Task Force I Report

CLARIFICATION OF THE FIVE MILLION HECTARE
REFORESTATION PROGRAM

Final version

Hanoi, December 2000

Acronyms and Abbreviations

BAP Bio-diversity Action Plan for Vietnam
DARD Department of agriculture and Rural Development
Decision 661 Decision 661/QD-TTg of the Prime Minister on 5 Million Hectare Reforestation Programme, dated July 29, 1998.
Decision 187 Decision 187/1999/QD-TTg of the Prime Minister on Restructuring State Forest Enterprises, dated September 16, 1999
DFD Department for Forestry Development
DOLISA Department of Labour, Invalids and Social Affairs
FDB (Sub-DFD) Forestry Development Branch
Fund 661 State grant for 5 Million ha Reforestation Program
HEPR Hunger Eradication and Poverty Reduction Program
MARD Ministry of Agriculture and Rural Development
NPESD Environment and Sustainable Development National Plan
PROFOR Program on Forests of the United Nation Development Program
Program 327 Program on "Strengthening of reforestation, re-greening of open land and bare hills as a way to reduce harvesting in natural forests".
Program 135 Hunger Eradication and Poverty Reduction Program
**Table of contents**

**Acronyms and Abbreviations**

1. **Background to the Partnership Support Program for 5MHRP**
   1.1 Introduction
   1.2 Objective of the Memorandum of Agreement
   1.3 Structure of the Memorandum of Agreement
   1.4 Principles of the Memorandum of Agreement
   1.5 The Task Forces
      1.5.1 Task Force I: Clarification of the 5MHRP
      1.5.2 Task Force II: Forest Policy, Strategy and Institutions
      1.5.3 Task Force III: Forest Sector Investment and Assistance Needs and Partnership Support Structure

2. **Task Force I and its Assignment**
   2.1 Introduction
   2.2 Organization of the Task Force and its Work
   2.3 Task Force Outputs
   2.4 A Note on Constraints, Limitations and Definitions

3. **Five Million Hectare Reforestation Program - the Policy Text**
   3.1 Objectives, Scope and Approach of the 5MHRP
   3.2 Program Components of the 5MHRP
      3.2.1 Protection and development of special-use forests
      3.2.2 Protection and development of protection forests
      3.2.3 Protection and development of production forests
   3.3 Management set up for the 5MHRP
      3.3.1 Management of the 5MHRP at the Central Level
      3.3.2 Projects under the Authority of a Central Level Agency
      3.3.3 Projects under authority of a Provincial (City) Level Agency
Planning Procedures for Projects with Support from Fund 661
3.4.1 Preparation and Approval of Provincial Forestry Plans
3.4.2 Preparation and Approval of Projects
3.4.3 Preparation and approval of annual work plans

Financial Management of Projects with Support from Fund 661
3.5.1 Cases where Project Owners Are under Local Authority
3.5.2 Cases where Project Owners Are under Central Authority

Projects without Support from Fund 661
3.6.1 For projects in special-use and protection forestry
3.6.2 For projects in production forestry

5MHRP and Fund 661 - From Policy Text to Policy Implementation
4.1 Beneficiaries and Stakeholder Interest
4.2 Administrative and Management Aspects
4.3 Technical Aspects

5MHRP and the Social Development Dimension
5.1 Background
5.2 Legal and regulatory provision for the social objective of the 5MHRP
5.3 Compatibility of the 5MHRP with other national plans and policies
5.4 Social development within the forestry context
5.4.1 Environment and food security
5.4.2 Land Right and Tenure
5.4.3 Land use and livelihoods
5.4.4 Migration
5.4.5 Nature of institutional support at "ground level"
5.5 Opportunities presented by the 5MHRP

5MHRP and the Ecological Dimension
6.1 Background
6.2 Legal and Regulatory Provision for the Ecological Objectives of the 5MHRP
6.3 Compatibility of the 5MHRP with other National Plans and Policies
6.4 5MHRP and Forest Protection
6.5 5MHRP and Promotion of Natural Regeneration
6.6 5MHRP and Plantation
6.7 Opportunities Presented by the 5MHRP
7. **5MHRP and the Economic Dimension**

7.1 Background

7.2 Legal and Regulatory Provision for the Economic Objectives of the 5MHRP

7.3 Compatibility of the 5MHRP with other national plans and policies

7.4 5MHRP and protection and special use forests

7.5 5MHRP and production forests

8. **5MHRP and the Linkages with the Other National Programs**

9. **Selected Issues and Recommendations**

9.1 The title and the scope of the 5MHRP

9.2 Implementing mechanism

9.2.1 Strengthen institutional arrangement for improved implementation of 5MHRP

9.2.2 Strengthen authority to localities in designing the activities

9.2.3 Ensure social equity in access to resources, rights and responsibilities in establishing the operational framework for the 5MHRP

9.3 Frame conditions for implementing

9.3.1 Improve policy systems

9.3.2 Work out a forestry-based production development strategy at local level

9.3.3 Strengthen monitoring and evaluation systems

9.4 Develop co-ordination with other relevant national program/projects

10. **Annexes:**

    Annex 1: Terms of Reference for Task Force I
    Annex 2: Composition of Task Force I and Sub-groups
    Annex 3: List of reports produced
    Annex 4: List of documents consulted
    Annex 5: List of institutions contacted and people met

Appendices (under separate covers)

Reports of two Compilation and Analysis teams, three Field Assessment teams and one Social development analysis team

1. **BACKGROUND TO THE PARTNERSHIP SUPPORT PROGRAM FOR 5MHRP**

1.1 Introduction
The Tenth National Assembly of the Socialist Republic of Vietnam approved in July 1998 a new National Forestry Program, which seeks to reforest and rehabilitate 5 million hectares of forest land, such that by 2010 the total forest area of the country will reach 14.3 million hectares (equivalent to 43% of forest coverage). The 5MHRP is a challenging program on environmental protection as well as rural development and poverty alleviation. It also shows the commitment and the priority given by the Government to the forestry sector for the coming years and responds to the "Rio Declaration" (UNCED) and Agenda 21.

The Ministry of Agriculture and Rural Development (MARD) and the provinces are challenged to proceed as soon as possible with large-scale implementation of the Program. The Program will require considerable investments in technology development, capacity building and institutional development. It should create favourable environment for people’s participation. Although details remain to be worked out, it is clear that the Program will draw heavily on the State Budget as well as external donor grants and loans.

During the Consultative Group Meeting in Paris in December 1998 it was agreed between the Donor Committee and the Representative of the Vietnamese Government that a Partnership would be established to support the 5MHRP.

1.2 Objective of the Memorandum of Agreement

Objective of the Memorandum of Agreement is to reach agreement on a formal Partnership between the Government of Vietnam and interested donors, including NGOs, which will lead the Government and Donors to a shared sector support program for effective and efficient implementation of the 5MHRP on the basis of agreed policies, strategies, priorities and principles of implementation.

1.3 Structure of the Memorandum of Agreement

This Memorandum of Agreement is not a legally binding document, rather a sign of commitment to develop a formal Partnership. MARD will lead the implementation of the Memorandum of Agreement under direction of a Vice Minister, through a Joint Partnership Steering Committee, co-chaired by the Donors on a rotational basis. The Partnership Steering Committee will be supported by a Partnership Secretariat attached to the International Co-operation Department of MARD and operated in Cupertino with the Office of the 5MHRP within the Forestry Development Department. The Partnership Steering Committee of the Memorandum of Agreement will include, but not be limited to, representatives of Ministry of Agriculture and Rural Development, the Office of the Government, Ministry of Planning and Investment, Ministry of Finance and the signing Donors and NGOs. The majority of the national partners of the Partnership Steering Committee are members of the Executing Committee of the 5MHRP.

The Partnership Steering Committee is responsible for achieving the objective of the Memorandum of Agreement. The Partnership Steering Committee provides guidance to Task Forces under the Memorandum of Agreement and is responsible for the coherence among Task Forces and the ultimate synthesis into the Partnership. The Steering Committee is also responsible for liaison with national programs and for. The Steering Committee liaises with the national level Steering Committee and the Executing Committee of the 5MHRP. The Partnership Steering Committee will meet quarterly or more often as required.

1.4 Principles of the Memorandum of Agreement

The process of developing the Partnership, embarked on with the Memorandum of Agreement, will be entirely transparent for all participants and stakeholders. An appropriate mechanism will be established for adequate information sharing.

The Government of Vietnam will seek to convince Donors and international organisations to place their support to the forestry sector development in the framework of the Memorandum of Agreement and the resulting Partnership, especially when relevant to the 5MHRP.

Signed Donors and international organisations, in consultation with the Government and the Partnership Steering Committee, will aim to put their investments and support to the forestry development in the framework of and supportive to the Memorandum of Agreement and the resulting Partnership.

1.5 The Task Forces

In order to achieve a Partnership on a Forestry Sector Support Program underpinning the 5MHRP, joint Government/Donor Task Forces will be established by the Partnership Steering Committee to prepare the various elements of such a Partnership. Each task force should include key stakeholders and work on the
following objectives:

1.5.1 Task Force I: Clarification of the 5MHRP

Objective: Review and assess the current preparation and implementation status of the 5MHRP and present in detail the objectives and outputs to be achieved and the proposed means and implementation structure. Define the core activities of the Program, its relations with other national programs as well as its limits.

1.5.2 Task Force II: Forest Policy, Strategy and Institutions

Objective: Review and assess the strengths and weaknesses of current forest policy, strategy and institutions in Vietnam and recommend how they should be changed in order to create the right framework conditions to achieve the objectives of the 5MHRP.

1.5.3 Task Force III: Forest Sector Investment and Assistance Needs and Partnership Support Structure

Objective: Review and assess the future investment needs of forestry in Vietnam over the short and medium term (including the immediate needs) and the current contribution and the role of the ongoing projects and programs. Recommend financing strategy for sustainable forestry sector development in Vietnam and the implementation of the 5MHRP. In particular, consider a) the demand for public investments; b) the range of the Government/Donor Partnership options to support the forestry sector in Vietnam; c) identify the costs and benefits of a program approach to forestry investments and d) define the necessary preconditions for successful investments in forestry activities at all levels.

Planned and ongoing donor supported technical assistance in the sector will be made supportive to the Task Forces, where relevant.

The Task Forces are composed of Vietnamese and Donor representatives and will be limited in size. They get guidance from and report to the Partnership Steering Committee. The Steering Committee will set their term in relation to the process of the Memorandum of Agreement and the need to synthesise their results into a Partnership.

2. TASK FORCE I AND ITS ASSIGNMENT

2.1 Introduction

The Government of Viet Nam and 15 donor agencies and international organisations have embarked on the development of a formal partnership for a shared sector support programme for the National Five Million Hectare Reforestation Programme (5MHRP). A commitment of the partners to the process was formalised through signing of a Memorandum of Agreement (MoA) on 10 December 1999. In short, the objective of the MoA is to reach agreement on policies, strategies, priorities and principles of implementation for a forest sector support programme, in line with international principles for forest management.

The partners recognise the need for identifying and analysing key issues and to accommodate a process leading to the preparation of the various elements of a partnership for a sector support programme. The group identified, *inter alia*, the need to contribute to a further clarification of the structure, characteristics, status, and constraints to efficiency of the 5MHRP. Such an analysis would also include the principles for planning and implementation of the 5MHRP and its relation to other national programmes. A Task Force was, therefore, established to prepare and carry out the necessary studies, including a study of field projects of the 5MHRP.

The assignment for Task Force I is specified in its Terms of Reference (Annex 1). They begin by listing the following three objectives:

- Review and assess the current preparation and implementation status of the 5MHRP
- Present in detail the objectives and outputs to be achieved and proposed means and implementation structure of the 5MHRP
- Define core activities of the 5MHRP, its relations with other national programmes as well as its limits

It has often been stated that Vietnam has a long history of successful establishment of new forests but a relatively unclear record of ensuring the sustainability of those forests. New forests are now being created in
different ways with support from Fund 661. Given the spectrum of objectives under the Programme, covering the social, ecological and economic dimensions, issues of sustainability need to be considered from these three perspectives. Moreover, a clarification of the 5MHRP requires considering and integrating these three objectives within its clarification process. The structure of the report, therefore, apart from integrating the inputs from the study teams (Compilation and Analysis and Field Assessment Teams), within the three perspectives, provides a brief analysis of the 5MHRP from the three perspectives of the social, ecological and economic.

2.2 Organisation of the Task Force I and its Work

Task Force I is composed of Vietnamese and international experts with knowledge and working experience in relation to the 5MHRP. The director of Forest Development Department, MARD, is the chairman of the Task Force, with the Head of UNDP Environment Unit as the co-chairwoman. The work of the Task Force is open and transparent to all actors with an interest in forest sector development in Viet Nam.

The Task Force has selected a core group to be responsible for the overall work of the Task Force, while the Task Force Chairpersons have provided guidance. The 5MHRP Partnership Secretariat is supporting the Task Force in arrangements of its work and information management. Sub-group (or team) and small consultant teams have been formed according to requirements. Vietnamese and international experts with knowledge and working experience in relation to the 5MHRP conducted the various required studies. Work was carried out in the following sequence of activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>When</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task Force I preparation, approval of work plan</td>
<td>May-June</td>
<td>Work plan, ToR</td>
</tr>
<tr>
<td>Step 1: Compiling and analysis</td>
<td>June-July</td>
<td>Study reports</td>
</tr>
<tr>
<td>Step 2: Assessment stage, field visits</td>
<td>July-September</td>
<td>Field study reports</td>
</tr>
<tr>
<td>Step 3: Synthesis/Recommendations</td>
<td>September-October</td>
<td>Task Force I Report</td>
</tr>
</tbody>
</table>

The Task Force benefited a lot of the MARD/PROFOR fourth draft document: "National Five Million Hectare Reforestation Programme, 1998 - 2010", which became available in April 2000. The document describes the contents and organisation for the implementation of the programme within the framework of the existing institutions and policies of the government. It therefore provided an excellent basis for understanding of the programme.

2.3 Task Force I Outputs

The Task Force work has resulted in seven separate study reports, of which the current one is a synthesis. The interested readers are encouraged to contact the Partnership Secretariat for copies.

- **Compilation and Analysis reports**: One report examines the 5MHRP documents and describes the key characteristics of the 5MHRP. Two other reports look into the 5MHRP and its linkages to other national and international programmes.
- **Field Assessment reports**: Task Force I carried out field assessments in the north, central and southern Viet Nam, mainly through national consultants. The three reports document the key findings of the 5MHRP field assessment, clarifying the gaps and limitations of the programme in terms of policies and institutional framework, project planning and implementation, technical and investment aspects. The reports also include specific recommendations for improvement of the 5MHRP.
- **Social Development Analysis**: The report examines the various dimensions relevant to the 5MHRP from a social development perspective and their incorporation in the 5MHRP planning and implementation. It also analyses the policy and institutional framework for addressing social issues in forest and rural development.

For clarity, this consolidated report is not in fact a summary of the above mentioned reports. Although it is based on the study reports and data gathered during the field assessments, this report represents the analysis of the Task Force I, based on participation in, and careful reading of the above studies. The Task Force I also solicited contributions from the different experts participating in the 5MHRP Partnership in the preparation of this report.
2.4 A Note on Constraints, Limitations and Definitions

This report presents the issues identified within the clarification process, undertaken by Task Force I. Information obtained at field level, however, was focused more on 661 projects (except for the southern team). Moreover, information gathered was obtained from relevant authorities (refer Assessment Team Reports 1, 2, 3 for detailed lists), with less time left for household level interaction and information collection (refer ToR of Assessment Teams), due to time constraints. Thus, the information from the Assessment Reports, used in this document, is more 661-focused and from a formal institutional level. (Also refer Section 3 - From Policy Text to Policy Implementation).

Similarly, in considering the social aspects, little data and observation was gathered from the field experience level, and therefore, the need to base analysis and clarification within the social dimension on other existing projects within the same sector that are addressing similar and relevant issues.

3. FIVE MILLION HECTARE REFORESTATION PROGRAMME - THE LEGAL DOCUMENTS

Degradation of resources is of great concern to the Government, and commitment to improved forest management is evident from its National Five Million Hectare Reforestation Programme. The main concern is that Viet Nam's forestry sector is witnessing a difficult situation on the ground. The large scale and significant environmental degradation that is impacting other sectors is serious. There is an increasing requirement for increasing forest cover, improving ecological conditions, providing social opportunity and minimizing impacts of natural calamities. In addition Viet Nam faces serious problems in meeting its growing timber needs. As natural forests continue to disappear and plantations fail to meet the increasing demand for wood products, timber needs are being met through increasingly expensive imports.

Building upon earlier drafts/outlines, the 5MHRP was formulated in 1997, in a document on forestry development strategies entitled "Strengthening of reforestation, re-greening of open land and bare hills as a way to reduce harvesting in natural forests".

In the beginning of 1998, the first draft of the 5MHRP was discussed with various stakeholders, including the donor community. It was discussed at the International Support Group Meeting in March and again at the National Forest Forum in June.

With Decision 661 (July 1998), the Government of Viet Nam officially launched the 5MHRP, directed at protecting the environment, increasing social and economic benefits, meeting forest product needs in a sustainable manner. The 5MHRP went into implementation in early 1999. Several Government decisions and regulations (on objectives, tasks, policies and organisation) have been issued to guide the planning and implementation in detail. The 5MHRP can be considered a new phase in a series of forest development programmes of the Government, most recently Programme 327.

3.1 Objectives, Scope and Approach of the 5MHRP

As stated by the 10th National Assembly in Article 1 of its "Resolution On Establishment of Five Million Hectares of New Forest" taken on 5 December 1997, the National Five Million Hectare Reforestation Programme to be implemented over the period 1998 to 2010 has the following objectives:

- To speed up forest plantation, re-green bare land, protect existing forests as well as new forests, increase the protective function of forests and protect the environment and bio-diversity; create favourable conditions for sustainable national development, and increase the forest cover to more than 40% of the national territory
- To create employment, increase incomes for local people thus contributing to hunger elimination and poverty reduction; develop production and create conditions for secure livelihoods, and ensure national defence and security
- To create raw material areas in association with development of industries processing forest products

The National Assembly also instructed the Government to implement the 5MHRP and to annually report to the
National Assembly on its progress. The Government was also asked to mobilise funds from all sources, domestic as well as foreign, and to set up a decentralised management organisation enhancing the role of local administrative bodies, chiefly at the commune level, in forest protection, reforestation, and management of the forest resource.

The key document establishing the structure for funding and implementation of the 5MHRP is Decision 661/QD/TTg/1998 and was taken by the Prime Minister on 29 July 1998. In that Decision, the general objectives for the 5MHRP, outlined by the National Assembly, are also developed in more detail, as follows:

- Establish five million hectares of new forest together with protection of existing forests in order to increase the forest cover to 43% of the national territory, protect the environment, decrease the severity of natural disasters, increase water availability, preserve gene resources and protect bio-diversity;
- Use open land and bare hills efficiently, create employment opportunities, contribute to hunger elimination and poverty reduction, support fixed cultivation and resettlement, increase income for mountain rural people, create stable social conditions, and strengthen national defence and security, especially in border areas;
- Provide construction material as well as raw material for production of paper, wood-based panels, non-wood products and also fuel wood, both for local consumption and for export;
- Develop the forest product processing industry;
- Make forestry become an important economic sector contributing to improvement in the socio-economic situation in mountain areas.

Decision 661 also specifies the targets for protection and production forest. The specific objectives related to protection and creation of new forests are:

- Efficiently protect the existing 9.3 million ha of forest;
- Create 2 million ha of special use and protection forests, of which 1 million through assisted natural regeneration for the purpose of watershed protection and creation of ecologically rich special use forests, and 1 million through plantation in areas with urgent need for ecological rehabilitation, including watershed areas, forests protecting against wind, sand and waves and forests in residential areas in the deltas;
- Create 3 million ha of production forest, of which 2 million ha in the form of concentrated plantation of forest trees for paper raw material, mining timber, big wood species, non-wood forest products and bamboo, and 1 million ha of long-term industrial crops and fruit trees;
- Plant an average of 50 million scattered trees per year around houses, offices and schools and along roads and dykes in order to meet a part of the demand for fuel wood and domestic furniture in the locality.

Decision 661 also provides a few indications on how the 5MHRP is to be implemented in the ongoing transition from central planning to a market-oriented economy. The programme is to be planned and implemented through several hundred local projects prepared, designed and carried out by localities after being approved by higher level authorities. Three leading principles are:

- In all projects, an attempt should be made to find locally suitable solutions and mobilise resource of the locality rather than depend on support from the outside (the central level or other countries);
- The capacity for natural regeneration should be used as much as possible, especially where the main objective is to preserve the vegetation or to create a forest with valuable long-rotation tree species;
- Projects should be designed so as to facilitate people's participation and enable them to benefit from sustainable use and development of the forests.

In order to be realistic, such a wide programme has to be highly decentralised and also be given a high degree of flexibility. For those reasons, Decision 661 only provides a framework, such as overall targets, and indicates a set of policies, for example related to land, grants from the State, credits, taxes etc. Within that broad framework, the local authorities are given a degree of freedom to design the activities.

Due to differences in function of special-use, protection, and production forests, the approach of the 5MHRP is different for the three categories. However, Government documents point out that the three kinds of forests have a capacity to provide both environmental protection and economic production.

For projects in special-use and protection forests (i.e. essential and very essential protection forests), State organisations, such as Management Boards of special-use or protection forests or units of the Forest Protection Department as "project owners". In these two categories of forests, the State can intervene directly, both administratively and financially, during the entire project cycle, from planning through implementation to evaluation.
For projects in production forests (including less essential protection forests), the forest owners, who will also be the “project owners”, can be individuals, households and organisations in different economic sectors who hold a Land Tenure Certificate for a piece of land. The main function of this kind of project is to provide forest products and enable people to draw benefits from forestry. In this case, the main role of the State is indirect, through incentives, for example related to land, markets, taxes, credits, and technical support.

To sum up, the 5MHRP should be seen as one of a number of national programmes/projects to reduce rural poverty, counter environmental degradation and promote overall rural development, recently launched by the Government. In other words, the 5MHRP should be seen as a component of the Government of Viet Nam’s strategy towards sustainable development. In this context, Decision 661 encompasses the national objectives for forestry protection and development. Key principles and strategies, such as decentralisation, local participation, better co-ordination and integration, and more efficient use of scarce government resources are, in theory, guiding principles for the planning and implementation of the 5MHRP.

3.2 Programme Components of the 5MHRP

As clarified in the previous sections, the 5MHRP is not a programme per se, but at present merely a loose connection of the entire set of activities contributing to increased forest cover in Viet Nam, having social, ecological and economic objectives. The following list presents a broad overview of different categories of projects that together constitute the 5MHRP.

3.3.1 Protection and development of special-use forests

This component includes the following three kinds of projects:

- Projects with support from Fund 661 in accordance with Decision no. 661/QD/TTg/1998 by the Prime Minister. There were 47 such projects by the end of 1999, according to the Permanent Office, Central Executive Committee for the National Five Million Hectare Reforestation Programme
- Foreign-supported projects
- Other projects related to special-use forests

3.3.2 Protection and development of protection forests

This component includes the following three kinds of projects:

- Projects with support from Fund 661 in accordance with Decision no. 661/QD/TTg/1998 by the Prime Minister. There were 364 such projects by the end of 1999 according to the Permanent Office, Central Executive Committee for the National Five Million Hectare Reforestation Programme
- Foreign-supported projects
- Other projects related to protection forests.

3.3.3 Protection and development of production forests

This component includes the following four kinds of projects:

- Projects using subsidised credit made available to domestic project owners for reforestation through the State banking system
- Joint venture projects
- Foreign-supported projects
- Other projects, implemented by forest owners using their own resources.

3.3 Management set up for the 5MHRP

This sub-chapter offers a brief overview of the management set-up for implementation of the 5MHRP, based on Decision 661. It presents the management structure at the central and the provincial level.

3.3.1 Management of the 5MHRP at the Central Level
At the central level, a National Steering Committee has been established. In the Ministry of Agriculture and Rural Development, two units have been set up to assist the National Steering Committee, namely the Central Executive Committee and the Permanent Office. The Central Executive Committee has the following functions:

- Assist the National Steering Committee and the Minister of Agriculture and Rural Development in elaborating afforestation plans for short, medium and long term.
- Assist the National Steering Committee and the Minister of Agriculture and Rural Development in distributing plans and investment quotas for afforestation in each locality, to be submitted to the Prime Minister for approval.
- Based on plans made by the Executive Committee, and in co-ordination with the Planning Department of the Ministry of Agriculture and Rural Development, the Permanent Office is to assist the Minister of Agriculture and Rural Development to assign implementation targets and funds to units and institutions under the Ministry.
- Co-ordinate with all concerned agencies and sectors that are represented in the National Steering Committee in directing and supervising all localities in implementation of the 5MHRP.
- Provide guidance for other Steering Committees of relevant sectors, branches and provincial Steering Committees regarding implementation of the 5MHRP.

**Figure 1: Management structure the 5MHRP**

The Permanent Office of the Central Executive Committee is located in the Department for Forest Development (DFD) with the Director of the Department for Forest Development being the Head and the staff drawn from the DFD. The Permanent Office is to assist the Executive Committee in day-to-day activities under supervision of the Chairman of the Central Executive Committee.

### 3.3.2 Projects under the Authority of a Central Level Agency

Ministries and other central level agencies set up Project Management Boards for administration of field projects concerning special-use and protection forests funded by the State (from "Fund 661"). The following are examples of such central level agencies: Ministry of Agriculture and Rural Development, Ministry of Defence, Ministry of Public Security, Ministry of Industry, and the Central Committee of the Ho Chi Minh Communist Youth Union. For management of projects receiving support from Fund 661, Field Project Management Units under the authority of the central level agencies are established by the project owners.

### 3.3.3 Projects under authority of a Provincial (City) Level Agency

Provincial Executive Committees be established by the Provincial People's Committees. The Provincial Executive Committee is to assist the Provincial People's Committee in guidance of the projects. A Provincial Project Management Board is established by the provincial People's Committee. Depending on the province, the Project Management Board is located either in the Department of Agriculture and Rural Development
(DARD) or in the Forest Development Branch (FDB). The leader of DARD or FDB typically chairs the Board, with specialists from DARD, FDB, and Forest Inspection Branch being the main members. The Provincial Project Management Board is to assist the Provincial Executive Committee in guiding the provincial projects.

In conclusion, although Decision 661 encompasses the national objectives for forestry protection and forest development in Vietnam, the structure for management and implementation is limited to special use and protection forests.

3.4 Planning Procedures for Projects with Support from Fund 661

The 5MHRP consists of all projects and the entire set of activities leading to an increase in forest cover in Vietnam having social, ecological and economic objectives. However, *Fund 661* is only financing activities in special-use and essential/very essential protection forests as stipulated in Decision 661. In principle there are three administrative processes concerned with the approval and management of the projects funded by Fund 661.

3.4.1 Preparation and Approval of Provincial Forestry Plans

*Step 1:* The Central Executive Committee at the Ministry of Agriculture and Rural Development elaborates guidelines for preparation of provincial forestry plans and requests the provincial authorities to prepare such plans;

*Step 2:* The Provincial Project Management Board (Department of Agriculture and Rural Development or the Forest Development Branch) prepares the provincial forestry plan and submits it to the Provincial Executive Committee;

*Step 3:* A council set up by the Provincial Executive Committee appraises the Plan. After being supplemented and revised, the plan is then submitted to the Provincial People's Committee which forwards the plan with its comments to the Central Executive Committee;

*Step 4:* The Central Executive Committee appraises the Plan and informs the province about its findings;

*Step 5:* The provincial People's Committee revises the plan in accordance with the comments received, approves the plan, and forwards it to the Central Executive Committee at the Ministry of Agriculture and Rural Development.

3.4.2 Preparation and Approval of Projects

3.4.2.1 For projects where project owners are institutions under district or provincial authority

*Step 1:* The Provincial Executive Committee provides guidelines for the preparation of projects within the Reforestation Programme to the project owners;

*Step 2:* The project owners prepare project proposals and forward them to the People's Committee in the district. After being accepted there, the proposal is sent to the provincial Project Management Board;

*Step 3:* The provincial Project Management Board invites suggestions for improvement of the proposal. A council set up by the Provincial Executive Committee appraises the project;

*Step 4:* When the project proposal has been appraised and adjusted as needed, the Provincial Executive Committee invites comments from the Central Executive Committee;

*Step 5:* The provincial People's Committee revises the project proposal in accordance with the comments received from the Central Executive Committee and then approves the project;

*Step 6:* The province sends the approved project document to the Ministry of Agriculture and Rural Development, the Ministry of Planning and Investment, the Ministry of Finance so that they can enter it in the list of projects approved for implementation;
3.4.2.2 For projects where project owners are central level agencies

Step 1: The Project Management Boards of the central level agencies provide guidelines for preparation of projects;

Step 2: The project owners prepare the project proposals and forward them to the People's Committees at the district and provincial levels for comments. The proposals are then sent to the Project Management Boards of the central level agencies;

Step 3: The Project Management Boards of the central level agencies appraises the proposals and forward them together with their comments for appraisal to the Central Executive Committee at the Ministry of Agriculture and Rural Development;

Step 4: After the Central Executive Committee has appraised the project, the Project Management Boards of the central level agencies make the necessary revisions and approve the project;

Step 5: The approved project document is sent to the Ministry of Agriculture and Rural Development, the Ministry of Planning and Investment, and the Ministry of Finance so that they can enter it in the list of projects approved for implementation. The project owner is also informed.

3.4.3. Preparation and approval of annual work plans

3.4.3.1 For projects where project owners are institutions under district or provincial authority

Step 1: Project owners prepare annual work plans for the projects and submit them to the district People's Committee for comments. The proposals are then forwarded to the Provincial Project Management Board;

Step 2: The Provincial Project Management Board makes comments on the plans for the projects and, if needed, suggests adjustments. All plans for the projects in the province are then compiled to form an overall work plan of the province. A team for appraisal of the provincial annual work plan is organised, with its membership mainly drawn from the Provincial Executive Committee;

Step 3: When the plan has been adjusted as needed, the Provincial Executive Committee submits it to the provincial People's Committee for their consideration. The proposal is then sent to the Central Executive Committee at Ministry of Agriculture and Rural Development;

Step 4: The Central Executive Committee makes its own appraisal of the plan and also submits it to the Ministry of Agriculture and Rural Development and the Ministry of Planning and Investment for their comments. The Central Executive Committee informs the province accordingly;

Step 5: The provincial People's Committee adjusts the provincial annual work plan as needed and approves it. The project owners (Field Project Management Units) are informed so that they can take the necessary action.

3.4.3.2 For projects where project owners are central level agencies

For projects in which the project owners are institutions under the central level, the project owners are to prepare annual work plans and submit them to the respective Project Management Board. The Project Management Boards of the central agencies compile the projects under their administration and forward the summary to the Central Executive Committee at the Ministry of Agriculture and Rural Development and to the Ministry of Planning and Investment. They will then receive a permanent approval for the project from the central level.

Figure 2: Position of the 5MHRP and projects with support from fund 661 within the overall forestry plan
3.5 Financial Management of Projects with Support from Fund 661

3.5.1 Cases where Project Owners Are under Local Authority

3.5.1.1 General procedures

After the Government has approved the annual work plans, the Ministry of Finance instructs the Central Treasury to transfer funds to the provincial Treasury. The Ministry of Finance also informs the People's Committee in the province/city about the amount transferred. The provincial/city People's Committee (Department of Finance) then instructs the provincial Treasury to transfer funds to the district Treasuries for projects in the districts within the province.

The provincial Department of Finance also decides the amount of administration fee for management bodies such as the Provincial Executive Committee, the Project Management Boards/Units at provincial, district, commune and project levels. It also announces the amounts in public. In order to be paid for work done, project owners have to present the following documents to the unit of the State Treasury where the project account is established:

- Decision by the relevant authority approving the project
- Decision by the Project Supervising Authority appointing the project owner
- The annual budget prepared by the Project Supervising Authority, including indicators on amounts of work to be done, such as reforestation, protection, maintenance, and assisted natural regeneration
- Design and total cost estimate, approved by the competent authority
- Economic contracts between the project owner and households or other units contracted
- Agreements between the project owners and households or other units contracted indicating that agreed work has been carried out
- Other relevant dossiers and vouchers (quotations, receipts, etc.).

3.5.1.2 Forest protection and natural regeneration supported by planting of industrial crops, fruit trees and non-wood forest species

The State Treasury in the locality (province or district) is, on a quarterly basis, to make advance payments to project owners, based on, (i) the project document; (ii) cost estimates approved by the competent authority, and; (iii) protection contracts between the project owner and households or other units. After receiving money from the State Treasury, the project owners are responsible for payment to households and other units contracted for protection (if found desirable at the local level, the State Treasury can, as an alternative, pay directly to households and units contracted for protection). At the end of each quarter, the project owners are to check the forest area contracted for protection and approve the protection carried out. Notes of the evaluation
and approval are to be sent by the project owners to the State Treasury (provincial or district level) together with a list of households and other units who have been paid for protection. Upon receipt of those notes, the State Treasury will settle the advance.

3.5.1.3 Planting of forests and of assisted natural regeneration in combination with planting of forest trees

The State Treasury at the local level (province or district) will pay an advance of no more than 30% of the annual project budget against the annual plan and cost estimates approved by the competent authority, and contracts for planting of new forests and for assisted natural regeneration in combination with planting of forest trees between project owners and households and other economic units. When half the work as indicated in the annual plan has been carried out, the project owners have to evaluate and approve the work done. The State Treasury will then settle the advance. An additional payment is to be made if more work is done than what corresponds to the advance paid. The State Treasury will then arrange the next advance payment to the project owners, amounting to no more than 40% of the remaining budget. At the end of each year, the project owner is to check the amount of work done and to approve its quality. On the basis of the notes from the checking and approval process, the State Treasury will settle previous advances and make any remaining payments for work done. The total amount of advances plus the final transfer should not exceed the amount as given in the plan or the amount of funds transferred from the higher level of the State Treasury.

3.5.1.4 Construction work costing less than 150 million VND

The project owner can either use an existing design approved by the competent authority or make its own design and cost estimate and then submit them to the competent authority for approval. The State Treasury at the local level will pay an advance of up to 30% of the annual estimated cost to the project owner against presentation of the annual plans, cost estimates, designs, and construction contracts between the project owner and households and other units, all duly approved. When a part of the construction is completed, a corresponding settlement of the advance is made between the project owner and the State Treasury. Later transfers of funds are made in accordance with progress of the construction.

3.5.1.5 Construction work costing more than 150 million VND

The rules for use of funds for construction estimated to cost in excess of 150 million VND are more complex. The Ministry of Construction has issued regulations applicable for management of funds for this kind of investment.

3.5.1.6 Administrative fee

The administrative fee for the Project Management Boards and Units at provincial, district, commune and project levels will be paid monthly in advance. At the end of each month, these units shall settle the advance received. The State Treasury will then pay the advance for the following month. At present, however, given the Government’s decision to release the duty to provincial authority to arrange a budget for management fee according to their local requirement, may create risk for ensuring sufficient general supervision and guidance of the Project.

3.5.2 Cases where Project Owners are under Central Authority

Ministries, ministerial-level agencies and other central institutions will receive the total fund estimated to be needed to implement the project. They are also to arrange for implementation and carry out the necessary control. The administrative fee for projects under central authority (to be paid to Executive Committees and Management Boards at the central level) is to be included in the overall budget for administration of the ministries or other agencies managing the projects. The ministries and other agencies will then determine the amount to pay to the Executive Committees and Management Boards organising implementation of the projects.

3.6 Projects Without Support from Fund 661

3.6.1 For projects in special-use and protection forestry

For foreign-supported projects, the procedures to follow are given in the corresponding Agreement between the Government agency and the donor. For other projects, the procedures will be decided for each project as
relevant within the prevailing legal framework.

### 3.6.2 For projects in production forestry

For field projects in which subsidised credits are made available through the State banking system to domestic project owners for reforestation, certain relevant legal documents are available, such as the Law on Domestic Investment Promotion (amended) and a policy for subsidised credit for reforestation. However, no specific guidelines have been provided for implementation. For joint venture projects, the procedures are regulated in the corresponding joint venture contracts and laws in force. For foreign-supported projects, the procedures are regulated in the corresponding Agreements between the relevant Government agency and the donor. For "projects" where an individual or an organisation (the "project owner") devotes his/her own resources, s/he also has the right to establish the procedures within the framework of the applicable laws.

### 4. 5MHRP AND FUND 661 - FROM POLICY TEXT TO POLICY IMPLEMENTATION

As seen in Figure 1 below, the 5MHRP effectively comprises all projects activities that will lead to an increase in forest cover in Vietnam, where these have social, ecological and economic objectives. However, Fund 661 is only financing activities in special-use and essential/very essential protection forests as stipulated in Decision 661. Therefore, in light of the grand objectives of the 5MHRP, the investment from Fund 661 is quite limited. This causes a difference between policy text (Decision 661) and on the ground operational reality (Fund 661) or actual policy implementation.

The limited funds allocated to the forestry sector under Fund 661 are of course related to limited government resources for national programmes. The state budget is contracting, and funding, therefore, is both limited and precarious. Organisationally, this lack of resources will have an impact on the objectives and components of the 5MHRP at the operational level and field level:

- **a.** Fund 661 supports only projects which contain special-use and protection forests. Taken together, these projects aim at an increase in forest cover of **two million hectares**. Activities leading to the establishment of **three million hectares** of production forests are not supported in the field by Fund 661.
- **b.** Fund 661 finances components in a number of projects within the 5MHRP. The projects themselves are normally broad, covering protection-oriented forestry, production-oriented forestry, and activities outside the forestry sector. The components paid from Fund 661, however, **cover only protection-oriented forestry**. For production-oriented forestry, normally no State funds are available, while non-forestry activities, such as infrastructure, are covered by other national programmes.
- **c.** Fund 661 is often **not the only source of funds** for the components in the projects covering protection and reforestation in special-use and protection forests. For example, Fund 661 does not cover extension work or construction of roads in such forests, so other funds must be obtained for those purposes. Further, even for protection of existing forests and for tree planting on special-use and protection forest land, additional funds are sometimes needed, often coming from the provincial budgets. Further, resources from Fund 661 are not the only ones used in the projects of the 5MHRP, not even in the projects specifically directed at special-use forests and essential protection forests. Additional support is often provided from other government programmes or by local households.
- **d.** The list of projects in the 5MHRP prepared by the Ministry of Agriculture and Rural Development covers **only projects implemented by units of the State**. Reforestation carried out by farmers or private enterprises fall outside this framework even though they clearly contribute to the fulfillment of the objective to reforest five million hectares. Similarly, externally supported projects that contribute to reforestation also fall outside this list.

**Figure 3: Projects, their Components and Fund 661**
Thus, the project categories in the list require further clarification, in order to recognise and include initiatives made by the farmer, private sector as well as international interventions. On the other hand, it needs to relate to the various types of forests (protection, special use and production) that combine at the field reality level.

Moreover, even if all projects supported by Fund 661 are successful, they can only contribute partially to attainment of the objectives of the 5MHRP. The Central and Provincial Executive Committees for the 5MHRP have power to manage only projects financed by the Government through Fund 661. In fact, they have direct influence over only the components in those projects that are paid from Fund 661. Furthermore, as shown in Figure 1, many other activities are on-going, but the organisational set up of the 5MHRP has no real means to follow up in an adequate manner with appropriate monitoring and evaluation mechanisms.

4.1 Beneficiaries and Stakeholder Interest

This section focuses on involvement of stakeholders and beneficiaries in the planning and implementation process. Given the intentions and the actions of the Government of Vietnam to move from a centralised system to a more decentralised institutional framework, more is required to achieve in making bottom up planning (participatory) and implementation truly operational in Viet Nam. The fairly deeply rooted tradition of centralised planning and government structure principally cause the prevailing reliance on top-down approaches. In the context of the forestry sector, this is reflected in technocratic forest planning. Often theoretical supply-demand gap models have been used, and, based on these results, programmes have been designed to address estimated shortages of various products and services. Generally, men and women belonging to local communities have not been effectively involved, or even consulted, on how they wish forest resources to be used or developed.

Among beneficiaries, of which households or groups of households and ethnic communities living in and near project areas are the most important ones, there is a number of other stakeholders in the field projects.

The role of a village head is often important in project implementation. Being the representative of the village
the head often signs the contract with the project owner and is responsible for distribution and supervision of the labor provided by the village members involved in a particular project. Further, a village head may organize a group to protect a certain area of forests from forest fire (forest fire brigade) or to protect an area set aside for natural regeneration. Each village member will have specific duties assigned and receive payment according to days worked. A village head will often receive a fixed monthly rate. When it comes to tree planting and tending a village may mobilize people to work together. Again, payment will be according to number of days worked. According to the field assessments, a household/individual may express an interest in participating in project activities, and the village head will then identify/select a group that can carry out the different project activities.

If the land belongs to a household, the household will receive a contract spelling out what the specific activities are. The household will receive material and seedlings from the village head, and the payments will be arranged by the village head. For a plantation area the situation is different. Individuals will plant and maintain forests collectively and payment will be according to number of days worked. For protection and natural regeneration work, protection teams are set up in each area.

In some places, forest protection activities have become part of the overall management responsibilities of a particular village or commune, i.e. it is considered as a village regulation. Forests are reported to be well protected by villagers and illegal cutting is strictly prevented. This practice has been approved as a management regime in certain areas.

According to the field assessments, however, the role of local communities has often been raised because the Chairman of the Commune People’s Committee often acts as the Vice-Chairman of the Project Management Board. Moreover, in implementing a national programme of this nature more active involvement of local communities of men and women in planning and management will, on the one hand, help distribute responsibility to the various levels (as part of the decentralisation process), while on the other, contribute to far reaching impact at the ground level.

According to the feedback received, the Programme 661 is too "prescriptive". There are, therefore, very few opportunities for local people to be really involved in planning and management. There is, thus, little room for local initiatives and creativity with regard to forest development, including little scope for consultative processes actively involving beneficiaries. The consequence would be that the design of new projects supported by Fund 661 would often be too limited in light of the needs/aspirations of the people in a certain area. This issue is reflected elsewhere from studies of the performance of projects funded by Fund 661. It comprises a crucial constraint, because it means there is little scope for adapting responses from the ground to local circumstances and conditions. This will have social, economic and environmental implications.

4.2 Administrative and Management Aspects

The 5MHRP is a large programme consisting of hundreds of projects. In order for the administrative system to function well, a high degree of decentralisation is necessary. To a great extent, this is already the case. For example, project implementation is locally based and seemed to the Field Assessment Teams of the Task Force in general to function well.

Certain functions in the 5MHRP do, however, need to be managed from the Centre. The release of funds to the localities is one such function. If the Centre is to pay for activities managed locally, it also has a legitimate right to know and indeed approve those activities in advance, at least at a general level. Until now, this has been a major bottleneck. The Centre has not been able to deal with all the project proposals coming from the localities and has not been able to transfer funds for their implementation in a timely fashion.

Another administrative problem is a reflection of the emphasis on field activities that are funded by State grants. Not much attention has been given to set up a system of guidelines or rules for credits on concessionaire terms for reforestation. The Assessment Teams did not encounter a single case where an individual or an organisation had received such a loan. Generally, farmers are not enthusiastic about borrowing for investment in forestry. However, even those who were interested seemed to have given up when confronted with complicated administrative requirements.

The situation is similar for the subsidy for plantation of long-rotation and valuable tree species. Decision 661 indicated that a sum of up to 2 million VND could be provided as an incentive. Also in this case, the Field Assessment Teams did not encounter any case where such incentives had been paid.
4.3 Technical Aspects

Overall, an almost universal finding from all regions of the country was that the majority of people interviewed appeared to understand the ecological and environmental benefits of tree planting, and therefore, supported the 5MHRP as a good idea.

However, when Fund 661 became available in 1998, a number of annual work plans were prepared on the basis of old inventory data. Local project owners, eager to get funds from Fund 661 prepared plans based on this data. This resulted in a situation where a number of plans and related reforestation activities were prepared based on incomplete data, at an obvious risk of being far from optimal, from an ecological point of view.

Technical designs are often not suitable to the localities. In some cases, species indicated for planting were found by the local people not to be the best ones. For example, in a plantation mainly for protective purposes, the mixture of fast-growing exotic species and slow-growing indigenous ones did not give the expected result, i.e. a mixed forest stand where some trees could be harvested after a relatively short period and the other, the long-rotation valuable ones, somewhat later. Instead, the fast-growing trees simply suppressed the slow ones. Further, exotic species cause problems by competing with indigenous species and often reduce the natural regenerative capacity of the site.

Local confusion on the benefits of tree planting exists with one instance of a forest enterprise planting Tuyet Shan tea with the objective of restoring the ecological balance. Undoubtedly, planting tea trees will provide environmental benefits, but whether it will restore the ecological balance is questionable.

In short, the technocratic planning of the 5MHRP, expressed through the prescriptive nature of the eligible activities to be funded by Fund 661, does not acknowledge the heterogeneity of ecological conditions in Vietnam. They require different approaches and different financial and technical support mechanisms.

5. 5MHRP AND THE SOCIAL DEVELOPMENT DIMENSION

5.1 Background

Sustainability from a social perspective within the forestry sector, in general, and the 5MHRP specifically, begins with recognising and addressing the issue of the *incentive to engage* by populations of men and women in forestry activities within the complexity and diversity of Vietnam’s population, forests and topography. This incentive is of the community/individual not to only contribute towards ‘resource extraction’ and mere tree planting (which in too many cases is inappropriate tree planting), but more importantly and holistically, to engage in forest resource management. Incentive, in this case, is driven by both the *need* (survival, food security) and *willingness* (driving force) of the diverse population of this country. Willingness is driven by the crucial factor of certainty (or uncertainty) in accessing what people are promised. Further the risk and uncertainty as to whether what they plant now (and therefore invest labour and money) will yield economic returns in 10-15 years time will give them the confidence in investing economic and labour resources. This willingness not only applies to the household or community level, but also institutions at village, commune, district and provincial level. In order to, therefore, understand the nature of the incentive to engage, it is crucial to institutionally recognise that “citizens are the main driving force for the implementation of protection, regeneration and afforestation and they are also the [key] beneficiaries of forest activities” (Prime Minister Decision No. 661/QD - TTg, July, 1998). It is with this underlying spirit that the 5MHRP seeks to formulate itself.

The issues are numerous and the diversity vast. However, this section attempts to bring a few issues to the fore from a social development perspective to suggest *pointers* for the process of clarifying the nature and scope of the 5MHRP as a whole.

5.2 Legal and regulatory provision for the social objective of 5MHRP

The social objective forms one of the three legs of the 5MHRP along with the ecological and the economic. Article 1 of Decision 661, which sets out the social objective of the 5MHRP, states: *Use open land efficiently, create employment opportunities, contribute to hunger elimination and poverty reduction, support fixed cultivation and resettlement, increase income for mountain rural people, create stable social conditions, and*
strengthen national defence and security, especially in border areas.

The objective then as part of Article 2 is not consolidated into Principles. Although all the principles stated are relevant, Item 1, 2, 3, 5 mentioned within Article 2 specifically outline the basis for involvement of local populations within the 5MHRP. They are:

- People are the driving force for establishment, protection, and regeneration of forests and are entitled to enjoy benefits from forest-related activities. The State is to create a favourable legal environment; organise research and transfer of technologies, issue policies, Which encourage people to engage in reforestation, provide funds or favourable credit and support construction of essential infrastructure.
- Planting of forests, assisted natural regeneration, and protection of existing forests should be closely combined with the programmes for fixed cultivation and resettlement and for hunger elimination and poverty reduction.
- The socio-economic situation is to be improved and environmental problems are to be reduced by applying a sustainable agro-forestry system for multiple purposes, with a varying cropping structure, using suitable technologies, which supplies an advanced processing industry.
- Over three phases of the Programme, the creation of new forests will be implemented in the form of a number of local projects designed in close co-operation with the local people, submitted to the appropriate authorities for appraisal and approval. The projects should be implemented rapidly, forcefully, timely and effectively.

Furthermore, Article 5, which deals with Policy on land states: Under the direction of the Ministry of Agriculture and Rural Development and the General Department of Land Administration, People's Committees of Provinces and provincial level cities are to review the extent of forestry and agricultural land and to make plans for use of open land and bare hills in provinces, districts, and communes where local projects of the National Five Million Hectare Reforestation Programme are to be established. The People's Committees are also to identify location and extent of special use forests, watershed protection forests in very essential, essential and less -essential areas, and production forests, all in accordance with regulations by the Ministry of Agriculture and Rural Development. They are also to supervise the allocation or lease of land and the issuance of Land Tenure Certificates to organisations, households and individuals according to Decree No. 02/CP by the Government, dated 15 January 1994.

Article 7, addressing Policy on rights and benefits and on marketing provides the framework in which households and individuals have the potential to being involved, through contracts, in managing and accessing forest resources for both special-use and watershed protection forests, as well as, production forests.

Furthermore, the Joint Circular 28/1999/TT-LT of the Ministries of Finance, Planning and Investment, and Agriculture and Rural Development, which guides the implementation of Decision 661 states that land allotment must be conducted openly and democratically and priority must be given to families living right in the territory of the locality.

5.3 Compatibility of the 5MHRP with other national plans and policies

Given that the social objective is one of three legs of the 5MHRP, it recognises hunger elimination and poverty reduction as an integral part of its objectives. Thus, prescribing a closely combined approach of planting of forests, assisted natural regeneration, and protection of existing forests with the programmes for hunger eradication and poverty reduction and fixed cultivation and resettlement.

It is essential, in this context of a closely combined approach, that the 5MHRP explores the modalities of co-operation, co-ordination and exchange with policies and programme initiatives relating to hunger eradication and poverty reduction programmes (especially Programme 135, 133); Fixed Cultivation and Resettlement Project; New Economic Zones Programme. Moreover, more regional level plans for poverty reduction, like the Northern Mountain Poverty Reduction Programme require consideration in this combined effort. Programme 133, for instance, is carried out by different line ministries in combination with local efforts, including donor-assisted projects. As with the 5MHRP, Programme 133 and Programme 135 promote greater decentralisation. Furthermore, Programme 133 aims to ensure greater co-ordination and integration of HEPR efforts, which the 5MHRP objectives are also part of. The linkages with other national Programmes is dealt with in more detail in Chapter 8.

Furthermore, at an institutional level, the link with policies for the re-orientation of the role of State Forest Enterprises (SFEs) is important. It is crucial to address issues concerning the role of SFEs and role they may
play in the future: will this role continue to be to ‘control’ forest resource exploitation through controlling access to inputs (subsidies) or outputs (control of access to markets which is the case at present)? In which case, the incentive to engage of local populations in managing forests is affected if they can’t get real market prices for their products. At present markets tend to be distorted by SFE’s buying policies and the role of SFEs as ‘market gatekeepers’. Within the framework of Decree 187, of restructuring of SFEs, various possibilities have been mooted for the future of SFEs, the most interesting being, from a social perspective, to turn them into extension centres which assist villagers access markets and provide technical advice for plantations.

5.4 Social development within the forestry context

This section presents an understanding of the sector of forestry from the perspective of coping strategies. In this context, coping (or survival) strategies would imply strategies applied by women and men (of differing ethnicity and economic class) given the resources they have access to, as well as, control over (land, labour, credit, other inputs) to address issues of food security and livelihoods. Further, while these strategies are both, influenced by, as well as, have an impact on, the integrally linked fields of agricultural systems and the natural resource management practised, they provide an insight into the nature and modalities of this incentive to engage in forestry activities by populations of men and women.

Though by no means exhaustive, this section attempts more to illustrate the scope of the social development dimension within the forestry sector, as a whole, and the 5MHRP specifically. The sub-issues identified are:

Environment and food security

Recognising and institutionalising the forestry-agriculture interface while considering issues of forest resource use and its contribution to food security

- The close relationship between agriculture (including aqua-culture) and forestry is crucial and forestry and how these form an integrated and integral part of men’s and women's source of household food security. Moreover, people's investment in forests through labour and capital is often only undertaken when they are able to meet their sustenance needs, while extraction of forest resources forms a part of their sustenance needs.

- Agricultural yields and forest resource dependence: In order to maintain a certain level of food intake and fight hunger and poverty a food supply system is dependent on the balance, based on local conditions, between the level of agricultural yields and access to forest resources. Moreover, the agricultural yield levels often tend to be inversely proportional to the dependence on forests i.e. higher the yields lower the dependence on forest resources. In this respect, it is interesting to note that the reduction in the area of natural forests destroyed, and the increase of bare land left to revert to regeneration in Vietnam between 1990 and 1995 could have been partly due to land reform leading to large increases in the production of rice and other food crops, and thereby reducing the need to exploit forests.

- Level of dependency on upland crops could, moreover, be affected by agricultural intensification, thereby reducing agricultural cultivation and increasing forest-related activities. In the long run, this would not just have an impact on the quality of the natural resource of forests but also reduce intensive labour burdens, especially of women, who normally are in charge of upland cultivation and, thereby, provide the opportunity for them to strategize differently for food security.

- Land use and food security: The direct dependence on forests for food intake depends on the nature of land use system employed and the potentials for diversification that the local conditions offer, including access to sale and consumption market opportunities for men and women within the household unit. In areas where the topography is very rugged with steep slopes, with limited irrigation potential and very few level surfaces to plant irrigated rice, the peasants depend mainly on the cultivation of upland rice. However, even if they consume other staple food such as corn and cassava, their household food self-sufficiency often does not meet their needs, which makes them dependent on the staple food market as well as extraction of forest resources. Moreover, such deficits discourage participation in forestry activities. The Mountain Rural Development Project’s experience in Ha Giang and Yen Bai found that villagers refused to sign production contracts in areas of food deficit, due to their immediate need to access land for eking out food and couldn’t afford longer term perspectives (or riskier ones) for growing trees.

- Shifting cultivation and food security: Decision 661 states it’s support for fixed cultivation and resettlement in order to combine planting of forests and natural regeneration with the resettlement process. In the case of certain sections of the population, however, where food got by shifting cultivation and forest resources are the primary sources for food security, another dynamic exists. With the Law on Forest Protection and Development forbidding deforestation for shifting cultivation, no other alternative
exists for those living in the remote uplands.

**f. Other forest dependent sustenance needs and food security:** There are certain products that a population would normally be dependent on the forest for, like fuel wood. Some 21 million tonnes of fuel wood are consumed annually in Vietnam. If converted into area equivalents, fuel wood harvesting would account for six times as much forest harvesting as commercial logging. In conversation with men and women, during an Assessment Team visit, in Muong La District, Son La Province, it was gathered that the collection fuel wood is as frequent as two bundles of bamboo and wood every three days and took between 3 hours to half a day of women’s time, which was three time that of 5 years ago. Moreover, it was reported that there was less wood available, and consequently, more fast burning bamboo was being collected. These trends of increased collection time and the growing shortage of fuel wood, in the long run will, definitely impact the forest cover and quality (since demand for fuel wood degrades forests and limits regeneration). But it also might influence eating habits and patterns and its nutritional impact, not to mention the ever increasing heavy work burdens that especially fall on women and at times children of the household.

Reforestation activity and especially the 5MHRP needs to take the reality of food security into consideration and consider people’s need for a broader range of forest needs both of wood as well as non-timber forest products. Hence, from a social development perspective, the need to move beyond volumetric timber outputs, to include strategic species selection becomes essential, by considering, simultaneously, maximising range of species, participatory selection, maximise bio-diversity, and relevant local conditions by focussing more on managed natural regeneration and providing extension support for nurturing and exploiting a fuller range of forest resources.

### 5.4.2 Land Right and Tenure

**To investigate the nature and options of legal frameworks for individual and community land rights and tenure to increase the level of ownership among communities**

The successful story of the allocation of agricultural land has not been able to repeat itself in the forestry sector. There are various reasons for this. From a social development perspective and given the nature of the forest sector and its activities, which are quite long term in nature, investment in forestry requires tying in with security of land tenure and locally negotiated terms of access and benefit sharing. The complex and multipurpose function of forests and the insufficient fund for forest land allocation are the other reasons to slow down the forest land allocation process.

a. **Present status of involvement of local populations:** Although the government has made considerable efforts in engaging local populations in forestry activities (especially protection-focused activities under Programme 327 and 5MHRP), the nature of terms of access have not provided the framework for longer-term ownership and benefit sharing. Forest protection contracts are often for one year, which give little incentive for longer-term investment (money and labour). Moreover, these conditions of access and benefit sharing, given the diversity that exists within the country at large, need to be negotiated at a local level under a flexible framework based on the context-specific reality, with a specific focus on the objective of sustainable resource management. Moreover, the present conditions of enforcement of contracts is very weak often because of lack of resources within the Forest Protection Department, while remuneration (of a maximum of VND 50,000 per hectare per year) for forest protection activities are often considered inadequate and will not provide a long term sustainable solution (especially in cases where there is close proximity and easy access to forests) in terms of economic viability and institutional strengthening. It will, on the contrary, maintain the status of communities/individuals as mere ‘implementers’ of the initiative, rather than partners in the management of forests who as men and women, given equal opportunity, can establish a real stake and commitment in sustainable protecting and preserving forests within a stronger and sustainable institutional framework. Within this framework, enabling mechanisms need to be ensured that provide for the participation based on economic class and gender. Moreover, the system of forest protection contracts perpetuates and engenders dependency on government handouts. There is a danger that when these stop, protection activities will stop too and local stakeholders are left with no options for managing forests for economic purposes. In these circumstances, their response may be to liquidate forest capital for short term gain. Promoting and accelerating the establishment of secure tenure and institutional arrangements (e.g. between district, commune, village, and household) may deliver the best social, economic and environmental returns (see below).

b. **Legal provisions for land tenure:** The underlying precondition to facilitate local commitment for forestry initiatives is the security of land tenure. Decree 02, 1994, and it’s revised as Decree 163/CP, 1999 move towards granting leases to individuals for production forestry, and provides the initiative to move towards considering mechanisms for forest land tenure and benefit sharing. Moreover, the allocation of forest land requires the appropriate legal framework to be in place for households as well as communities to be recognised as ‘real’ partners in forestry initiatives, i.e. with provision that ‘project
owners’ can be communes and villages. Community forestry of this nature would not be a completely new phenomenon for this country. Various projects have been initiated with this field. In the case of communities, the framework should facilitate broad-based participation at the community level (covering economic class and gender).

Further, at household level tenure conditions should be pursued within a joint ownership framework including the male and female heads of the household (by requiring both signatures on the Red and Green Book). Also, the status and eligibility of single adult-headed households (mostly women) and widows should be clearly outlined, formulated and reflected within the legal, institutional and operational land rights and tenure framework.

c. **Shifting cultivation and land tenure:** However, in the case of ethnic minorities the issues are slightly more complex in nature. On the one hand, mountain land not covered by forests and classified as “unused land” by the forest authorities (which therefore could be subjected to afforestation activities) does not often correspond to the views of the highland people. On the other hand, there have been cases of successful resettlement, so the re-allocation of land in these cases will be more difficult. Moreover, as part of the 5MHRP targets if forests are planted on bare land, the conversion of fallow land to forest can have negative ecological and social implications. Therefore, a flexible framework and a mutual understanding of issues between these two parties can be the basis for considering locally negotiated terms of use and protection based on their ethnic and gender related diversity.

Security of land tenure for both men and women offers opportunity for long-term sustainable forest management. It provides the basis for men and women to provide a commitment and stake a claim as active participants in sustainable forest management within the 5MHRP framework. However, this framework should be able to provide the flexibility to respond to diverse contexts, while providing environmental safeguards (especially for watershed areas).

### 5.4.3 Land use and livelihoods

To facilitate and provide the institutional framework for land use planning exercises based on the realities of the existing farming systems within a participatory framework where local communities have a stake and commitment to manage their natural resources in an ecologically, economically and socially sustainable way

Although land use is continuously changing due to socio-economic, policy developments and the impacts of the land itself, it forms the crucial prerequisite to land allocation. Land allocation involves the issuing of land use certificates or Red Books, which, apart from other things, define the appropriate land use and therefore the obligations of the owner/s in its use. However, in defining the exact land use of a particular tract of land can be a contentious issue, where there can be a gap in the actual official land use expectations (which is often projected land use by the relevant authorities) and the actual present land use. Moreover, the result of defining exact land use can have an impact on livelihoods at household.

a. **Land use planning and land allocation:** Land use planning determines the ‘most appropriate’ use of a certain tract of land. Land use planning and land allocation, moreover, can be implemented in a participatory framework that enables the establishment of a common understanding of ‘appropriate’ land use, for both agriculture and forest land. This can be undertaken for individual villages before being aggregated for the whole commune and then the district. However, addressing this issue at such a local level also involves ensuring broad based participation in the land use planning exercise, based on ethnicity (especially in communities/villages consisting of mixed ethnic groups) and economic class with gender as a cross cutting issue. To facilitate institutionalising this would require that the capacity is available at district level to undertake participatory approaches to land use planning.

b. **Legal provisions for decentralised land use planning:** The 5MHRP framework provides the opportunity for more decentralised procedures within the area of land allocation. Moreover, according to Article 5 of Decision 661, it recognises the household/individual as a potential Land Use Certificate holder, based on Decree No. 163/CP by the Government, 1999. Furthermore, the Inter-ministerial Circular 28/1999/TT-LT of the Ministry of Finance, Ministry of Planning and Investment, and Ministry of Agriculture and Rural Development, which guides the implementation of Decision 661 states that land allotment must be conducted openly and democratically and priority must be given to families living right in the territory of the locality.

c. **Examining issues of opportunity and capability:** Involvement in participatory exercises of land allotment, however, is not just the issue of opportunity to participate in the process of land allocation, but also the individual capacity to do so. Such participatory mechanisms require to recognise and internalise variations in education levels, work burdens (heavy work burdens discourage participation), language barriers (for ethnic minority groups and especially their women members), and variations in communication techniques (in public forum).

d. **Land Tenure arrangements and land allocation:** Exercises of participatory land allotment can further contribute towards holding of joint land title between the male and female head of the household, as well as, greatly contribute towards government policy further aligning with the diversity of contexts and the
To examine the dynamics of long term relocation, as well as, shorter-term labour migration within the forestry and agricultural sector and its impact on the natural environment as well as household dynamics.

5.4.4 Migration

To examine the dynamics of long term relocation, as well as, shorter-term labour migration within the forestry and agricultural sector and its impact on the natural environment as well as household dynamics.

**a. Long term relocation or transmigration:** The biggest single migration process is the permanent transmigration for economic reasons, with development of infrastructure (like dams) being the other. The reasons for economic transmigration include poverty, loss of land following land reform and lack of economic opportunities in destination areas (such as coffee cultivation). This transmigration falls into two categories: government-sponsored transmigration and spontaneous transmigration (which is often associated with earlier waves of government-sponsored transmigration, as migrants move to join family/community members who have successfully established themselves in the destination area). Most transmigration in Vietnam is from the Red River Delta provinces and other densely populated and resource poor northern provinces to the Central Highlands (Dak Lak, Lam Dong, Gia Lai, etc.).

In the case of construction of dams, for instance, there is often a substantial and detrimental impact on the lives of people living upstream, while households are displaced and agricultural land lost. This can have a further impact on the availability of land resources, while the established inhabitants lose sections of their fallow land. Both groups face declining soil fertility and declining yields. The natural regeneration of fallow vegetation and natural fertility is, therefore, adversely reduced. In displacing and relocating populations of farming communities, unused to farming on sloping land without irrigation, many of the resettled farmers turned to ad hoc slash and burn farming methods as the only means of subsistence. Furthermore, most communities experience a steady decline in household food self-sufficiency due to soil erosion and soil degradation and of less predictable climatic conditions.

Further, in the case of both national parks and infrastructure development, clearing of land using these unsustainable agricultural techniques leads to depletion of forest resources and increases the population pressures in the relocated areas. Also, the effects caused by the creation of dams/ reservoirs and the resettlement of people is often further compounded by the overall high level of poverty faced by inhabitants in the area. Moreover, the increased clearing of steep hillsides along most of the reservoir, can produce high rates of erosion, causing high sediment loads, which threatens the life span of the dam. All in all, men and women of the relocated populations suffer a lack of knowledge in their new surroundings, thereby engaging in unsustainable agricultural and forestry practices.

**b. Seasonal migration,** however, there is a significant impact on household dynamics. These household units although by definition are two adult-headed units (i.e. one male and one female), are in practice...
(de facto) single adult-headed households for a length of time. The adult who is left behind, often the woman, although functions in all practical terms as the head of the household, does not enjoy the same levels of access to services and resources, in the absence of her male counterpart (credit, extension services, etc.). Moreover, with one adult missing the double burden of domestic and public/production related responsibilities increase significantly. Also given the nature of single ownership of land resource, she is left without the leverage to exercise her rights as a farmer, although equipped with considerably capabilities and experience. These households invariably lack the labour to engage in forestry activities and the visibility to access extension support in the areas of agriculture and forestry.

The impact of transmigration and seasonal migration require assessment at the context specific level in order to understand and respond to the conditions, capabilities and expectation of the local and newly displaced populations of men and women belonging to various economic strata and ethnic origins. The 5MHRP, being national in its scope, will need to integrate the issue of migration within its policy considerations and formulations within its framework of, especially, the ecological and social objectives. Moreover, the social objective, specifically identifies migration as an issues for consideration.

5.4.5 Nature of institutional support at "ground level"

Ensuring appropriate dissemination of institutional support and adequate access to users of this support at village and household/individual level within the context of an integrated forestry-agriculture framework

Institutional support within this section will restrict itself to and touch upon briefly planning mechanisms and extension and support services.

a. Planning mechanisms in place in provinces seem to follow procedures that reflect a certain level of, decentralisation at the province, district and commune level, but, however, do not reach the actual ground level of local communities. Moreover, the steps outlined for planning procedures (refer Section 2.4 Planning Procedures for Projects with Support from Fund 661) suggest more a shift in authority from the centre to the province level and less a devolution of authority to more localised levels. Steps involved in constructing a Provincial Forestry Plan, although include the participation of provincial institutions, they fall short of including the role of local populations of women and men in contributing with their local knowledge and experience. However, in providing the space for broader participation is a time consuming and relatively expensive one. It requires an overhauling of the mind set through direct exposure, action and experience of the forestry sector (apart from other related sectors) as a whole and the staff that constitute it. This institutional mindset has to be informed of means to managing bias in information collection, planning, implementation, and participation in order to appropriately respond to the local realities. This bias can be based on a combination of ethnicity, economic class, and gender, as its main parameters. Moreover, it also includes and involves adopting a new set of methodologies with a new set of working assumptions (based on social diversity in capability, experience and need).

However, moving from a centralised to a decentralised system, and having the affordability to engage in broader participation is a large human resource and economic investment, where the government requires targeted and considerable resources to invest. Investment in and practice of participatory methodologies in certain projects has often been possible and viable due to the significant international support these projects have in comparison to government supported initiatives. However, the 5MHRP Partnership provides the ideal framework in which these participatory frameworks can have a broader and more significant impact in responding to the rich diversity of conditions within the country. Moreover, this would significantly contribute towards the decentralisation process, which the Government of Vietnam has committed itself to.

b. Extension and support services: As discussed briefly earlier in Section 4.4.3, appropriate extension support is one of the arms to ensure sustainable resource use within agriculture and forestry, and needs to follow a framework informed of social variation of ethnicity, economic class with gender as a cross cutting issue. However, the nature of targeting and disseminating this service needs to be informed by the social diversity that exists in every context.

Furthermore, the access to credit, which has been non-functional due to the lack of confidence to invest in forestry, complicated procedures, lack of knowledge among some members of the community (women, for instance) needs addressing to align policy and practice. Levels of literacy and language barriers (mostly in ethnic minority sections of the population) provide added stumbling blocks to access to resources and support, and thereby indirectly affect forest resource use and management. Further, these factors in the long and short term constrain institutional level dissemination as well as individual level access at household level.
5.5 Opportunities presented by the 5MHRP

The 5MHRP provides the potential for realising certain key social benefits. The framework of Decision 661, on which the 5MHRP is based, presents the social objective as an equal partner, along with the ecological and economic, in realising the goals of the Programme. Moreover, it suggests an approach, which in the long run, has the potential of affecting the entire forestry sector.

Article 2 of Decision 661 recognises the need to "create a favourable legal environment, organise research and transfer of technologies, issue policies, which encourage people to engage in reforestation". This legal environment, from a social perspective would include considering issues of access to resources, rights and responsibilities within a social differentiation framework (i.e. considering ethnicity, economic class and gender) at a national level, and firmly establish people as "the main driving force" (Decision 661/QD - TTg, July, 1998) of the Programme.

The decentralised framework suggested in Decision 661, moreover, provides the opportunity to understand the context and provide the opportunity for decentralised planning and implementation at the province, district, commune village as well as the individual level. It will further contribute towards defining the terms on which there is a willingness to participate and the appropriate framework for incentive for engagement in forestry endeavour. This will be a crucial underlying precondition for the success and impact of the initiatives formulated under the 5MHRP.

Article 5, dealing with land policy along with Decision 163 and Decree 02/CP, clearly provide the framework to establish households and individuals as potential LUC holders. Further, Joint Circular 28/1999/TT-LT, which guides the implementation of Decision 661, states that "land allotment must be conducted openly and democratically", which paves the way for recognising and integrating social differentiation (ethnicity, economic class, gender) within the context of land allotment process and procedure. Moreover, offering security of tenure to women and men provides the basis for long term sustainable forest management with populations having a real stake in forestry activities. Also, considering the opportunity provided with the Programme's legal framework can only contribute towards the Programme responding to real issues of food security and livelihoods, which have a direct impact on the success of the Programme.

Furthermore, the wide spectrum of the objectives of the 5MHRP, covering the ecological, economic and social dimensions, and on the other hand, the existence of other programmes with similar objectives, should be seen as an opportunity to define the nature of collaboration, if not the modalities of merging of interests and resources at the operational level. This merging of interests will only consolidate the response required to respond to the "on the ground" reality.

6. 5MHRP AND THE ECOLOGICAL DIMENSION

6.1 Background

Vietnam supports some of the highest levels of bio-diversity of any country, and many plant and animal species found nowhere else in the world. Most of Vietnam's bio-diversity is found in forests. Forests also perform many vital environmental functions, such as watershed protection and natural disaster amelioration, that have incalculable economic and social values. However, the forests of Vietnam are currently under threat as a result of population growth, infrastructure development, fire and unsustainable exploitation of natural resources. The 5MHRP presents opportunities to preserve the ecological values of Vietnam's forests, although there also exist risks that the programme may have negative ecological impacts. It becomes necessary, therefore, to identify these potential opportunities and risks, and to formulate appropriate responses.

6.2 Legal and Regulatory Provision for the Ecological Objectives of the 5MHRP

The main objectives of the 5MHRP fall into three categories: ecological, social and economic. The ecological objectives of the 5MHRP are set out in Article 1 of Decision 661: establish five million hectares of new forest together with protection of existing forests in order to increase the forest cover to 43% of the national territory, protect the environment, decrease the severity of natural disasters, increase water availability, preserve gene resources and protect bio-diversity.

These objectives are further divided into environmental protection objectives (protect the environment,
decrease the severity of natural disasters and increase water availability), bio-diversity conservation objectives (preserve gene resources and protect bio-diversity) and the means by which these objectives will be achieved (establish five million hectares of new forest together with protection of existing forests). It is important to distinguish between the environmental protection and bio-diversity conservation objectives of the 5MHRP because, while they are often consistent, this is not always the case, hence different approaches are required to achieve both sets of objectives.

According to Article 3 of Decision 661, the tasks of the 5MHRP include the protection and creation of both protection and special-use forests. The environmental protection objectives of the 5MHRP are consistent with the objectives of protection forests, as set out in the Regulations for the Management and Utilization of Protection Forests, attached to Decision 1171/QD of the former Minister of Forestry, dated 30 December 1986, which are to control flooding, soil erosion, to ameliorate the effects of typhoons and strong winds, and to stabilize newly formed land. Similarly, the bio-diversity conservation objectives of the 5MHRP are consistent with the objectives of special-use forests, as set out in the Management Regulations for Special-use Forests attached to Decision 1171/QD, which are to preserve parts of different landscapes, to preserve animal and plant genetic resources, to preserve forests with cultural, historical or landscape values, and to provide sites for scientific research. Additionally, the ecological objectives of the 5MHRP are consistent with the objectives of protection and special-use forests set out in the draft forest management regulations that are expected to supersede those attached to Decision 1171/QD before the end of 2000.

Inter-ministerial Circular 28/1999/TT-LT, which provides guidance for the implementation of the 5MHRP, clearly indicates that implementation of 5MHRP activities should vary according to the management category of the forest, for example, the circular stipulates that plantation species for special-use forests must conform to the species composition of the original ecosystem, although natural regeneration is promoted as the principal means to restore these forests. In the case of protection forests, however, industrial species, fruit trees and special forest product trees may also be planted, as long as they establish canopy cover and perform an adequate protection function. Therefore, the policy framework of the 5MHRP allows sufficient flexibility in implementation for both the environmental protection and bio-diversity conservation objectives to be met.

6.3 Compatibility of the 5MHRP with other National Plans and Policies

The environmental protection and bio-diversity conservation objectives of the 5MHRP are important government priorities, which are elucidated in national plans, particularly the National Plan for Environment and Sustainable Development 1991-2000 (NPESD) and the Bio-diversity Action Plan for Vietnam (BAP).

The environmental protection objectives of the 5MHRP are consistent with the recommendations of the NPSED, which include "protection of existing forested watersheds and rehabilitation of denuded watersheds", and which place an emphasis on disaster mitigation in coastal zone management. Similarly, the bio-diversity conservation objectives of the 5MHRP are consistent with the recommendations of the NPSED, which include taking necessary action to "strengthen and maintain bio-diversity and stimulate nature conservation".

The bio-diversity conservation objectives of the 5MHRP are consistent with the long-term objective of the BAP, which is to "protect the rich and unique bio-diversity resources within the sustainable development framework of Vietnam". With specific regard to forestry policy and practice, section 2.3 of the BAP supports the participation of local people in forest conservation and the development of social forestry programs. However, the BAP recommends that reforestation programs place less emphasis on the use of mono-cultures and exotic species.

Therefore, the 5MHRP provides a potential vehicle of support to the BAP and the NPSED’s promotion of environmental protection and bio-diversity conservation although there will be some need to improve environmental safeguards to ensure that implementation of the 5MHRP does not conflict with certain recommendations of the BAP.

6.4 5MHRP and Forest Protection

Article 3 of Decision 661 states that "highest priority will be given to protection of natural forests classified as special-use forests, and to very critical and critical protection forests, including protection forests established under Programme 327, as well as to production forests with rich and medium stock". This commitment, which is reinforced by Joint Circular 28/1999/TT-LT, is in line with the recognition by the government of Vietnam that,
in most situations, natural forests have greater economic and environmental values than plantation forests. Compared with plantation forests or regenerating forests, mature natural forests have greater watershed protection value, bio-diversity value and importance for conservation of genetic resources. Additionally, natural forests can have greater social values than plantation forests, because of the greater diversity and abundance of non-timber forest products (NTFPs) they contain, and the cultural significance that is often attached to these areas. Moreover, from an economic perspective, protection of existing forest is a more efficient means of reversing the decline in forest cover in Vietnam than reforestation, which does not require a large initial cash investment.

While other mechanisms exist for special-use forest funding, the on-the-ground reality is that, except in the case of national parks, the only source of central government funding available to special-use forests is Fund 661; which is primarily used for forest protection contracts. While one may question the effectiveness of forest protection contracts as a means of controlling human activities with negative impacts on bio-diversity such as hunting, there is also the issue that forest protection contracts can usually only be issued for forest in the forest rehabilitation and service and administration areas of special-use forests. Hence, no central government funding is usually available for conservation activities in the strict protection areas, which usually have the greatest bio-diversity value.

### 6.5 5MHRP and Promotion of Natural Regeneration

While the 5MHRP will seek to protect 9.3 million hectares of existing forest, it will also create a further 5 million hectares of new forest, of which 2 million hectares will be protection and special-use forest. From an ecological perspective, the most suitable method for creation of new forest areas is natural regeneration. This is because the structure and composition of forests created by natural regeneration are similar to those of the former forest cover of the area. The resulting forest is also likely to have greater watershed protection value, bio-diversity value, and resilience to impacts than plantation forest. Furthermore, being a natural process, natural regeneration is, in most circumstances, more economically efficient than plantation. However, only 1 million of the 2 million hectares of protection and special-use forest to be created during the 5MHRP will be by natural regeneration; the remaining 1 million hectares will be created by planting.

Whereas, in some cases, the environmental protection objectives of the 5MHRP can be met by plantation, the bio-diversity conservation objectives almost never can. This is recognized in Joint Circular 28/1999/TT-LT, which states that natural regeneration should be the major mechanism for restoration of special-use forests, and that any plantation that does take place must use species that conform to the natural ecosystem, and that must, therefore, be locally indigenous.

To guide the implementation of natural regeneration in the field, local projects are requested to consult document QPN-21-98 of MARD, the general outline of the technical procedures on natural forest regeneration and additional, which relates to special-use, protection and production forests. In principal this document promotes "management of the forest restoration process" by providing appropriate protection to an area to enable the natural process to occur unhindered by external interference, supplemented by the use of simple silviculture measures, and, where necessary, the enhancement of natural regeneration by supplementary planting. Article 6 states clearly that natural restoration shall be applied if the following cases:

- forest stands exhausted after exploitation
- forest fallow after shifting cultivation
- areas covered by shrubs or woody savanna, where soil depth is more than 30 cm
- bamboo forest stands formed after shifting cultivation which cover more than 20% the total area
- in cases where the above criteria are not met, particularly in critical and very critical protection forests, and remote areas where afforestation is not possible in next 10 years, areas with potential to regenerate into a vegetation formation with shrubs or grass higher than 1 m will also be put into restoration, and additional planting of industrial crops and fruit trees will be encouraged.

Over-dependence on local project owners' abilities to interpret the above criteria could, however, hinder realization of the 5MHRP’s objectives. The success of natural regeneration is dependent not just upon one or more of the above criteria being met but, also, upon the conditions that led to the loss of forest in the first place being removed. Therefore, delineation of an area for natural regeneration, even if coupled with supplementary planting, is unlikely to be effective unless measures to control fire, grazing and exploitation of forest products are also implemented.

Another danger is that natural regeneration may be promoted due to economic constraints rather than as the most suitable technique for a particular area. An example of an area where natural regeneration may not be
the most suitable technique would be hillsides covered by *Imperata cylindrica* grassland that are not bordered by forest areas or do not contain fragments of natural forest. In such areas, forest regeneration is inhibited by shading, low soil nutrient levels and periodic burning. Even if fire could be controlled, natural regeneration may take considerable time (>100 years), and may not, therefore, be the most suitable restoration technique.

Furthermore, setting fallow land as a target for natural regeneration may lead to its conversion to forest. Fallow land is classified as bare land, and this includes land used for rotation agriculture (a major economic activity in many mountainous parts of Vietnam). This type of land cannot be allocated to households as agricultural land. Consequently, if land that is being left fallow as part of a rotational system is delineated for natural regeneration under the 5MHRP, either the regenerating forest may be cleared by the farmer when they need to bring the land back into cultivation, or the farmer may be obliged to clear natural forest in order to replace the lost land. In this situation, the link between livelihood needs and environmental processes becomes vital.

Finally, as a set of instructions to guide a national program, the text of QPN21-98 is inadequate for a country with such diverse environments and climatic conditions, and lacks an appreciation of local conditions prior to regeneration. This lack of adequate direction was commonly reported in the field assessment teams' reports, where local project owners were unsure of how to proceed with reforestation when national guidelines were applied to a local situation.

### 6.6 5MHRP and Plantation

An almost universal finding of the field assessments was that, in all regions of the country, the majority of people interviewed appeared to understand the ecological benefits of tree planting, and therefore supported the 5MHRP as a good idea. However, the ecological benefits of tree planting vary considerable according to the particular species used. Joint Circular 28/1999/TT-LT identifies different types of forest trees for planting in production forests. Acacia, pine and eucalyptus, while valued for their rapid growth rates and robustness as plantation species, have little or no bio-diversity value, and it is important that these species are not planted as part of efforts to create or enhance natural forests. Furthermore, pine and eucalyptus plantations have lower watershed protection value than most other vegetation types, including regenerating forest, scrub and grassland. Hence, it is important to ensure that these species are not selected for watershed protection functions. The precious timber species listed in Joint Circular 28/1999/TT-LT are likely to have higher biodiversity value and, in the longer term, will also deliver greater levels of watershed protection. Hence these species might, on purely ecological grounds, be preferred in buffer zones adjacent to special-use forests.

The target of the 5MHRP is to increase forest cover to 43% of the national land area. However, questions have recently been raised over the availability of land for reforestation activities. Lack of suitable land for reforestation coupled with highly ambitious targets can lead to two problems: the clearance of natural forest in order to plant trees under 5MHRP in an effort to reach area targets; and planting of trees in areas that are unsuitable, either due to their use by local people or due to their being natural non-forest areas. Natural non-forest areas often retain important bio-diversity, and include seasonally-inundated grasslands and open mudflats. Both of these problems occurred during the implementation of the Program 327.

In accordance with Prime Ministerial Decision 187/1999/QD-TTg, the operations of State Forest Enterprises (SFE) are being renovated. These changes are to ensure that SFEs become more productive and economically viable, to strengthen their key role in forestry production, and to improve the contribution of SFEs to the protection and development of forests. However, as part of this restructuring process, the SFEs are entitled to support from the state in implementing projects regarding protection, assisted natural regeneration and enrichment of natural forests. Therefore rather than receiving an annual management fee, the SFEs have to compete with each other for state funds for forestry projects, one source of which is Fund 661. Consequently, for SFEs with little available land for reforestation, there exists a perverse incentive to clear forest within the enterprise in order to implement reforestation activities and receive management fees. Taken together, these two national policies may actually create a negative environmental impact, in spite of the fact that 5MHRP targets may be met and the financial viability of SFEs ensured in the short term. The 5MHRP does, however, contain some safeguards against this problem: Joint Circular 28/1999/TT-LT, for instance, clearly states that it is forbidden to destroy forests in order to clear land to plant industrial trees, such as tea or coffee.

The ambitious targets of the 5MHRP may provide an incentive for project owners to plant trees on areas of fallow land. As explained previously, the conversion of fallow land to forest can have negative ecological and social implications.

At present, the 5MHRP contains no safeguards against planting trees in areas that are naturally not forested,
such as seasonally inundated grasslands, open mudflats and natural savanna grasslands. Local project owners may mistakenly view these areas as "waste land", although the bio-diversity and environmental protection values of these areas may often be very high. Although planting trees on such areas will undoubtedly lead to the attainment of the targets of the 5MHRP, the bio-diversity conservation objectives of the program will not be met.

In some coastal areas, the management authorities have often viewed afforestation as being consistent with environmental protection. Additionally, management fees for afforestation activities are one of the few sources of funds available to them. However, afforestation of mudflats with mangrove results in the loss of an important habitat for migratory shorebirds, while planting *Casuarina equisetifolia* and *Acacia auriculiformis* on sandy areas totally transforms the natural dune vegetation. Consequently, such activities are incompatible with biodiversity conservation.

In the case of special-use forests, such activities are contrary to the management regulations, which prohibit activities that change the landscape or result in the introduction of plant species. However, there is a need to ensure that 5MHRP activities are consistent with these regulations, and that suitable safeguards for protection forest are introduced.

### 6.7 Opportunities Presented by the 5MHRP

The 5MHRP has many potential ecological benefits, above and beyond the two principle benefits of increasing forest cover: improved watershed protection and increased wildlife habitat. It is important to understand these potential benefits, in order that the opportunities presented by the 5MHRP can be maximised.

Currently, there are few if any provisions within the 661 programme that will provide a mechanism for using 661 to support the management of special use forests. The 661 programme therefore, offers an opportunity to improve the resources available for the management of special use forests.

As a general rule, the bio-diversity value of large blocks of contiguous habitat is greater than that of smaller blocks, for example, small blocks of forest may be too small to support viable populations of large mammals, such as Tiger and Sao La. Consequently the bio-diversity value of forest blocks can be enhanced by connecting them to other blocks by habitat corridors. In order to maximise this opportunity, funds available under the 5MHRP could be used to establish natural forest corridors between special-use forests that are ecologically isolated and between forest blocks within special-use forests.

In many cases, one of the greatest threats to bio-diversity in special-use forests is over-exploitation of forest resources by local communities. By providing alternative sources of income and forest products (such as timber, firewood and rattans), the 5MHRP activities conducted in the buffer zones of special-use forests could potentially contribute to a reduction in overall pressure on these areas.

Careful investment of 5MHRP funds could also be used to lower threats to both bio-diversity and yields from existing natural forests. On the Da Lat Plateau, for example, repeated burning is causing a transition from natural evergreen forest to fire-climax pine forest, which has lower bio-diversity value and standing timber volume. Similarly, in the Central Highlands, forest fire is leading to a loss of dry *Dipterocarp* forest and its replacement with secondary vegetation types of lower bio-diversity and timber value. Funds available under the 5MHRP could be employed to improve fire management in these areas, and, thereby, enhance their bio-diversity and economic values.

Finally, the 5MHRP is a potential means whereby Vietnam can address climate change (and in future, perhaps generate revenue) through carbon sequestration. While, for a given area, plantation of forest sequesters more carbon than protection of existing forest, it must be remembered that the government of Vietnam has recognised that protection of natural forest is ten times as efficient in terms of tonnes of carbon sequestered per dollar invested. Therefore, if carbon sequestration is one objective of the 5MHRP, emphasis should be placed on forest protection over reforestation.

### 7. 5MHRP AND THE ECONOMIC DIMENSION

#### 7.1 Background
In order to meet the demand for forest products in the next decade, 2000-2010, to reduce pressure on natural forests, it is necessary to establish about 2,000,000 ha of production forest and 1,000,000 ha of industrial and fruit trees in addition to the existing forest resources. Estimates for different forest products are given below.

**Creation of Forests Providing Raw Material for Paper**

By 1995, the total production of paper in the country was 220,000 tons and the average consumption per capita was only 3 kg. The average rate of growth rate in paper production during the period 1991-1995 was however quite high, 9.8%.

Assuming the same rate of economic growth as at present, it is forecast that the consumption of paper by the year 2000 will be 450,000 tons, corresponding to 5.6 kg per person and year. By the year 2005 consumption of paper is estimated to be 800,000 tons (9.2 kg per person), and by the year 2010, the total consumption is estimated at 1.2 million tons, equivalent to 13 kg per person and year.

In order to produce 1.2 million tons of paper, 6 million tons of wood raw material is needed. However, the existing natural bamboo forest together with plantations, can provide only 1.2 million tons per year. Therefore, an additional 4.8 million tons (equivalent to 6-8 million m$^3$ of wood) per year is needed from new plantations. About 1,000,000 ha of new forest with an average productivity of 80m$^3$ per ha over a production cycle of 10 years would thus be needed.

**Raw Material for Wood-based Panels**

Present forecasts of growth in population indicate that the population of our country will be about 87 million by the year 2005. Extrapolating current trends, the domestic consumption of wood-based panels would then be 1.1 million m$^3$ per year. Assuming an annual export volume of about 0.2 million m$^3$, the total need of wood-based panels would be 1.3 million m$^3$, leading to an annual demand for wood as raw material of some 4 million m$^3$.

Assuming that fast growing species with an average productivity of 8 m$^3$ per ha per year and with a production cycle of 10 years are used, about 500,000 ha of forest plantations would be needed to produce 4 million m$^3$ of wood per year.

**Mining Timber**

It is estimated that by the year 2005, the total coal production will be 6.4 million tons per year. This production volume would require about 350,000 m$^3$ of mining timber. Assuming that the growth rate of forests producing mining timber is 10 m$^3$ per year, the forests have a production cycle of 10 years, and the share of poles suitable as mine timber in the final harvest is 70%, there would be a need for about 50,000 ha of plantations. However, additional timber is needed for basic construction in the mines as well as a reserve. In consequence, a plantation area for mining timber of about 80,000 ha is suggested.

**Wood for Furniture and Interior Decoration**

It is estimated that by the year 2005, the demand of timber for furniture and interior decoration will be about 1.2 million m$^3$ per year. This would result in an annual demand of 2.4 million m$^3$ of logs per year.

It is estimated that timber from harvesting of natural forests, cutting of rubber trees, and imports together would supply about 0.6 million m$^3$ per year. Thus, in order to produce the remaining 1.8 million m$^3$ of raw material, an additional 180,000 ha of forest with an average productivity of 10 m$^3$ per ha per year should be established.

**Basic Construction**

It is estimated that by the year 2010, the demand for wood for basic construction of industries, for irrigation, roads, bridges and ships etc., will be about 1 million m$^3$ per year. Good quality species are needed, such as Dipterocarps, Markhamia stipulata, Erythrophloeum fordii, Madhuca pasquieri, Vatica tonkinensis, etc., which all have long production cycles (over 30 years). In order to meet this demand for wood, creation of about 140,000 ha of new forest is needed.
Non-wood Forest Products

About 100,000 ha of new forests are estimated to be required in order to produce the needed amounts of non-wood forest products. The main species would be pines (for resin), cinnamon, *Illicium verum* for star anise, *Aleurites montana* for tung oil, *Thea sasanqua*, bamboo and rattan species. Apart from the amounts needed in the country, capacity to yield an exportable surplus should be created.

Other Tree Species which Form a Crown Cover

In order to meet the demand in the country and also allow for exports, an additional area of industrial tree crops such as rubber, coffee and tea of 600,000 ha should be established. In this way, much land would also be used for highly productive purposes.

Fruit Trees

It is estimated that there is a need to add another 400,000 hectares of fruit orchards with long-term species. The purpose is to meet the economic demand and improve the environment in densely populated rural areas.

Fuel wood

There are certain products that a population would normally be dependent on the forest for, like fuel wood. Some 21 million tonnes of fuel wood are consumed annually in Vietnam. If converted into area equivalents, fuel wood harvesting would account for six times as such forest harvesting as commercial logging. Moreover, since the collection of fuel wood is not banned, fuel wood collection is at times collected for marketing purposes. Other products used from the forest for consumption are, for wood products like, rattan, medicinal plants, bamboo shoot, fruit, etc, while non wood products would include honey, mushrooms, etc.

The Total Picture

The establishment of 2,000,000 ha of wood-producing forests and 1,000,000 ha of other tree species which form a crown cover and fruit orchards to meet the demand for forest products of the national economy in the future is a great undertaking. The implementation of the programme is complicated as it is affected by a multitude of factors, such as market demand, varying degrees of economies of scale, different technologies, use of various marketing channels, creation of processing industries, scattered availability of suitable land, availability of capital and human resources etc. In addition, some of the factors vary in response to varying market conditions while others heavily depend on natural conditions. Therefore, it is necessary to design a long-term programme with a clear objective. However, the approach and the methods for implementing the Programme, including the promulgation of suitable policies, should be flexible, so as to favour economic development in general, and the socio-economic and political institutions of the country in particular.

The economic sustainability, discussed in this section, is divided into two parts, covering the protection and special use, as one part, and the production forests as the other.

7.2 Legal and Regulatory Provision for the Economic Objectives of the 5MHRP

The Decision 661 clearly identifies the economic objective as one of the three main objectives of the 5MHRP. There are 3 million ha of the total 5 million ha of forests within the target of 5MHRP. Comparing with the Programme 327, 5MHRP are the greater effort of the Government in the socio-economic development and HEPR process in forest areas and modernisation and industrialisation strategies. However, the economic objective of 5MHRP is also the most difficult issue and challenge of 5MHRP. To solve this problem there should be needed to conduct out the following activities:

a. Clearly identify land resources for production forests

The very first step to be conducted is to identify the land resource availability for production forests. Currently, many SFEs do not have or have, but very scattered land for production forest establishment. Some land areas planned for production forests are very bad or located in remote slop areas.

b. Improve the management mechanism
The current SFEs organisation is not appropriate to new situation with requirement of production and business change of activities. The land tenure of most SFEs today is still unclear and unconfirmed by a legal document. The contracts signed between SFEs and local people can not ensure the product-oriented forest planting to supply raw material, as SFEs required. Therefore, it is necessary to ensure the clear and detailed activities in the contracts based on clear market picture and consumption plan of forest products produced.

c. Improve the investment mechanism

The current investment procedure and mechanism are not interested to people due to the following reasons: The interest rate is too high (proposed to be 4-5%); the harvesting cycle is long (average 8-10 year); forest land is bad; low economic value of forest product; unclear and unstable market; lack of infrastructure (roads, factory buildings); high investment requirement, etc. The time period for loan should be based on the harvesting-cycle of forest products and the character of production forestry activities.

7.3 Compatibility of the 5MHRP with other national plans and policies

5MHRP creates new opportunities for production forest development to serve One Million m$^3$ of Panel Production Programme and for promoting the principle "right crop species in right soil conditions".

5MHRP also supports the HEPR programme through creating new job opportunities for local people in plantation activities, increasing their income form 200-300,000 VND/person/month to 400-450,000 VND/person/month. The production development through processing promotion will contribute to stabilising living conditions and thus support Resettlement and Resettlement Programme.

Production forests in a certain level also assist to protect environment, release disaster impacts, protect water resources and conserve bio-diversity.

The establishment of 3 million of production forests with product-oriented policy will support the social development in forest areas and create long-term solution for HEPR as well as for sustainable development. And therefore also contribute to the national defence and society development.

7.4 5MHRP and protection and special use forests

Overall, the Assessment Teams found evidence that investments in protection forests have attracted community interest and brought about direct economic benefits to local people. For example, a favourable environment has been created for many who are engaged in coastal aqua-culture. The mangrove forests act as wave and wind breaks, thus protecting the farming systems in coastal areas. In the uplands, forests reduce the impact of floods and prevent soil erosion.

However, the framework in which local benefits are provided (mainly short term labour contracts), apart from being perceived as insufficient and untimely, seem in the long run to be economically unsustainable. Moreover, currently, there is no functioning mechanism to cover for operating and tending costs. Therefore, a system ensuring the protection and growth of the forests created that will be effective, in the longer term, needs to be found.

Another quite troubling issue repeatedly emerging was, even after a period of protection or planting followed by tending, will there be anything to share? Five years of protection of a poor natural forest seldom results in a good forest, and planting followed by three years of tending rarely gives a forest with much of value.

In general, the scope of investment from Fund 661 requires a broader and more flexible framework. For example, forest fire control activities in some provinces in the south and central parts of Viet Nam are very resource demanding. However, this issue receives very little attention, and government provisions are extremely limited. The fairly fixed cost norms for planting and tending a hectare of forest is far from sufficient to achieve good results on the ground, especially in upland and remote areas.

A key issue is whether the principal objective of a particular reforestation activity can always consider environmental protection, as well as rural development and poverty alleviation. These objectives are not always necessarily complementary as far as reforestation is concerned. They may require different approaches
and different financial and technical support mechanisms.

7.5 5MHRP and production forests

In some areas (mainly in the south), where soil conditions are relatively good and where there are access to roads and markets, an increasing number of households and private enterprises invest in production forestry, and plantations are considered a profitable business to invest in. For example, within a production cycle of seven years, Soc Trang Forest Enterprise is making a profit of 40-50 million VND per ha of Melaleuca forest. However, although there is some evidence that there is an increasing interest in being engaged in production forestry, the overall situation reflects that returns from investments in forestry are still limited and do not attract sufficient investments.

In itself, forestry is seen as a risky business and very few people are in the position to wait several years for the benefits. There are several other barriers currently curtailing investment in forestry. The first is the high investment costs. Available land is located in upland and remote areas, with limited transportation access. The second is the poor soil conditions, leading to very poor growth rates. The third is that people living in and near forest land are often very poor. At the same time, it is difficult for these people to get access to credit if they really wanted to invest in forestry in the first place. Although the Government has established subsidised and directed credit for the poor by prioritising access to credit in HEPR and other programmes, it is often not available in the field, and moreover, people may not always prioritise investment in forest activities. Further, informal financial providers are demanding considerably higher rates than established by formal financial institutions. The rate is too high for the average poor farmer. Moreover, information about and access to relevant markets are limited, although, very crucial for encouraging communities and enterprises to invest time and resources as well as identify relevant processing skills and technologies at the local level for the production forestry sector.

8. 5MHRP AND THE LINKAGES WITH THE OTHER NATIONAL PROGRAMMES

The Government of Viet Nam has identified rural development as a top priority in its overall plan to improve the quality and effectiveness of socio-economic development in the country. In practical terms a number of response measures have been undertaken. Investment in rural infrastructure and services has been increased and a number of national programmes/projects to reduce rural poverty and hunger, promote rural employment creation and counter environmental degradation have been launched. Forests and trees can be managed to contribute to achieving poverty eradication, economic development, and environmental protection goals in rural areas, and the 5MHRP aims to contribute to make this possible.

By way of background, Task Force I was instructed to look at other national programmes (and forest-related policies and strategies) and to describe their relation to the 5MHRP. This task did not prove to be easy. First of all, a few words should be said about the term "programme" itself. According to the government's official concept, a programme is a set of objectives, approaches, activities and inputs. However, in practice, it often comprises a simple set of planning goals, mechanisms, organisational measures and estimated resources for the achievement of the goals. In general, the scope of a national programme is limited within a sector and thus, managed by a line ministry. As pointed out in chapter 3, there is a significant difference between Decision 661 and Fund 661. In a similar fashion, there are, most probably, significant differences between the official government decisions (policy texts) and the policy implementations (programmes) of these sector driven initiatives. However, to date there have been few studies focusing on relations between the different programmes.

Secondly, there are a great number of other activities and initiatives on-going that are all contributing to the achievement of the above mentioned social economic and environmental protection goals and thus, in some way or another, are related to the 5MHRP. Finally, there are numerous policies and strategies that directly and indirectly affect the planning and implementation of the 5MHRP. Box 1 lists some of the national initiatives and strategies/processes that are relevant in the context of the 5MHRP. (There are most probably several other initiatives that could be added).

The Compilation and Analysis Team I identified 22 national programmes that are components of Viet Nam's sustainable development strategy (poverty reduction strategy). Moreover, these programmes, including the 5MHRP, are conceptually linked and termed by the government as vertical programmes or projects "participating in the hunger eradication and poverty reduction (HEPR) efforts."
Because of the great quantity and complexity of national initiatives, and given the scope of Task Force I’s work, it has been beyond the capacity of Task Force I to analyse, in any detail, the inter-linkage between all these different efforts.

However, field assessments indicate that co-operation and integration of effort between sectors are weak. Co-operation between sector agencies such as land management, agriculture, forestry, infrastructure development and also between different levels (farmers and government agencies) is not close. As a result, many planning alternatives are often not relevant to local needs, are not sustainable and have negative impacts.

Programme 133 should be understood as a programme encompassing activities carried out by the different line ministries in combination with local efforts, including donor-assisted projects that contain objectives directly benefiting poor people and communes. Overall, the Programme133 and Programme 135 promote greater decentralisation and delegation of implementation authorities to the provincial and sub-provincial levels, and local participation as key strategies to improve the effectiveness and targeting of government investment. Also, Program 133 was set up to ensure better co-ordination and integration of HEPR-related efforts and to further help in making a more efficient use of scarce government resources. The above-mentioned strategies are supposed to be new elements of all national programmes, including 5MHRP.

Lack of political support - the responsibility of the HEPR Committees lies with the Department of Labour, Invalids and Social Affairs (DOLISA), which has a weak capacity and limited leadership roles to promote integration at the community level. In addition, DOLISA has no real authority to mobilise or motivate other departments to assist the poor.

Box 1: National programmes, strategies and processes affecting 5MHRP

The National Target Programme for HEPR (Programme 133)

The National Target Programme for Hunger Eradication and Poverty Reduction (1998-2000) is an inclusive framework for co-ordination and integration of HEPR-related efforts. The programme includes various poverty alleviation initiatives within the following nine programme components: sedentarisation; resettlement and New Economic Zones (implemented by MARD); infrastructure development in poor communes and resettlement (CEMMA); promotion of agriculture and off-farm production (MARD); extension services for agriculture, forestry and fisheries (MARD) and income generation (MOLISA); training for HEPR staff (MOLISA and CEMMA); assistance to ethnic minorities facing extreme difficulties (CEMMA); credit and savings for the poor (SBV); education for the poor (MOET); and health for the poor (MOH). MOLISA is designated as the Programme Managing Agency of Programme 133 and responsible for overall planning, guiding the implementation, monitoring and reporting on the programme implementation. MPI plays a central role in mainstreaming HEPR into the government’s socio-economic development planning and management, in integration and co-ordination of HEPR activities through planning process, in balancing HEPR resources and allocating investment funds for HEPR. In a broader context, the MPI is also the focal point for development of the country’s overall policies for socio-economic development, management of national programmes, and aid-co-ordination and mobilisation. MOF is in charge of mobilisation and transfer of funds from central government’s budget, financial supervision and evaluation of effectiveness of the use of government funds. A number of other central agencies are in charge of policy development and monitoring the implementation of program components in their respective sectors.

The National Programme on Socio-economic Development in Mountainous Deep-Lying and Remote Communes with Special Difficulties (135)

The National Programme on Socio-economic Development in Mountainous Deep-Lying and Remote Communes with Special Difficulties (1998-2005) aims to generate income and employment, improve infrastructure and build local administrative capacity in communes faced with extreme difficulties in mountainous and remote areas (concentrate on 1,000 “difficult” communes in “especially difficult districts”. At the national level, CEMMA has responsibility for Programme 135. MPI has been identified as focal point for funds allocation, along with the MOF, CEMMA and sectoral ministries. The Prime Minister’s Decision assigns implementation responsibility to a Central Steering Committee, which is responsible for providing directions to ministries and sectors to implement the programme, and to Provincial Steering Committees to develop specific projects.

Fixed Cultivation and sedentarisation Project

The Guidelines for Fixed Cultivation and sedentarisation Project say that "the objective of the programme are both economic and social, i.e. build a stable production basis, to enable ethnic minorities to get work and participate in economic development, the building of newly developed rural areas, eradication of hunger, reduction of poverty, increased knowledge through education, better health and arresting forest destruction". The original focus of the programme was infrastructure, emphasising building brick houses and village wells for new settlements. The focus has changed in recent years to the development of agricultural systems
Lack of incentives to carry out collaborative activities is a major constraint in undertaking collaborative initiatives between departments. Provincial departments are unwilling to assign funds to "experimental" integrated activities outside their vertical structures, which brings the issue back to political will to address poverty through integration and collaboration.

**New Economic Zones**

Viet Nam has implemented several policies of resettlement of its people. These have included resettlement programmes for lowland agriculturists from the overcrowded deltas to the mountainous highlands to increase food productivity on so called underused or unused lands. Many of these lands were designated as New Economic Zones, and mass migration was organised to them. Migration generally, is recognised as a key root cause of deforestation, but the environmental implications of population migration are neither well understood nor being effectively addressed.

**Biodiversity Action Plan and the Protected Areas System**

The biodiversity Action Plan was adopted in 1995. The plan has recommended that the country be divided into biodiversity regions with defined priorities for action within each region and between regions according to a set of agreed criteria. Viet Nam has now declared sites as protected areas covering a total of 2.1 million hectares or around 6 percent of the total landmass. There are plans to expand the Protected Areas System to cover 10 percent of the country’s area. It is important to address the compatibility of the 5MHRP with these expansion plans. Currently, regions containing high levels of Viet Nam’s remaining biodiversity wealth are being exploited in unplanned and unmanaged ways. There is a need to introduce safeguards against reforestation activities with negative environmental (biodiversity conservation) impacts, e.g. reforestation of natural wetlands and on mudflats.

**National FSC Working Group on Forest Certification**

Viet Nam is keen to have areas of its commercial forests accredited by the Forestry Stewardship Council (FSC). The national working group has been working since 1998 on C&I development of national standards for forest certification in Viet Nam.

**Other Forest Related Strategies and Processes**

- Land use Planning and Policies
- Land use Classification
- Forest Land Allocation
- Programme on development of raw materials and production of 1 million cubic metres of artificial boards towards the year 2010
- Project on paper production, raising the capacity of paper production up to 1 million tonnes per year from 2010
- Project on raising the production of coal up to more than 17 million tonnes per year from 2010
- Viet Nam National Environmental Strategy and Action Plan (2001-2010)
- National Socio-Economic Development Strategy to the Year 2010
- National Plan of Action for the Advancement of Women to the Year 2000
- MARD 5 Year Plan (2001-2006) and 10 Year Strategy for Forestry and Conservation

Lack of incentives to carry out collaborative activities is a major constraint in undertaking collaborative initiatives between departments. Provincial departments are unwilling to assign funds to "experimental" integrated activities outside their vertical structures, which brings the issue back to political will to address poverty through integration and collaboration.

A number of different projects and programmes operate in all provinces visited by the Field Assessment Teams, including the above mentioned national programmes. In spite of current strategies, the results of the field assessments under Task Force I indicate that there is very little integration of the various HEPR efforts with the 5MHRP. The different “vertical programmes” tend to be managed by different sector's departments at the local level with no real co-ordination at the design and implementation stage. In spite of Government efforts to get provincial departments to co-ordinate and collaborate at the local levels, there is in reality very little understanding at the provincial level of what is actually happening in the context of other vertical programmes. They may be aware of the existence of some programmes, but there seems to be very little co-ordination or cooperation in practical terms. The Field Assessment Teams saw little evidence of direct co-operation between projects and few cases of frequent interchange of information and experience between forest-oriented components at the provincial or even district level. One very possible explanation is the deep-rooted
compartmentalisation of the different agencies with very little information sharing.

This is very unfortunate, given that there is a great need for more co-operation and collaboration. For example, the issue of infrastructure development needs was mentioned several times during the field assessments. As Fund 661 can pay only for activities related to protection and reforestation in special-use and protection forests, there is an acute need in almost all projects of the 5MHRP for additional funding for other components in the projects, such as infrastructure and often also extension. In theory, funds for such activities could be provided by other national projects or programmes or from the provincial budget. In reality, these projects and programmes are often managed by other departments, and often targeting other areas than the ones targeted by the actors within the forestry sector.

It should also be said that Viet Nam’s efforts for HEPR, including forestry projects, are strongly assisted by donors and NGOs at both the national and local levels. An inventory of major on going technical assistance projects prepared in connection with a UNDP project listed 52 donor/NGO assisted poverty reduction projects as of 1998. Further, the recently published Compendium of Rural Development Assistance in Viet Nam contains 453 ongoing and 87 pipeline projects in the area of rural development. Finally, the Compendium of Environmental Projects in Viet Nam provides a list of 173 ongoing (1999) and 57 planned environmental projects. A number of these projects are directly and indirectly supporting the objectives of the 5MHRP.

For internationally supported projects in the provinces visited, the situation was similar. They all had their own objectives, their own activities, and their own leadership structure. Except for exchange of information, no real co-operation was observed between such projects and the projects visited by the Assessment Teams.

In several cases, where both nationally and internationally funded forestry activities were carried out in a locality, the internationally supported projects could show a higher rate of success. In most cases, this could be ascribed to more funds being available for activities dealing with both plantation and tending of a forest stand, as well as, investment in participatory methodologies. Because of the scarcity of resources in surrounding areas, however, the methods developed by the internationally supported projects could only seldom be applied by the domestic ones.

In both cases i.e. other national projects and programmes as well as internationally supported projects in rural areas, one conclusion reached by the Field Assessment Teams was that they made an indirect but possibly quite important contribution to the national reforestation effort. By contributing to an improvement in the living standards of the local people, the projects reduced the need for those people to exploit forests either for their products or for cultivation, thereby allowing natural regeneration or rehabilitation to take place.

9. SELECTED ISSUES AND RECOMMENDATIONS

9.1. The title and the scope of 5MHRP

Central to Task Force 1’s ToR is ensuring that the term ‘reforestation’ is interpreted coherently and consistently by different stakeholders in the 5 MHRP process. Task Force 1 interprets the term in the following way: ‘re-establishing more or less contiguous tree cover in an area previously occupied by tree cover’.

Following this definition, the term reforestation refers to an increase in forest cover not simply an increase in the area of forest land. Consequently, classifying an area of land as production, protection or special-use forest does not, by itself, qualify as reforestation; reforestation only occurs when tree cover increases.

A second major point deriving from this definition is that only activities which lead to the increase in tree cover in areas which have previously been occupied by tree cover (i.e. areas where the natural vegetation cover is forest) qualify as reforestation under the 5MHRP. Establishing tree cover on areas where the natural vegetation is not forest, for example, natural savannah grasslands, distal mudflats, seasonally inundated grasslands and sand dunes does not qualify as reforestation.

Finally, under this definition, only activities that lead to the establishment of contiguous forest cover qualify as reforestation. Planting of scattered trees, while this may have many social, ecological and economic benefits, does not qualify as reforestation under this definition.

Currently, the title of 5MHRP can lead the people to understand the scope and the activities of the programme incorrectly. According to the actual targets of new plantation, forest protection, natural regeneration, fruit trees
planting and industrial crop plantation, the title "reforestation" should be re-considered or re-named to fit the land resource availability, the activities and the implementing resources of the programme.

9.2 Implementing mechanism

9.2.1 Strengthen institutional arrangements for an improved implementation of the program

There is an inherent contradiction in the structure of the 5MHRP. The Government has launched the Programme but is almost powerless (at least in the present market system) to affect more than a part of it, reforestation over two million hectares of land classified as special-use and essential/very essential protection land.

The list issued by MARD covers only projects implemented by units of the State; reforestation carried out by farmers or private enterprises fall outside this framework even though they clearly contribute to the fulfillment of the objective to reforest five million hectares. In a similar way, externally supported projects that contribute to reforestation also fall outside the list by the Ministry of Agriculture and Rural Development. Further, resources from Fund 661 are not the only ones used in the projects of the National Five Million Hectare Reforestation Programme, not even in the projects specifically directed at special-use forests and essential protection forests; additional support is often provided from provinces, other Government programmes, local households and loan. State budget 661 only concentrates on special-use forests and protection forests.

The project categories in the list are not clear-cut. Projects with an emphasis on special-use forests, such as a Nature Reserve, often has components of both protection-oriented forestry and of forestry for the purpose of producing wood. The same goes for projects directed at essential protection forests protecting a watershed; they normally also have components in production forestry. Even many clearly production-oriented projects, for example carried out by a commercial State Forest Enterprise, have components of protection forestry. All projects supported by Fund 661 encountered in the field by the Assessment Team had components in at least two (and sometimes all three) kinds of forests (special-use, protection, production).

The National Five Million Hectare Reforestation Programme is a large programme consisting of hundreds of components. In order for the administrative system to function well, a high degree of decentralisation is probably necessary. To a great extent, this is already the case; project implementation is, for example, locally based and seemed in general to function well.

Certain functions in the National Five Million Hectare Reforestation Programme do however need to be managed from the Centre to local and field level. The release of funds to the localities is one such function. And if the Centre is to pay for activities managed locally, it also has a legitimate right to know and indeed approve those activities in advance, at least in a general fashion. Until now, this has been a major bottleneck. The Centre has not been able to deal with all the project proposals streaming in from the localities and has not been able to transfer funds for their implementation in a timely fashion.

To achieve all objectives of the programme, it is needed to consolidate activities of 5MHRP and the related sectors/organisations, and all available resources for the programme implementing. The Government has launched a very broad programme. However, the competent authorities of the Programme (such as the Central Executive Committee and the Permanent Office of the Central Executive Committee) can directly interfere in only a part of the Programme (i.e. in activities financed by Fund 661). Other components of the Programme such as those for production forests cannot be fully controlled by the State since they are driven by many factors, especially the market. According to the programme design, the Government is to provide indirect interventions in support of those components, for example in the form of incentives related to land, credits, taxes, forest extension, etc., so that the given objectives may be reached. The responsibility for those components falls on particular sectors and organisations. Funds for their implementation can be obtained from different sources, but mostly outside the control of the competent authorities of the National Reforestation Programme. Moreover, externally supported projects are being carried out in accordance with the corresponding agreements but they also contribute to the objectives of the National Five Million Hectare Reforestation Programme. In conclusion, there is a proposal as following:

Maintain the structure of the Programme as at present. A new mechanism for its implementation need then be found in order to engage and co-ordinate all related organisations and mobilise both internal and external resources for forest protection and development. The competent authorities for the implementation of the National Five Million Hectare Reforestation Programme should be able to control the planning and implementation, from the Central to the local levels.
9.2.2 Strengthen authority to localities in designing the activities

The situation with respect to centralisation/decentralisation of the 5MHRP is contradictory. On one hand, most of its projects are implemented within the borders of a district and are managed by a district-level body, thus being localised at a relatively low administrative level. However, the units responsible for the implementation at the local level are strictly bound to follow a set of directives issued by higher levels that effectively reduce their freedom to adapt the projects to the prevailing local conditions.

In Decision 661, directives are given for the establishment of bodies for the management of the 5MHRP at the central and provincial levels and it also states that no corresponding units should be created at the district level. Still, in order to reach beyond the narrow present scope of implementation of the 5MHRP, i.e. beyond funding and management of "661 field components" for special-use and protection forests in a number of projects, it is essential to engage the local knowledge and initiative at the district, commune and village level. In fact, devolution of influence over the local components of the 5MHRP to the district, commune and village levels would probably lead to improvements in several fields.

If local technical agencies could be given a greater freedom in combining resources at their disposal for protection of the existing forests and creation of new ones, they would in most cases be able to make more effective use of those resources than at present. Further, the district level is probably the best one for ensuring local cohesiveness between the several components of the 5MHRP. Moreover, in order to ensure and integrate more local involvement there may be a need to consider the nature of resources required facilitating this process of involvement.

There is another side to the issue of decentralisation. Most projects in the 5MHRP are carried out within the borders of a district (the same is in reality the case for most foreign-supported projects, even if many of them have a nominal coverage of an entire province or even more than one province). Still, in the 5MHRP, the district level authorities are given a minor role only though district authorities are quite closely involved in both preparation and implementation of projects. The fact that the "project owner" is an organisation located in the district, such as a State Forest Enterprise or a Forest Inspection Station does not, however, mean that they are district-level agencies. Instead, they are under authority of the provincial rather than the district People's Committee.

At present, provinces need to speed up the land classification, land allocation and set up Forestry development action plan (the provinces who have already the Forestry development action plan also need to review based on new inventory data, new land classification and allocation) The Department of Agriculture and Rural development need to set up the projects within 5MHRP based on the provincial Forestry development action plan.

An alternative that Task Force I would like to be considered is to provide the opportunity for increased district, commune and village level involvement. This would potentially bring the following advantages. First, there would be a joint authority over the national projects of the 5MHRP at a more localised level, facilitating easy cooperation between those projects. Second, close interaction would be facilitated between the national projects and the internationally supported ones working in the same area. Finally, an overall district framework for forestry could gradually be developed into which all "projects" within the 5MHRP with activities in the district could be integrated through participatory processes representing local level inputs.

9.2.3 Ensure social equity in access to resources, rights and responsibilities in establishing the operational framework for the 5MHRP

Within the framework of decentralised planning, there is a need to ensure households and individuals are recognised as active field partners in the planning process. This recognition requires support at policy as well as operational level. Moreover, in identifying these partners aspects of social differentiation (ethnicity, economic class, gender) will need consideration. It is on this basis that the extent of incentive to engage will lie. The issues that will in particular require attention would include household level joint land tenure/allocation (i.e. between the male and female head of the household); participatory land use planning and allocation; inclusive extension methodologies, to name some.

Although in certain cases the legal framework is in place (like e.g. Decree 163/1999/CP, which provides the basis for establishing forestland tenure-ship at the household level) there is a distinct need to provide more specific guidelines on how to deal with social differentiation elements.
9.3. Frame conditions for implementing

9.3.1 Improve policy systems

9.3.1.1 Provide a framework for effective benefit sharing mechanisms

Sustainability of projects or programmes is often discussed under four headings: economic, ecological, social, and institutional. In this section only the economic sustainability will be treated. More specifically, it will be discussed how the long-term usefulness of new forests established through activities supported from Fund 661 can be ensured.

New forests are being created in different ways with support from Fund 661. As long as local people are paid for planting, maintaining or protecting a forest, the forest will be relatively safe from destruction. The key question is however what happens after that period has come to an end, normally after no more than five years.

A system ensuring the protection and growth of the forests created that will be effective for a very long period must be found. The Assessment Team repeatedly met this question: how can the survival of the forests be ensured when Government funds are no longer available? Both the authorities and the local people pointed in one direction: if a mutually acceptable way can be found to share the benefits (products and services) from the forests during the entire production cycle between the State and local people, then there is a good chance that the forests will survive. If such a system cannot be implemented within the next few years, then the new forests (and old ones for example created in projects of Programme 327 and then protected paid by the Government) will be destroyed.

The Task Force is aware of the long series of draft guidelines for sharing of benefits and responsibilities related to management of natural forests that has been prepared. The Task Force believes that it will be quite difficult to establish quantitative standards applicable in all parts of the country and to all kinds of forests. Perhaps it would be more feasible to provide only a relatively loose framework and, on a case by case basis, let the local partners concerned (such as a State Forest Enterprise and a group of households) negotiate a settlement that they find to be in their mutual interest. Moreover, issues around mechanisms for long term benefit sharing arrangements needs to be considered.

9.3.1.2 Distinct policy mechanisms for the three forest categories of the 5MHRP

Currently some provinces have already worked out the Forestry development action plan based on three forest categories classification according to the Directive 286/CT-TTg on 2 May 1997 and Land inventory according to the directive 24/1999/CT-TTg on 19 August 1999. The process of land use planning and forest classification should be speeded up for the future strategies formulation.

Within the 5MHRP, 2 million ha cover protection and special use forests, while the 3 million consists of production forests. Given the nature of mechanisms required to encourage appropriate initiatives there is a need to make a clear distinction at the policy level between these two components of the Programme. For the less critical protection forests, there should be needed to make clear conclusion whether re-classify them as production forests or maintain them as protection ones in order to formulate the appropriate investment and benefit sharing policies. These forests currently have been used by an unsustainable way. However, if this type of forest has economic potential and is allocated to SFEs for management, there should be necessary a strict monitoring and evaluation system to ensure sustainable management.

The two million hectares require policies that provide an appropriate policy environment of facilitative mechanisms. These facilitative mechanisms would equip implementers at the relevant level to directly participate in addressing the objectives for protection and special use forests (e.g. participatory bottom-up processes combining with top-down flexible frameworks. The protection and special use forests require policies that provide an appropriate policy environment of facilitative mechanisms directed at protection and special use forests. These mechanisms at present would:

- Initiate forest land classification and land tenure and allocation at field level (individual/households, organizations and enterprises);
- Accelerate land use planning based on forest classification, land resources and land use right (on map and at field level). Re-identify crop system appropriate to local conditions and priorities. For the protection forests: give priorities for natural regeneration in remote and out of road areas, where roads are not developed and give priorities for new plantations and enrichment planting with natural regeneration in lower areas with bad soil conditions. For production forests: Give good area for
plantations with high economic-value species, opportunities for processing and markets. It is also needed to allocate a land resource for high value timber species.

- Work out inter-ministerial circular to implement Decree 163/1999/ND-CP on land allocation.
- Make the Management guidelines of the three forest categories active.
- Establish appropriate and adequate principles and criteria for monitoring and evaluation of forestry activities in all forest categories;

Secondly the 3 million ha of production forest would need more enabling mechanisms to address its objectives, given the production side is dependent primarily on market forces. These enabling mechanisms would require the government to swiftly apply the credit policy on loans with preferential interest rates for plantation establishment (Decision no. 175/2000 by the Prime Minister). In addition, important technical support, such as seed and seedling supply, forest extension, should be strengthened in order to reduce investment costs. The need for up-to-date information relating to national and international markets, including trends, quality standards and access requirements is urgent. It is felt that Viet Nam is at a considerable disadvantage in this field compared to its competitors in the region.

9.3.1.3 Identify and outline technical inputs for encouraging local resources to be involved actively and efficiently within the program framework

There is a need to develop a comprehensive policy framework relating to institutional issues, investment, capacity building and research in order to identify appropriate intervention strategies at the localised level. Furthermore, identify and develop markets for forest products (after AFTA becomes active) based on advanced processing technology, increased product quality, lower production and transportation costs, lower middle-person costs to increase local incomes of communities involved in production forestry. Further, provide options and opportunity for households to develop ecologically sound agro-forestry models, based on local indigenous knowledge.

On a number of occasions in the field, the Assessment Team was told that the technical designs and the cost norms for different activities were not suitable in the locality. In some cases, the species indicated for planting were found by the local people not to be the best ones. For example, in a plantation mainly for protective purposes, the mixture of fast-growing exotic species and slow-growing native ones did not give the expected result, a mixed forest stand where some trees could be harvested after a relatively short period and the other, the long-rotation valuable ones, somewhat later. Instead, the fast-growing trees simply suppressed the slow ones.

In almost all provinces visited, the Team heard that the standard cost norms, especially for planting, were too low. The local authorities dealt with this problem in two ways. They either supplemented the funds coming from the central level with funds mobilised locally and got a technically acceptable result in the field or worked with what they got from the Centre and then also got a poor result in the field.

In addition, some aspects of the designs for reforestation, or more specifically the conditions for payment were seen as unsuitable. One example repeatedly encountered was the short duration of the payment for tending of new forest stands. According to its present rules, Fund 661 can only pay for such tending for three years, while the forests in reality need tending for at least five years.

The silviculture designs established by specialised units need to be flexible. Given the variation in both ecological and social conditions within provinces, districts, and communes, much freedom must, however, be given to the women and men at the localised level who will be responsible for implementing projects within the 5MHRP. They might know which species grow well and should be given the freedom to plan and select forestry activities, within a framework of environmental safeguards.

Therefore, on one side, it is necessary to train the management and technical staff, especially at local level. For the field project implementing, the also needed to carry out training courses to have adequate knowledge and skill. The incentive mechanism for encouraging local staff to be more effectively involved in all activities is also necessary to be considered.

On the other side, there should be needed to conduct extension and training for local farmers. For the new models, it is necessary to be evaluated in order to extend good models and stop the inefficient ones to save the financial and human resources.

And finally, there also essential to strengthen research on science and technology, technology transfer activities to support in solving the bottle necks of the programme, especially the forest land classification and land resource availability at field level, research and extension of ecological agro-forestry models, study market
9.3.1.4 Improve and further develop investment and financial mechanisms

The other constraint in program management is the guidelines for credit for planting forests, which can not ensure the availability at most local projects and out of the control of project management boards. The local farmers can not get the loan due to several reasons, but mainly due the credit providing mechanism and procedure.

According to the objectives of 5MHRP, there should be 14.5 million ha of forests by 2010, it means that during 11-year period there should be more 4 million ha of forests (about 360,000 ha of all forests per year). It requires the Government to increase the investment, of which about 500-600 billion VND/year should be allocated on special-use and protection forests.

The cost norm for plantation is too low (2.5 million VND/ha/4 years). The localities solve this problem in two ways: put additional fund from local budget to make better quality forests or to keep the provided fund with less quality result. Time period for tending after planting forests should be prolonged from 3 to 5 or even 7 years depending on the type of forests. The interest rate of credit loan and the time period for the loan also have to be reconsidered to fit the character and requirement of production forestry activities. It is also necessary to carry on the establishment of high-value precious species plantations to supply valuable timber material for handicraft production.

Therefore the cost norms established by specialised units need to be flexible, given the variation in both ecological/topographical and social conditions within provinces, districts, and communes. Moreover, in considering the cost norms, optimal arrangements need to be set up, at the local level, keeping in mind sustainable forest management and factors that influence the incentive to engage by local populations. They should also be rather free to mix activities, within the framework of environmental safeguards, by for example determining where trees should be planted (at a relatively high cost per hectare) and where only protection of the existing vegetation (at a relatively low cost per hectare) should be carried out.

It is needed to maintain the management fee at the rate 6% of total investment norm for local project 661 (Decision 661) and indicate this rate as the basic limit in order to avoid the case that some provinces can not have adequate budget allocated for project management activities and at the same time to encourage localities to put additional provincial fund for the purpose.

At the same time, however, there seems to be a low general level of cost-consciousness in the 5MHRP. It appears to Task Force I that a partial solution to problems could be to allow a greater degree of flexibility and authority in designing the field activities for the local units responsible. They could, for instance, be given a general objective to reach and a financial framework within which they could decide what to do.

9.3.2 Work out a forestry-based production development strategy at local level

To ensure the forest sustainable management, one of the very essential activities is to develop the social-economic conditions in the forest areas, to provide economic benefit for the forestry-based farmers. Currently, the market of forest products has not been developed. Almost provinces do not have long-term processing and marketing plan for forest products, do not have synchronous plan linked processing, marketing with setting up raw material areas. Generally the processing technology is very backward, the value and quality of products are low. In almost all provinces, forest products are sold in raw material form, that can not make good benefit for farmers. The market study is not developed, the processing mainly has immediate, unstable character that can not ensure the long-term output for local people. The technical staff on processing and marketing at local level as well as at central level lack of training and re-training. The efficient models have not been developed to other areas, especially to remote areas of a number of ethnic groups. The new models have not been evaluated before further development. This extremely will be more necessary after the AFTA becomes active.

Therefore in long-term development strategy of each province, there should be appropriate forestry-based production development plan linked all related activities based on the actual local socio-economic and natural conditions of the local areas.

9.3.3 Strengthen monitoring and evaluation systems

In the opinion of Taskforce I social and environmental criteria are not sufficiently incorporated in the 5MHRP. With regard to the planning of the 5MHRP as a whole for the period 2001–2010 as well as for the intended
support programme, it is recommended to conduct a social and environmental impact assessment before concluding the final programme document. If necessary, specific adaptations need to be made to mitigate negative social and environmental aspects.

Furthermore at the planning level, there is a need to develop appropriate environmental and social guidelines and criteria for the prior to approval’ screening of provincial forest plans and project plans. There will be a need:

- to set up a framework for social and environmental assessment support for the development and management of provincial forestry plans as defined in the planning procedures for Fund 661;
- to formulate guidelines to help provincial authorities and project owners ensure that positive opportunities are maximised and negative social and environmental impacts are avoided;
- to develop logical monitoring and evaluation frameworks for project plans, and provincial forest plans, in which attention is given to social and environmental indicators
- to consider the monitoring procedure to provide information/data for National steering committee of 5MHRP on positive and negative impacts for the implementing process and finding ways to improve.

For the development of the improved planning and monitoring system, some of the results of the social and environmental impact assessment could be used. The monitoring and assessment of project activities can assist the Government and the donors not only in evaluating the efficiency of project activities in term of economic, social and environment objectives but also can support to update the opportunities and constraints for forestry activities to amend the policy framework to fit the current (and may be changeable) situation. The monitoring and assessment activities should be committed and conducted out more often by both central and local level with legal framework on organisation and financing mechanism.

9.4 Develop co-ordination with other relevant national programmes/projects

Given the objectives of the 5MHRP (covering the social, ecological and economic dimensions), and the close relationship of forestry to other sectors (especially agriculture) as well as programme initiatives (HEPR and other poverty alleviation initiatives), the 5MHRP requires clearer and consolidated mechanisms for meaningful co-ordination and collaboration, especially within overlapping objectives (at inter-sector and national programme levels).

In spite of good intentions, Government resources, seem to be dispersed, at the local level (where they could have a potential for a synergistic interaction). There is little sign of co-ordination and information sharing among different technical agencies and the different national programmes appear to be fairly organisationally disconnected. Limited capacity to promote and carry out collaborative initiatives between technical departments was also seen as a key constraint.

Current thinking on forestry management stresses the importance of developing stronger cross-sector linkages between forestry and other sectors and the need for a balanced approach to formulation of forestry strategies that, in addition to emphasising the environmental benefits of forest conservation, recognises the potential of forest to contribute to poverty alleviation, sustainable agriculture and economic growth. In other words, one has to look at the forestry sector in a holistic way, taking into account the interrelationship of the forestry sector with other sectors and impact from other sectors on forest resources and forest management. The Task Force is of the opinion that there is a need to make a clear distinction at the policy level between the different components of the 5MHRP.

Annex 1

5MHRP Partnership

Task Force I

"Clarification of the Five Million Hectare Reforestation Programme"
Final Draft Terms of Reference

1. Background

Based on Resolution No. 08/1997/QH10 of the 2nd Session of the 10th National Assembly, from 21 November – 12 December 1997, and Decision No. 661/QD-TTG of the Prime Minister, dated 29 July 1998, the Vietnamese Government launched the National Five Million Hectare Reforestation Programme (5MHRP) with the overall objective to reforest and rehabilitate five million hectare of forest by the year 2010. The 5MHRP went into implementation in early 1999. Currently more than 500 projects are under implementation.

During the Consultative Group meeting in Paris in December 1998 the donor community and the Vietnamese Government agreed to establish a partnership in support to the Five Million Hectare Reforestation Programme. On 10 December 1999, a Memorandum of Agreement (MoA) was signed in Hanoi between the Ministry of Agriculture and Rural Development and representatives of the donor community that aims at the establishment of a formal partnership between the Government of Vietnam and interested donors and NGOs for a shared sector support programme for the 5MHRP on the basis of agreed policies, strategies, priorities and principles of implementation.

In order to achieve a partnership on a sector support programme for the 5MHRP, three joint government/donor task forces are established by the Joint Partnership Steering Committee (PSC) to prepare the various elements of such a partnership. Each task force includes experts from the Vietnamese and donor sides to work on the following main topics: Task Force I: Clarification of the Five Million Hectare Programme; Task Force II: Forest Policy, Strategy and Institutions; and; Task Force III: Forestry Sector Investment and Assistance Needs and Partnership Support Structures.

The Task Forces are expected to elaborate the basis for the envisaged sector support programme for the 5MHRP. They will define the main areas to be discussed and further developed, elaborate on key issues, and seek agreement on major aspects as a foundation for a future forest partnership for the sector support programme.

The Task Forces are guided by and report to the Joint Partnership Steering Committee. MARD has established a Secretariat for the 5MHRP Partnership which supports the process.

2. Objectives

The objective of Task Force I is the overall clarification of the 5MHRP. In order to achieve this objective it will elaborate on the key characteristics of the 5MHRP in planning and implementation and its relation to other national programmes. According to the MoA it will

- Review and assess the current preparation and implementation status of the 5MHRP
- Present in details the objectives and outputs to be achieved and proposed means and implementation structure of the 5MHRP
- Define core activities of the 5MHRP, its relations with other national programmes as well as its limits.

It is important to note that Task Force I concentrates on the 5MHRP as the major forest programme of Vietnam, while Task Forces II and III are dealing with issues relating to the forestry sector of Vietnam as a whole, i.e. the framework for the 5MHRP.

3. Specific Tasks

The tasks for Task Force I can be broken down into three major steps:

(1) Compilation and analysis

(2) Assessment

(3) Elaboration of recommendations

Steps (1) – (3) built upon each other and have to be done in a certain sequence. Each step will produce a specific output that will be used for the next step.
All steps should orient their activities towards the filter of the ecological, economic and social objectives of the 5MHRP.

### 3.1 Compilation and analysis

Compilation and analysis will comprise the following main tasks:

a. Compile documents related to the 5MHRP (legal documents, Government decisions, regulations, project plans, implementation reports)

b. Analyse basic documents and describe the 5MHRP according to
   - objectives, outputs, proposed means and plan of implementation (personnel, finance, technical..)
   - underlying rationale and problem analysis for 5MHRP in the light of ecological, economic and social aspects, including the evolution of the Programme
   - key stakeholders and beneficiaries (e.g. GoV authorities at different levels, State Enterprises, Forest Protection Boards, communities, farmers), analyse target groups and their basic situation, in close interaction with Task Force II
   - planning and implementation procedures and management structure, participation and co-ordination mechanisms

c. Establish a list of other forest related strategies, national programmes and plans and describe their relation to the 5MHRP (e.g. brief list / description in a matrix) with close linkage to Task Force II

d. Prepare a report on the points of departure for the assessment step (sub-issues, challenges)

**Output:**

Document describing the key characteristics of the 5MHRP

*Note: This step can build on the 5MHRP Document that is presently being established by MARD with support by PROFOR. The table of contents of this Programme Document is attached for information.*

### 3.2 Assessment

The assessment step will comprise the following tasks:

a. Assessment of
   - programme goals, objectives, strategy, expected outputs
   - project planning and design
   - implementation of the 5MHRP to date (1998-2000) at central and local levels
   - impact and sustainability 5MHRP in the light of ecological, economic and social aspects

b. Assess relations with
   - other forest sector strategies
   - other national programmes and plans
   - internationally supported projects

c. Clarify gender aspects and their incorporation in project planning and implementation

d. Identify major constraints affecting successful implementation of project activities and sustainability of results

e. Identify aspects of relevance for Task Forces II and III and link with other Task Forces

f. Prepare report on results of assessment

The assessment will incorporate lessons learnt from other programmes and look into the question whether these lessons are taken adequately into account in the 5MHRP formulation and implementation. This would
include the following aspects

- Involvement and participation of stakeholders and beneficiaries at various steps of planning and implementation. Clarify roles and tasks of various stakeholders.
- Feasibility of development objectives and indicators to be used for achievement. Actual status of activities implemented, outputs achieved compared to activities and outputs formulated in the project document. Will the project objectives be achieved? Will there be sustainability of projects results concerning forestry development?
- Management structure and institutional arrangements at central and local level; effectiveness of the project co-ordination and management
- Planning and implementation procedures, provision for monitoring and evaluation, reporting
- Technical aspects in implementation (e.g. land availability and site selection, forest classification, land use planning and land allocation, species selection, seed supply, plantation establishment and silvicultural techniques, incentive schemes)
- Proposed means of implementation (personal, financial, technological); project funding gaps, problems in flow of funds
- Interfaces and institutional linkage of the 5MHRP with other national programmes and forestry development and conservation strategies at central and local level (joint and complementary objectives and activities, consultation and co-ordination mechanisms, implementation arrangements, potential complements, overlaps and synergies)

Output:

Report describing the key findings of the 5MHRP assessment, clarifying the gaps and limitations of the programme in terms of policies and institutional framework, project planning and implementation, technical and investment aspects.

3.3 Recommendations

Based on the results of the assessment the Task Force will

a. Elaborate recommendations on

- Objectives, outputs, activities, indicators for the 5MHRP
- Planning and implementation procedures, monitoring and evaluation
- Implementation structure, management and implementation arrangements
- Means of implementation
- Technical and socio-economic aspects
- Interfaces and interlinkage of the 5MHRP with other national programmes
- Interlinkage with donor-funded projects and programmes
- How to include findings of innovative approaches elaborated and applied in ongoing projects and programmes, how to incorporate lessons learnt, what mechanism to use

b. Identify aspects of relevance for Task Forces II and III and link with other Task Forces

c. Prepare report on results containing recommendations

Output:

Specific recommendations for improvement of the 5MHRP

4. Methodology

Each step requires a specific approach and tools to be used. A combination of desk study, interviews, group discussion and field work will be chosen according to requirements. The following methods will be applied:

- Group discussion of all Task Force I members
- Work in Subgroups on specific tasks
- Study of documents and report writing
- Presentations to the Group on specific issues/aspects of ToR
- Interviews with key actors at central level and in the local level
- Field visits to selected sites for assessment of projects in localities
It will be necessary to split the Task Force in sub-groups and/or to form small teams for elaboration on specific issues and/or preparation of selected inputs. Consultancy services may be used to implement certain activities. Specific ToR will be elaborated and agreed for these consultancies. Interviews will follow an agreed outline in order to be able to compare results (questionnaire, semi-structured interview). Field work will follow agreed ToR. Field sites will be selected with a view to include different types of situations for 5MHRP projects (special use, protection, production forest; management by SFE, Management Board, households, communities), which require different approaches and strategies in terms of institutional arrangements and incentives. Results and experiences/lessons learnt of ongoing donor-supported projects should be used as much as possible.

5. Task Force composition and organisation of work

5.1 Composition of Task Force

Task Force I will be composed of Vietnamese and international experts with knowledge and working experience in relation to the 5MHRP. The Task Force is open for participation to all interested actors relevant to the 5MHRP Partnership process.

- Chairman will be Mr. Nguyen Ngoc Binh, Deputy Director DFD
- Co-chairwomen will be Ms. Ngoc Ly, Head of Environment Unit, UNDP Hanoi

The Task Force will select a Core Group and one Secretary, who will support the preparation and documentation of Task Force meetings. This can be done on a rotational basis. Sub-groups or small teams will be formed according to requirements.

5.2 Organisation of work

As a principle, tasks should be done jointly and on the basis of an agreement in the group. Guidance will be provided by the PSC and the Task Force Chairpersons. The 5MHRP Partnership Secretariat will support the Task Force in arrangements of its work and information management.

The Task Force will meet every three weeks for at least half a day. The work of the Task Force is open and transparent to all actors in the 5MHRP Partnership process.

Group meetings will be well prepared (Agenda, presentations, other inputs). Discussion in the Group will be structured and facilitated. After each meeting brief summary minutes will be elaborated. Minutes will be distributed to all group members, including the ones that had not been able to participate in the respective meeting. The Partnership Secretariat will receive copies of all minutes and relevant documents for reference and information to other Task Forces.

As a principle, Task Force meetings should be more of a co-ordinating and guiding character. They will serve to discuss on which key issues should be tackled, discuss on methodology, co-ordinate work to be done, monitor activities and report on progress of work. They can not replace real analytical work that has to be done in between meetings, either by individuals or small sub-groups to be identified in consent with all Task Force members. Real commitment and ability to work on key issues is needed. The Task Force will have to identify the resources to perform its tasks and to achieve objectives set jointly.

It is envisaged that Task Force I will closely interact with other Task Forces to achieve a complementary approach. It is suggested to establish structured working procedures, e.g. by regular meetings of all Task Force Chairmen and Co-chairmen to identify the relations of tasks under the three Task Forces, possible synergies and overlaps, and to co-ordinate activities and combine work, eventually. The chairman and co-chair will also ensure the co-ordination and interaction with other existing processes and on-going projects, most prominently with the ADB TA Forestry Sector Review.

6. Tentative Work Plan

The following sequence of activities is outlined for the next six months.

<table>
<thead>
<tr>
<th>Activity</th>
<th>When</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finalise ToR and approval by Partnership Steering Committee</td>
<td>May 2000</td>
<td>TF, PSC</td>
</tr>
</tbody>
</table>
Necessary resources:

The resources for the implementation of the work plan will be defined according to activities of the Task Force. It is expected that there is shared inputs from Vietnamese and international side. Funds for consultancies and field trips will have to be sought from the Partnership Secretariat and from participating projects.

On-going project activities that are already funded and existing project results will be used as much as possible for the purposes of the Task Force. On the other hand, if Task Force activities are to be funded separately, they should be of optimum use for participating projects.

It is envisaged, that the ADB TA (Forestry Sector Review) will contribute to the elaboration of specific issues according to the ToR. For this purpose, MARD should ensure that the resources and results of the ADB TA will be made available to the Task Force, as appropriate.

Annex 2

Composition and contact details for Task Force 1

Task Force I is composed of Vietnamese and international experts with knowledge and working experience in relation to the 5MHRP. The Task Force is open for participation to all interested actors relevant to the 5MHRP Partnership process.

- Chairman is Mr. Nguyen Ngoc Binh, Director DFD
- Co-chairwomen is Ms. Nguyen Ngoc Ly, Head of ENRM Unit, UNDP Hanoi

Members of the Task Force I:

<table>
<thead>
<tr>
<th>Name</th>
<th>Agency</th>
<th>Address</th>
<th>Tel</th>
<th>Fax</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nguyen Ngoc Binh</td>
<td>FDD</td>
<td>2 Ngoc Ha,</td>
<td>8438689</td>
<td>8438793</td>
<td><a href="mailto:Duan661@hn.vnn.vn">Duan661@hn.vnn.vn</a></td>
</tr>
<tr>
<td>Nguyen Ngoc Ly</td>
<td>UNDP</td>
<td>25-29 Phan Boi Chau,</td>
<td>8257495</td>
<td>8259267</td>
<td><a href="mailto:Ngocly@undp.org.vn">Ngocly@undp.org.vn</a></td>
</tr>
<tr>
<td>Botillen Oystein</td>
<td>UNDP</td>
<td>25-29 Phan Boi Chau,</td>
<td>8257495</td>
<td>8259267</td>
<td></td>
</tr>
<tr>
<td>Pham Minh Thoa</td>
<td>FDD</td>
<td>2 Ngoc Ha,</td>
<td>8438814</td>
<td>8438793</td>
<td></td>
</tr>
<tr>
<td>Hoang Si Dong</td>
<td>FIPI</td>
<td>Thanh Tri</td>
<td>8612001</td>
<td>8612881</td>
<td><a href="mailto:Wsc.dong@hn.vnn.vn">Wsc.dong@hn.vnn.vn</a></td>
</tr>
<tr>
<td>Henk Peters</td>
<td>SNV</td>
<td>D1, Van Phuc,</td>
<td>8463791</td>
<td>8643794</td>
<td><a href="mailto:henk@snv.org.vn">henk@snv.org.vn</a></td>
</tr>
<tr>
<td>Colin McQuistan</td>
<td>IUCN</td>
<td>23 Hang Tre</td>
<td>9345892</td>
<td>8264512</td>
<td><a href="mailto:parc@hn.vnn.vn">parc@hn.vnn.vn</a></td>
</tr>
<tr>
<td>Ho Le Phong</td>
<td>ADB</td>
<td>15 Dang Dung</td>
<td>7330923</td>
<td>7330923</td>
<td><a href="mailto:Adbhanoi@netnam.org.vn">Adbhanoi@netnam.org.vn</a></td>
</tr>
<tr>
<td>Tran Ngoc Huong</td>
<td>RNE</td>
<td></td>
<td>8315630</td>
<td>8315655</td>
<td><a href="mailto:Tran.ngoc.huong@han.minbuza.nl">Tran.ngoc.huong@han.minbuza.nl</a></td>
</tr>
<tr>
<td>Bui Thi Lan</td>
<td>ICD/MARD</td>
<td>2 Ngoc Ha</td>
<td>8437674</td>
<td>7330752</td>
<td><a href="mailto:System@icd-mard.ac.vn">System@icd-mard.ac.vn</a></td>
</tr>
<tr>
<td>Vu Hoai Minh</td>
<td>ORGUT</td>
<td>30 Nguyen Du</td>
<td>8225324</td>
<td>8225347</td>
<td><a href="mailto:Orguthn@fpt.vn">Orguthn@fpt.vn</a></td>
</tr>
<tr>
<td>Tran Quang Viet</td>
<td>FSIIV</td>
<td>Dong Ngac</td>
<td>8362229</td>
<td>8389722</td>
<td><a href="mailto:Vkhln@vista.gov.vn">Vkhln@vista.gov.vn</a></td>
</tr>
</tbody>
</table>
The Task Force has selected a Core Group, which will support the preparation and documentation of Task Force meetings.

**Members of the Core Group:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Agency</th>
<th>Address</th>
<th>Tel</th>
<th>Fax</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nguyen Ngoc Ly</td>
<td>UNDP</td>
<td>25-29 Phan Boi Chau,</td>
<td>8257495</td>
<td>8259267</td>
<td><a href="mailto:Ngocly@undp.org.vn">Ngocly@undp.org.vn</a></td>
</tr>
<tr>
<td>Botillen Oystein</td>
<td>UNDP</td>
<td>25-29 Phan Boi Chau,</td>
<td>8257495</td>
<td>8259267</td>
<td></td>
</tr>
<tr>
<td>Pham Minh Thoa</td>
<td>FDD</td>
<td>2 Ngoc Ha,</td>
<td>8438814</td>
<td>8438793</td>
<td><a href="mailto:sfm-wwf@netnam.org.vn">sfm-wwf@netnam.org.vn</a></td>
</tr>
<tr>
<td>Hoang Si Dong</td>
<td>FIPI</td>
<td>Thanh Tri</td>
<td>8612001</td>
<td>8612881</td>
<td><a href="mailto:Wscdong@hn.vnn.vn">Wscdong@hn.vnn.vn</a></td>
</tr>
<tr>
<td>Colin McQuistan</td>
<td>IUCN</td>
<td>23 Hang Tre</td>
<td>9345892</td>
<td>8264512</td>
<td><a href="mailto:parc@hn.vnn.vn">parc@hn.vnn.vn</a></td>
</tr>
<tr>
<td>Henk Peters</td>
<td>SNV</td>
<td>D1, Van Phuc</td>
<td>8463791</td>
<td>8643794</td>
<td><a href="mailto:henk@snv.org.vn">henk@snv.org.vn</a></td>
</tr>
</tbody>
</table>

**Members of teams:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Name of teams</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nguyen Ngoc Binh</td>
<td>Synthesis</td>
<td></td>
</tr>
<tr>
<td>Nguyen Ngoc Ly</td>
<td></td>
<td>UNDP</td>
</tr>
<tr>
<td>Pham Minh Thoa</td>
<td></td>
<td>DFD</td>
</tr>
<tr>
<td>Hoang Si Dong</td>
<td></td>
<td>FIPI</td>
</tr>
<tr>
<td>Colin McQuistan</td>
<td></td>
<td>IUCN</td>
</tr>
<tr>
<td>Henk Peters</td>
<td></td>
<td>SNV</td>
</tr>
<tr>
<td>Hans W.</td>
<td></td>
<td>ORGUT</td>
</tr>
<tr>
<td>Vu Hoai Minh</td>
<td></td>
<td>ORGUT</td>
</tr>
<tr>
<td>Nguyen Van Thinh</td>
<td></td>
<td>5MHRP Standing Office</td>
</tr>
<tr>
<td>Nguyen thi Ninh</td>
<td>Northern Field Assessment</td>
<td>DFD</td>
</tr>
<tr>
<td>Bui Xuan Ket</td>
<td></td>
<td>STQPD</td>
</tr>
<tr>
<td>Tran Quang Viet</td>
<td>Central Field Assessment</td>
<td>FSIV</td>
</tr>
<tr>
<td>Vu Chi Uyen</td>
<td></td>
<td>5MHRP standing Office</td>
</tr>
<tr>
<td>Vu Hoai Minh</td>
<td>Southern Field Assessment</td>
<td>ORGUT</td>
</tr>
<tr>
<td>Botillen Oystein</td>
<td></td>
<td>UNDP</td>
</tr>
<tr>
<td>Nguyen Van Thinh</td>
<td></td>
<td>5MHRP Standing Office</td>
</tr>
</tbody>
</table>
### Annex 3

#### List of reports of Task Force I

- Task Force I Report
- Report of Compilation and Analysis Team 1
- Reports of Compilation and Analysis Team 2, Nguyen Ngoc Lung, Hoang Sy Dong
- Field Assessment Report of Southern Team
- Field Assessment Report of Central Region Team
- Field Assessment Report of Northern Team
- Analysis Report of Social issues of 5MHRP, Tara Rao, Dang Tung Hoa

### Annex 4

#### REFERENCES

**Dong Thap Province**

- Report on Implementation of the National Five Million Hectare Reforestation Programme in 1999 with Workplan for 2000 in Dong Thap Province (Management Board for the Reforestation Project in Dong Thap province);
- Summary of Funds for Basic Construction and Administration within the National Five Million Hectare Reforestation Programme in 1999 in Dong Thap province (Management Board for the Reforestation Project in Dong Thap province);
- Inventory of Forest Land in Dong Thap Province as of 30 June 1999 (Steering Committee for Forest Inventory in Dong Thap Province), Tram Chim National Park.

**Kien Giang Province**

- Proposal for Adjustment of the Provincial Forestry Plan for Kien Giang over the Period 2000-2010 (Department of Agriculture and Rural Development);
- Report on Implementation of Projects within the National Five Million Hectare Reforestation Programme in 1999, for the First Half of 2000 and Proposal for Workplan for 2000 (Department of Agriculture and Rural Development);
- Project Document for "Coastal Protection Forest" (Department of Agriculture and Rural Development).

**Ca Mau Province**

- Draft Provincial Forestry Plan 2000-2005 (Department of Agriculture and Rural Development);
- Report on Reforestation in 1999 and Workplan for 2000 (Department of Agriculture and Rural Development).

**Binh Phuoc Province**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ho Viet Sac</td>
<td>resource person of Southern Field Assessment</td>
<td>DFD in Ho Chi Minh City</td>
</tr>
<tr>
<td>Hans W.</td>
<td></td>
<td>ORGUT</td>
</tr>
<tr>
<td>Pham Minh Thoa</td>
<td>resource person of Southern Field Assessment</td>
<td>DFD</td>
</tr>
<tr>
<td>Tara Rao</td>
<td>Social Analysis</td>
<td>UNDP</td>
</tr>
<tr>
<td>Dang Tung Hoa</td>
<td></td>
<td>Forestry University</td>
</tr>
</tbody>
</table>
• Provincial Forestry Plan for Binh Phuoc;
• Report on Implementation of Projects within the National Five Million Hectare Reforestation Programme in 1999 and Workplan for 2000 (Management Board for the National Five Million Hectare Reforestation Programme in Binh Phuoc province);
• Project Document for Minh Duc Forest Enterprise;
• Results of the Socio-economic Development Programme for Especially Disadvantage Communes in Upland and Remote areas of Binh Phuoc Province (Department of Agriculture and Rural Development);
• Summary of Results Achieved Meriting Award of Labour Medal Grade II (Minh Duc Forest Enterprise).

Dak Lak Province

• Draft General Inventory of Land and Forest in the Entire Province in 2000 (Dak Lak Provincial People's Committee);
• Draft Report on Implementation of Projects within the National Five Million Hectare Reforestation Programme from 1999 in Dak Lak Province (Dak Lak provincial People's Committee);
• Report on Implementation of Projects within the National Five Million Hectare Reforestation Programme from 1999 in Dak Lak province (Management Board for Reforestation Project in Dak Lak);
• Final Accounts for Use of Funds for the Forest Development Plan in 1999 from Fund 661 (Management Board for reforestation project in Dak Lak);
• Areas of Forest over the Period 1995 - 1999 in Dak Lak (Department of Agriculture and Rural Development);
• Implementation of the National Five Million Hectare Reforestation Programme in M'Drak Forest Enterprise (M'Drak Forest Enterprise);
• Proposal for M'Drak Forest Enterprise project (M'Drak Forest Enterprise);
• Proposal for Renovation of M'Drak Forest Enterprise in Accordance with Decision no. 187/1999/QD-TTg by the Prime Minister (M'Drak Forest Enterprise);
• Implementation of Decision no. 661/QD-TTg dated 29 July 1998 by the Prime Minister (Yok Don National Park);

Quang Nam province

• System of present status of land resources, forest resources, local projects (project 661).
• Sum-up of investment capital of local projects (project 661)
• Decision on establishment of provincial steering committee (set up committees, personnel and responsibilities)
• Decision on assigning plans 1999-2000
• Situation of implementation of plan 1999-2000
• Situation of implementation of the programme 327
• List of projects 661 and 327.
• Decision on approval of the project 327 – 1992
• Decision on setting up management committee, staff of the management committee of Phu Ninh forest.
• Decision of transferring the project 327 to 661
• Decision of allocation of the plan 1999
• Notification on approval of the implementation plan for 1999
• Decision for allocation of plan 2000
• Guidelines for implementation of plan 2000 of the committee 661 of the province
• Notification of approval for implementation plan of 2000
• Presentation paper for approval of designs and cost estimates for 1999
• Documents for awarding contracts to households receiving contracts:
  • Price quotation for liquidation
  • Decision of approval of the project 327 in 1993
  • Decision of transferring of the project 327 to 661
  • Decision of setting up project management committee and documents for merging
  • Decision for allocation of the plan 1999 and guidelines for implementation
  • Decision of allocation of the plan 2000 and guidelines for implementation
  • Implementation of the plan 2000 (estimated)
  • Presentation for approval of design and cost estimates for 1999
  • Presentation for approval of design and cost estimates for 2000
  • Documents of receiving contracts in 1999

  o Natural regeneration
  o Protection
  o New planting
  o Tending
- Documents of receiving contracts in 2000
  - Natural regeneration
  - Protection
  - New planting
  - Tending
- Documents for awarding contracts for households (2000-2004)
- Political report of the communes Party Committee Tra Giac-Tra My
- Investment procedure (Decision of establishment of the committee)
- Decision for allocation of the plan 1999 of Hien district
- Decision of allocation of the plan 2000 of Hien district

**Quang Tri province**

- Provincial management committee 661:
- Economic Planning for agriculture and rural development of Quang Tri province
- Decision of setting up of the provincial steering committee
- Decision of setting up of management committee, personnel
- Decision of setting up of management committees of local projects (7 projects)
- Report on 2 years of implementation of the project 661
- Projects – basis for projects 661 (7 projects):
- Decision of investment 327 – 1994
- Decision on establishment of project management committee
- Decision on allocation of the plan 1999-2000
- Decision for approval of cost estimates for 1999-2000
- Documents of contracting procedures (agreement for contract awarding)
- Minutes for supervision and checking
- Decision on expansion of the project 327 in 1995. of Ben Hai SFE
- Appraisal documents for expanded project
- Documents for allocating the plan 1999-2000
- Approval for design and cost estimates for 1999-2000
- Project documents
- Documents for household contracting

**Nghe An Province**

- Provincial Management Committee of the project 661
- Decision for transferring the project 327 to the project 661
- Decision for transferring of project management committee 327 to 661
- Decision for setting up of Provincial Steering Committee
- Decision for setting up of Provincial Management Committee 661
- Decision for restructuring of Steering Committee of national programmes and projects
- Regulation for operation of Steering Committee of National programmes and projects
- Decision for assigning the plan 1999
- Target plan for 2000-09-30
- Decision for setting of Provincial supervision and Checking Board
- Regulation of the Steering Committee
- Regulation for supervision and Checking
- Guidelines for Preparation of designing and cost estimation
- Guidelines for Price Unit for Designing and Cost estimates
- List of local projects 661 (20 projects)
- Nghia Dan agriculture project
- Provincial documents of Nghia Dan project
- Minutes for project appraisal: Song Cam, Tam Toa, Bai Rop, Than Vu forest enterprise
- Approval of investment project 327 (small projects: Song Cam, Tam Toa, Bai Rop, Than Vu forest enterprise)

**Lang Son, Yen Bai and Son La province**

- Reports on implementing 5MHRP in 7 first months of 2000 of Lang Son, Yen Bai, Son La province
- Guidelines to implement technical and economic targets of Lang Son
- Brief report on forestry development plan of Yen Bai in the period 2001 - 2010
- Protection forest establishment plan in 2000 of Yen Bai
Field notes in Lang Son, Yen Bai and Son La province

Annex 5

LIST OF PERSONS MET

Dong Thap Province

- Mr. Dao, Vice Director, Department of Agriculture and Rural Development;
- Mr. Nguyen Van Hong, Director, Forest Development Branch;
- Mr. Zung, Vice Director, Forest Inspection Branch, Chairman of the Provincial Management Board for the National Five Million Hectare Reforestation Programme;
- Mr. Nguyen The Hanh, Head, Forest Protection and Management Section, Forest Inspection Branch, technically in charge of the Management Board for the National Five Million Hectare Reforestation Programme;
- Mr. Nguyen Van Lu, Director, Tram Chim National Park, Chairman of the Management Board for the Tram Chim Project;
- Mr. Dung, Vice Director, Tram Chim National Park;
- Mr. Le Hoang Giang, in charge of tourism, Tram Chim National Park.

Kien Giang Province

- Mr. Tran Minh Trung, Head, Forestry Section, Department of Agriculture and Rural Development;
- Mr. Dao Xuan Nut, staff, Forestry Section, Department of Agriculture and Rural Development;
- Mr. Huynh Huu To, staff, Forestry Section, Department of Agriculture and Rural Development;
- Mr. Pham Thanh Zung, staff, Forestry Section, Department of Agriculture and Rural Development;
- Mr. Le Hoang Anh, Vice Director, Management Board for Coastal Protection Forest;
- Ms. Phung Thi Mot, farmer, Ba Hon hamlet, Zuong Hoa commune, Kien Luong district;
- Ms. Nguyen Thi Sang, farmer, Bay Gieng hamlet, Binh An commune, Kien Luong district.

Soc Trang Province

- Mr. Tran Van Ve, Director, Soc Trang Forest Enterprise

Ca Mau Province

- Mr. Nguyen Thanh Vinh, Vice Director, Department of Agriculture and Rural Development;
- Mr. Nguyen Van Dac, Director, Forest Development Branch, Department of Agriculture and Rural Development;
- Mr. Le Quy Vuong, Vice Director, Forest Development Branch, Department of Agriculture and Rural Development;
- Mr. Pham Trung Thanh, Head of the Project Office, Forest Development Branch, Department of Agriculture and Rural Development;
- Mr. Le Van Khang, Director, Kien Vang Forest Enterprise;
- Mr. Dam Minh Cu, Vice Director, Kien Vang Forest Enterprise;
- Mr. Nguyen Huu Manh, farmer, Tam Hiep hamlet, Tan An commune, Ngoc Hien district;
- Mr. Dao Van Tuoi, farmer, Tam Hiep hamlet, Tan An commune, Ngoc Hien district.

Binh Phuoc Province

- Mr. Tran Quang Ty, Vice Director, Department of Agriculture and Rural Development;
- Mr. Nguyen Phuoc Vinh, Vice Director, Forest Development Branch, Department of Agriculture and Rural Development;
- Mr. Nguyen Nhu Lang, Head, General Office, Forest Development Branch, Department of Agriculture and Rural Development;
- Mr. Nguyen Minh Chien, staff, Forest Development Branch;
- Mr. Le Xuan Tri, staff, Forest Development Branch;
- Mr. Vu Duc Nang, Director, Minh Duc Forest Enterprise;
Mr. Nguyen Ngoc Diep, Manager, Zone No. 4, Hai Vuong Company;
Mr. Tran Van Chau, Vice Head, Khanh Giang Company;
Mr. Thiet, Director, Farm No. 425, Military zone No. 9;
Ms. Nguyen Thi Cam Long and Mr. Nguyen Van Nhi, farmers;
Mr. Nguyen Quang Hung, farmer.

Dak Lak Province

Ms. Tuyen, Head, Planning Section, Forest Development Branch, Department of Agriculture and Rural Development;
Mr. Le, staff, Forest Development Branch;
Mr. Hoa, staff, Forest Development Branch;
Mr. Nguyen Ngoc Binh, Vice Director, M'Drak Forest Enterprise;
Mr. Le Xuan Loc, technical staff, M'Drak Forest Enterprise;
Mr. Nguyen Van Ngoc, Vice Director, Yok Don National Park;
Mr. Tri, Head, Financial and Planning Section, Yok Don National Park;
Mr. Hung, Head, Technical Section, Yok Don National Park.
Ms. Ngo Thi Phuoc and Mr. Hoang Van Gam, farmer household, hamlet 3, Krong commune, M'Drak district;
Ms. Pham Thi Mieng and Mr. Pham Van Coi, farmer household, hamlet 3, Krong commune, M'Drak district.