

THE MINISTRY OF TRANSPORT

**Circular No. 45/2011/TT-BGTVT of June 10, 2011,
providing traffic safety inspection expenses for newly
built, upgraded or renovated roads**

Pursuant to the November 13, 2008 Law on Road Traffic;

Pursuant to the Government's Decree No. 11/2010/ND-CP of February 24, 2010, on the management and protection of road infrastructure facilities;

Pursuant to the Government's Decree No. 112/2009/ND-CP of December 14, 2009, on the management of work construction investment expenses;

Pursuant to the Government's Decree No. 51/2008/ND-CP of April 22, 2008, defining the functions, tasks, powers and organizational structure of the Ministry of Transport;

The Minister of Transport provides traffic safety inspection expenses for newly built, upgraded or renovated roads as follows:

Article 1. Scope of regulation

This Circular provides the elaboration and management of traffic safety inspection expenses for newly built, upgraded or renovated roads at the stages of formulation of investment projects or economic-technical reports, engineering designs or construction drawing designs, and traffic safety inspection before these works are put into operation.

Contents of traffic safety inspection are those specified in the Transport Minister's Circular No. 39/2011/TT-BGTVT of May 18, 2011, guiding a number of articles of the Government's Decree No. 11/2010/ND-CP of February 24, 2010, on the management and protection of road infrastructure facilities.

Article 2. Subjects of application

This Circular applies to agencies, organizations and individuals engaged in traffic safety inspection for newly built, upgraded or renovated roads.

Article 3. Traffic safety inspection expenses

1. Traffic safety inspection expenses for newly built, upgraded or renovated roads (below referred as to traffic safety inspection expenses) means all expenses necessary for completing traffic safety inspection under regulations.

2. Traffic safety inspection expenses shall be estimated and incorporated in the item of construction investment consultancy expenses of the total investment and road construction cost estimates.

Article 4. Estimation of traffic safety inspection expenses

1. Investors shall estimate traffic safety inspection expenses or may hire qualified consultancy organizations to estimate and manage these expenses under current laws.

2. Approved estimation of traffic safety inspection expenses serves as a basis for determining prices of traffic safety inspection bid packages and for negotiating and concluding contracts and making payments for traffic safety inspection consultancy contractors in case of contractor appointment.

Article 5. Contents of the estimation of traffic safety inspection expenses

1. An estimation of traffic safety inspection expenses covers:

- a/ Expert expenses;
- b/ Management expenses;
- c/ Other expenses;
- d/ Pre-calculated taxable incomes;
- e/ Value-added tax (VAT);
- f/ Contingency expenses.

2. Expert expenses

Expert expenses shall be determined according to the number of experts, their working periods and salaries, specially:

a/ The number and working period of an expert shall be determined according to requirements and workload of specific jobs involved in traffic safety inspection, the required progress of traffic safety inspection and his/her qualifications;

Based on the size and nature of works and traffic safety inspection stages, the progress of traffic safety inspection, other factors relating to traffic safety inspection and regulations on qualifications of traffic safety inspection organizations or individuals, the number of experts and their working periods shall be determined.

b/ The salary of an expert covers the basic salary, social expenses and other allowances (if any) and is determined as follows:

- In case no traffic safety inspection consultancy organization is identified, it shall be determined on the basis of the market average salary level applicable to experts or that promulgated by the State.

- In case a traffic safety inspection consultancy organization has been identified, it shall be calculated and determined on the basis of the actual salary level, social expenses and other allowances (if any) indicated in financial statements already audited or certified by a tax or finance agency or similar contracts already signed or currently performed in the last year of such consultancy organization, and the annual inflation rate affecting the salary.

3. Management expenses

Management expenses are those relating to salaries of management staff those for maintenance of consultancy organizations' operations, overhead costs for working offices and costs for professional responsibility insurance for consultants and other management expenses. Management expenses shall be determined to be equal to 45% of expert expenses.

4. Other expenses

Other expenses include those for equipment depreciation, site survey, travel, conference, seminars and other necessary expenses in service of traffic safety inspection. These expenses shall be determined under the following regulations:

a/ Equipment depreciation expenses shall be determined on the basis of requirements, the quantity of equipment, use period, depreciation period, regime of management, use and depreciation of fixed assets and common market prices of equipment;

b/ Site survey and travel expenses shall be determined according to the time and number of travels, transport means, allowances under current regulations and other necessary expenses in the course of site survey;

c/ Conference and seminar expenses shall be determined according to requirements of the traffic safety inspection work, projected number of conferences and seminars and regime and norms of conference and seminar expenses under the Finance Ministry's regulations;

d/ Other necessary expenses shall be determined according to requirements of each work subject to traffic safety inspection.

5. Pre-calculated taxable incomes

Pre-calculated taxable incomes shall be determined to be equal to 6% of total expert expenses, management expenses and other expenses.

6. Value-added tax

Value-added tax shall be determined under the Value-Added Tax Law and other tax laws.

7. Contingency expenses

Contingency expenses means those projected for additional jobs and inflation in the course of traffic safety inspection. These expenses shall be determined to be at most 10% of the total of expert expenses, management expenses, other expenses, pre-calculated taxable incomes and value-added tax.

Traffic safety inspection expense estimates shall be summed up according to Appendix No. 1 to this Circular (*not printed herein*).

Article 6. Appraisal and approval of traffic safety inspection expense estimates

1. Investors shall organize the appraisal and approval of traffic safety inspection expense estimates under Articles 10 and 25 of the Government's Decree No. 112/2009/ND-CP of December 14, 2009, on management of work construction investment expenses.
2. Jobs involved in the appraisal and approval of traffic safety inspection expense estimates are specified in Article 10 of the Government's Decree No. 112/2009/ND-CP of December 14, 2009, on the management of work construction investment expenses and this Circular.
3. Results of appraisal of traffic safety inspection expense estimates shall be recorded in appraisal reports, made according to a set form.

Article 7. Adjustment of traffic safety inspection expense estimates

1. An approved traffic safety inspection expense estimate may be adjusted in the following cases:
 - a/ The workload of traffic safety inspection is added in the following cases:
 - The modification or supplementation of the basic design, engineering design or construction drawing design results in the change in the work's size or the traffic organization plan;
 - The person competent to decide on investment requests addition of jobs involved in traffic safety inspection.
 - b/ The adjustment to and change of the expense structure in the approved traffic safety inspection expense estimate.
 - c/ Other cases specified by the laws on work construction investment and road traffic.

2. An adjusted traffic safety inspection expense estimate shall be determined to be the approved estimate plus or minus the additional estimate.
3. Investors shall appraise and approve adjusted traffic safety inspection expense estimates under the Government's Decree No. 112/2009/ND-CP of December 14, 2009, on the management of work construction investment expenses.
4. Adjusted traffic safety inspection expense estimates serve as a basis for adjusting prices of contracts and bidding packages.
5. In case the adjustment of a traffic safety inspection expense estimate leads to an excess in the approved total investment, the investor shall report such to the investment decider for consideration and approval.

Article 8. Effect and implementation responsibility

1. This Circular takes effect on August 1, 2011.
2. The Chief Officer and the Chief Inspector of the Ministry of Transport, directors of departments, chairpersons of provincial-level People's Committees, the general director of the Vietnam Road Administration, directors of provincial-level transport departments, heads of related agencies, organizations and individuals shall implement this Circular.-
Minister of Transport
HO NGHIA DUNG