Background

Since 1986, Vietnam has embarked on an ambitious program of reform (Doi Moi). The transition to a market driven economy has benefited and affected people at all levels. At the same time, forest management policies and practices have also greatly shifted in emphasis.

After reunification in 1975, a central framework for forest management was developed which focused on utilizing forest resources for fueling national development. The government designed and implemented various measures to facilitate forest protection, and state-owned forest and agriculture enterprises were established to develop forest production systems. However, most of these policies did not adequately consider the needs of local communities (Cai 1999). As a result, local people paid little attention to these policies and programs, and deforestation and forest degradation continued.

The government has generally acknowledged that centralized forest management though he state-run institutions has failed. It now recognizes that local communities living in or near forest areas are in a key position to effectively implement forest management. Thus, the Government of Vietnam has increasingly taken a "people centered approach" to forest management, which focuses on developing support projects to improve local people's livelihoods and well-being. One of the main thrusts of these policies is allocating forestland to rural households and allowing these households to share in benefits from forest management and protection. This paper focuses on some of the policies stimulating local people’s participation in forest management in Vietnam and the challenges in implementing these programs.

General Status of Forest Organization and Management in Vietnam

In Vietnam, land designated as forest area covers more than 17.6 million ha (54 percent of the country). However, land with actual natural forest cover constitutes only 9.3 million ha (28.2 percent of forest area). Forestland is divided into three types of forest: special use forest (2 million ha), protection forest (6 million ha), and production forest (9.6 million ha). In 1997, 107 special-use forest areas were designated by the government, including:

- 10 national parks covering 254,000 ha;
- 65 natural forest reserves covering 1.7 million ha;
- 32 historical and cultural sites covering 145,000 ha; and
- other areas which have been assigned to local forest inspection stations for their direct management and protection.

Four critical protected watershed areas have also been established by provincial authorities. In addition, the government has planned to set aside 39 areas as water-catchment areas. A total of 9.6 million ha planned as production forest (including natural forest, plantations and land without forest) was divided and distributed for management.

The Role of Farm Households in the Process of Forest Management

Allocation of land and forests to households

Since 1986, the government has initiated a policy of allocating land and forests to households in order to facilitate the development of mountainous regions. While Doi Moi has had remarkable success in transforming both national and local-level economies, ethnic people living in the highlands of Vietnam have not benefited greatly due to poor infrastructure, mountainous terrain, cultural and linguistic differences among the ethnic population, and limited market development and resource opportunities. Recognizing this, the government has developed a number of programs to help rectify the situation. One major component has been the change from collective agricultural production to household-based production. Local-level forest management has primarily mirrored the agriculture land allocation process under various arrangements which allocate forestland to households.
This is viewed as the first step in alleviating poverty for people living in mountainous areas. However, the program is still small in scale and policies have not been completely clarified. Since 1986, numerous policies, directives and regulations have been developed to implement forest allocation (see Table 1). The Law on Protection and Development of Forests (1991), in combination with the Land Law (1993), reaffirms the legality of long-term allocation of land and forests to households and individuals for agricultural purposes and forest production. This promotes effective management, development and exploitation of forestland, and provides households and individuals with greater choice and autonomy. The central mechanism of the Land Law is allocation of land-use rights to individual households or organizations, which may be state or private, but not foreign. Land allocated for one purpose may not be used for another. Forestland is for "silviculture production" which includes natural and planted forests as well as nurseries. Land-use rights allocated to households or individuals may be exchanged, transferred, leased, inherited or mortgaged. If land is used for another purpose, or other obligations are not met, it may be recovered by the State.

The Law on Forests established the basic principles for management of wood and non-wood forest resources, including wildlife. It specifies the criteria of forestland allocation and forest users' rights and obligations, as well as assigns administrative responsibilities and defines offenses and penalties.

**Table 1: Main Policies relating to decentralized forest management in Vietnam**

<table>
<thead>
<tr>
<th>Year</th>
<th>Policy Details</th>
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<tbody>
<tr>
<td>1986</td>
<td>Decision No. 1171/QD dated 30 December 1986 on management regimes of production, protection and special-use forests</td>
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<tr>
<td>1990</td>
<td>Decision 72-HDNT dated 13 March 1990 on socioeconomic development in the uplands</td>
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<tr>
<td>1991</td>
<td>Law on Forest Protection and Development</td>
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<td>1992</td>
<td>Instruction No. 69-CT on the establishment of socioeconomic development programs in the uplands of the northern provinces</td>
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<tr>
<td>1992</td>
<td>Instruction No. 327-CT on barren land development</td>
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<tr>
<td>1993</td>
<td>Decree No.11-CP on the organization, functions, responsibilities, and rights of the National Committee on Ethnic and Mountain Areas Issues</td>
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<tr>
<td>1993</td>
<td>Law on land use management</td>
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<tr>
<td>1993</td>
<td>Order no. 525-TTG on measures for the continuation of the socioeconomic development of the uplands</td>
</tr>
<tr>
<td>1994</td>
<td>Decree 02/CP on forestland allocation for forestry purposes</td>
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<tr>
<td>1994</td>
<td>Decision No. 202/Ttg on contractual forest management and reforestation</td>
</tr>
<tr>
<td>1995</td>
<td>Decree No. 1-CP on contractual allocation of land to the state enterprises for agriculture, forestry and aquaculture</td>
</tr>
<tr>
<td>1999</td>
<td>Decision 245/Ttg on state management of forests (with recognition of the role of communes)</td>
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</table>

In 1998, 7.7 million ha of forestland (43.8 percent of the total forest area) have been allocated to various users, including:

- **State forest organizations**: 5.1 million ha (74.6 percent of total land allocated);
- **Households**: 500,000 households have been allocated a total of 1.4 million ha (17.5 percent);
- **Other users**: 600,000 ha; and
- **Local administration and forest inspection units**: Land that has not been allocated.

State forest enterprises, companies and management boards of protected and special-use forests have contracted the allocated forestland under long-term, stable tenurial arrangements for forestry purposes to households and individuals. Forest protection units and forest enterprise divisions have allocated to households either barren land, which they can plant with long-term agroforestry crops, or existing forestland which households are supposed to protect on an annual basis (previously called the 327 program but now called the "5-Million Hectare Reforestation Program"). Farmers can be allocated the following types of land:

**Special-use forest**: Special-use forest management boards directly manage, protect and develop forests. Contracts are made on a long-term basis (usually 50 years) with households in ecological restoration and administrative sub-areas for afforestation and protection. Households are entitled to collect dead wood for their
own use provided that they do not damage the integrity of the forest ecosystem.

**Protection forest**: Protection forest management boards make contracts with households, communities, individuals or organizations to protect and regenerate forestland. Contracted persons have to meet all provisions under the contract. In return, they enjoy the following benefits:

- They can collect dead branches and non-timber forest products from the contracted land without paying taxes.
- They can harvest dead wood and old trees (free of charge) while keeping the forest clean. Harvesting and use have to be according to the rules of the forest management boards and approved by competent authorities.
- With regard to plantation forests, they can harvest trees with a tax exemption when the forest matures, and with approval from the forest management boards and the competent authorities.
- Contracted households can farm on their existing cultivated areas, but are not allowed to expand agricultural land into forest areas.

**Production forest**: Currently, all state forest enterprises have contracted land to households, individuals and organizations to protect forests located close to communities. Contracted households receive funds for forest protection and are obliged to protect the area for regeneration. Most of the forest enterprises apply the following contract types for planting in production forest areas:

- 1st form: Contractor (A) advances surplus and loan funds to the contractee (B) according to plantation progress. At harvesting time, "B" hands over a specified, amount of harvested forest products to "A" in accordance with the agreement in the contract and "B" has the rights to the surplus.
- 2nd form: "A" receives financial resources and loans provided by the State, while B provides labor to plant and protect the forest area. After harvesting, "B" sells the harvested wood to "A" at the current market price. After paying back the invested capital including interest, taxes, harvesting, transportation, and other costs, the final profits are divided according to the capital contributed in the beginning.
- 3rd form: "B" is contracted to plant and develop forestland with his or her own capital. After the harvest, "B" has to submit to "A" between 5 and 20 percent of the profit made on the main wood products.

**Achievements in the forestland allocation process**

It is recommended to further support the implementation of long-term forestland allocation contracts. Support from local authorities to household forestry, particularly from village and hamlet authorities, is the most effective form of forest management. Since the introduction of the forestland allocation process, there have been a number of achievements:

- Between 1993 and 1997 households, individuals, and communities received contracts to protect more than 1.9 million ha of forestland, regenerate 224,000 ha, and develop new plantations on 559,000 ha.
- Due to forest and land allocation programs and supporting policies, a number of farming sites in midland and mountainous areas have been reforested or developed to produce agroforestry products. In Yen Bai Province, there are 9,500 agroforestry farms with an average size of 5 to 10 ha. In Lao Cai Province, there are 1,500 farms with an average size of 3 ha. Annual income ranges from US$ 1,300 to $1,800. In Thanh Hoa Province, 13,000 households have established forest gardens and farms and receive an annual income of US$ 800 to $1,800.
- Around 200,000 households have been allocated barren land. From this, and support from the World Food Program and other international donor organizations, 400,000 ha have been planted to provide firewood and other wood products and to support environmental conservation, and land improvement.
- Other positive impacts from forestland allocation are that forests are now better managed, and deforestation rates have decreased. In some areas, there is no evidence of illegal exploitation. In addition, the reforested areas show great economic potential and healthy growth rates.

**Existing Problems**

While there has been much progress in forestland allocation, several problems still exist:

- The rights and benefits of households that receive forestland have not been well defined. Therefore, farmers are often not convinced that allocation programs will last, and hesitate to invest capital and labor in forest production activities.
- Species selection and business decisions are still highly centralized. Farmers do not have the rights to choose tree patterns and land-use methods. They have to follow the instructions of state management agencies.
• State investment capital is deficient to support households.
• Incentives to encourage and develop marketing systems in mountainous areas have not been designed.
• Technical support, transfer of market information and other government support services are weak.
• Regulations on benefits and responsibilities of households have not been fully clarified.
• Concrete regulations that allow people who receive contracts to use their land for agroforestry as well as to benefit from products and off-takes are absent.
• Too much emphasis has been placed on conservation and protection, which provide a disincentive for farmers to participate (Cai 1999).
• Those who harvest forest products are usually "victims of unequal distribution of land” and thus are usually landless and have not had an opportunity to participate in forestland allocation programs (Cai 1999).

Measures and Policies in Support of Participation

While much has been achieved in decentralizing forest management in Vietnam, there are still several issues that need to be clarified. Some of the suggestions to strengthen forestland allocation and contracts for forest protection and development, include:

• Allocate less-crucial protection forests nearby communities for household or community management.
• Allocate natural, fragmented and poor forest areas nearby communities to households and individuals for forest protection, management and enrichment.
• Allocate forestland without forest cover for 50 years to households, and individual's who have the need and capacity to manage trees.
• Non-farm households and individuals should be able to lease land for agroforestry production.
• Management boards of both special-use and protection forests should be able to contract land to households and individuals to protect and develop forests.
• State forest enterprises should provide long-term forest business contracts to households and individuals.
• Encourage investment in protection, regeneration and plantations of special-use and protection forests by:
  o allowing contracted households to benefit from protection activities by collecting dead wood, fruits and other forest products as well as being allowed to cultivate agricultural products within forest areas; and
  o allowing contracted households to plant and benefit from economically viable tree species in protection forests, and receive benefits from these product including a portion from the main harvest.

State support for planting in production forests

The State should play a catalytic role in supporting household forestry by mobilizing people and resources and by providing favorable legal environment. In addition, the State should also assist in transferring appropriate technology and developing market opportunities for participating households. The State should equally develop incentives to harvest forest products and guarantee benefits for people who are involved in forest plantation management.

Conclusions

Since introduction of Doi Moi in 1986, the Government of Vietnam has actively sought to transform the forestry sector through the forestland allocation process. The process is still evolving, but it is evident that if greater success it to be achieved more choice and autonomy will need to be given to households and communities who are responsible for protecting and managing forestland in Vietnam.

References