decree. General Directors (or Directors) of televisions shall have the right to pay royalties of higher rates to authors or owners of work, provided that the total sum of royalties and remunerations does not exceed 20% of the total expenses (not including expenses for television equipment) of the production of fiction films or televised theatrical works, and does not exceed 60% in the case of document and scientific films.

Article 29: Other provisions

1. For works that are broadcast several times, royalties shall be agreed upon in contracts.
2. Where works that have been used in other press organizations or in the form of publications are re-used in non-commercial radio or television broadcasts, authors or owners of work shall not be entitled to royalties stipulated in paragraph 1 Article 28 of this Decree.

Article 30: Royalty funds

1. In the case of radios and televisions whose operation relies mainly on the State budget provided by their supervising organization, the royalty funds shall be calculated by multiplying the averaged royalty for radio and television programmes by the total broadcast time in year in question, then adding the incentive royalties and remunerations to the obtained amount.
2. In the case of radios and televisions that are able to balance their budget or that are authorized by the State to be autonomous in dealing with incomes and expenses, if their incomes equate to or exceed their expenses, the royalty funds shall be from 3 to 15% of total turnover, including the budget provided by the State and other incomes (from advertisements, services in sale of programmes, and services in radio, television broadcasts).
3. Royalty funds may be complemented by other sources of income of radios, televisions, with the consent of their supervising organizations.

Chapter VII
ROYALTY FOR PLASTIC WORKS (WORKS OF FINE ART), WORKS OF APPLIED ART AND PHOTOGRAPHIC WORKS

Article 31: Persons entitled to royalty

Authors or owners of work, whose plastic works (works of fine art), works of applied art, or photographic works are used.

Article 32: Royalties for plastic works (works of fine art), works of applied art, photographic works

1. The rates of royalty for plastic works (works of fine art), works of applied art, photographic works shall be agreed upon by parties using works and the authors or owners of work, without regard to materials, dimensions and size of the expression of works.

2. The Ministry of Culture and Information shall be hereby assigned the tasks of the co-coordinator, in co-operation with the Ministry of Finance, in providing guidance to the payment of royalties for works that are used on account of the State budget.

Article 33: Royalties for plastic works (works of fine art), works of applied art, photographic works used in displays, exhibitions

1. Where plastic works (works of fine art), works of applied art, photographic works are on displays or exhibitions organized by the State organizations, the boards of organizers shall pay remunerations to authors or owners of work pursuant to the following provisions:
 - a. In the case of international and national exhibitions: the amount to be paid to each work per one exhibition shall be not less than 100% of the minimum salary.
 - b. In the case of regional and local exhibitions: the amount to be paid to each work per one exhibition shall be not less than 50% of the minimum salary.
2. Where plastic works (works of fine art), works of applied art, photographic works are on displays or exhibitions organized by political, political-social, social, social-professional organizations and where they are on displays or exhibitions in relation to commercial activities, movements, charities, festivals& the boards of organizers shall make agreements on remuneration with the authors or owners of work.

Chapter VIII CONTRACTS FOR USE OF WORK

Article 34:

The royalty regime shall be implemented by means of contracts for use of work, pursuant to the provisions in Chapter III of the Decree No 76/CP of 29th November 1996 of the Government and other implementing documents relating to contracts for use of work.

Chapter IX STATE MANAGEMENT OVER ROYALTY REGIME

Article 35:

The State management over royalty regime shall be part of the State management over copyright protection and implemented pursuant to the provisions in Chapter VI of the Decree No 76/CP of 29th November 1996 of the Government.

Chapter X IMPLEMENTING PROVISIONS

Article 36: Effects of implementation

This Decree shall take effect 15 days after its signature.

The Decree No 59/HDBT of 5th June 1989 of the Council of Ministers' on royalty regime for political-social, culture-education, literary-artistic, scientific-technical works' and other implementing documents shall cease to be effective on the date this Decree enters into force.

Any previous provisions that are contrary to the provisions in this Decree shall be repealed.

Article 37: Responsibility for guiding implementation

The Ministry of Culture and Information shall guide the implementation of this Decree.

Article 38: Responsibility for the implementation of the Decree

The Ministers, the Heads of Ministerial organizations, the Heads of organizations subordinated to the Government, the Chairmen of the People's Committees of provinces and cities subordinated to the Central Government, authors, owners of work and parties using works shall be responsible for the implementation of this Decree.

ON BEHALF OF THE GOVERNMENT

The Prime Minister

Phan Van Khai

(signed)