

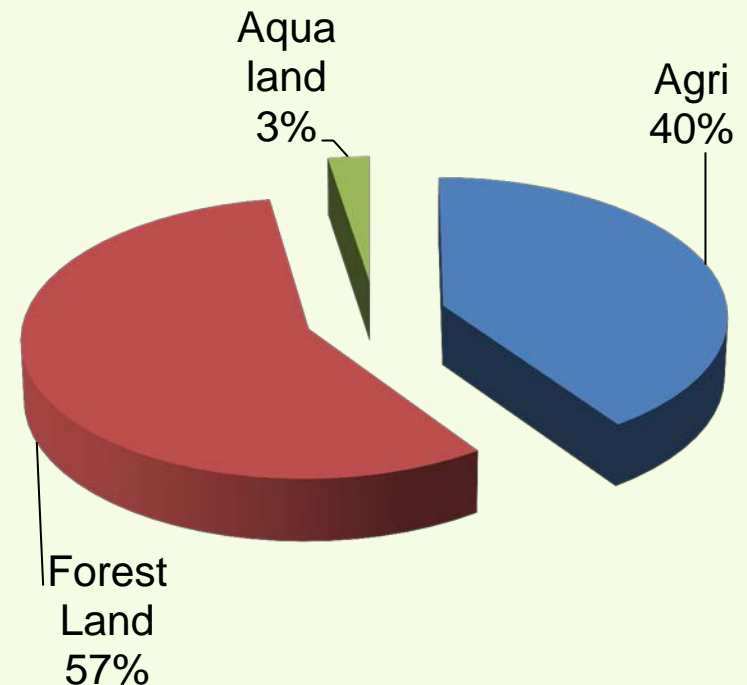


FOREST AND FORESTLAND MANAGEMENT IN VIETNAM

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FOREST & FORESTLAND IN THE ECONOMY OF VIETNAM

- 2/3 of total natural area of VN are mountainous & upland areas
- Forestland accounts for 57% of the total of 26.2 million ha for agriculture and forestry
- Homes and livelihoods for 25 million people & many of them are poor and ethnic minorities.
- Play an important role in protecting environment, water resources and conserving bio-diversity, especially in the context of CC



FOREST & FORESTLAND IN THE ECONOMY OF VIETNAM (cont.)

- Increased pressure of economic development on forests and forestland due to constraints/reaching limits of investment on low land (keeping untouched land designated for rice).
- Inefficient uses of forestland
- Restructuring the agricultural sector in Vietnam starting from special re-arrangement for production and subsectors .



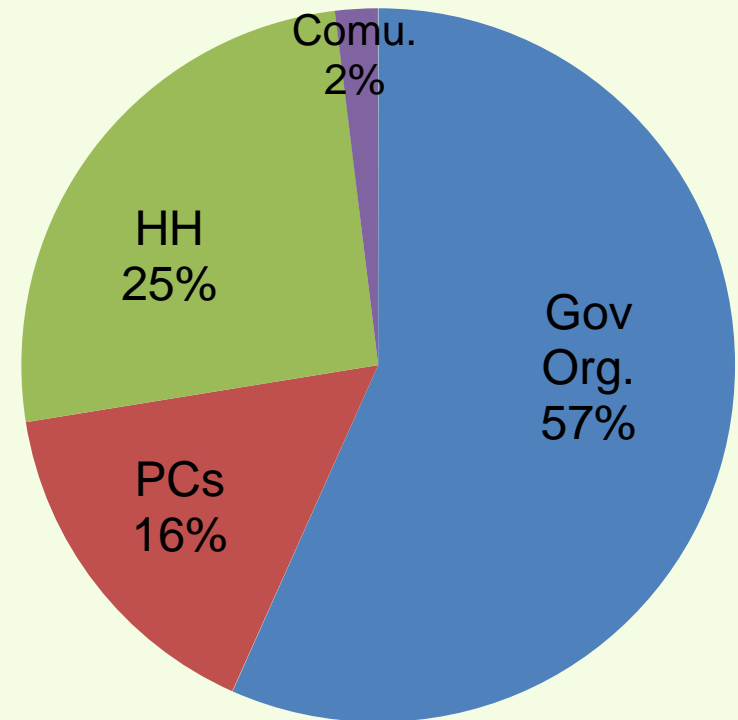
Forestland use of Vietnam

Indicator	Area (1000 ha)	
	By MARD	By MONRE
1) Total of forestland	16240	15346
a- Natural production forest	4097	7452
b- Planted production forest	2277	
c- Natural protection forest	4232	5753
d- Natural special use forest	1922.5	2141
e- Bare land and bare hills	3712?	
Total (a+b+c+d+e)	12528	0
2) Difference	2438	0

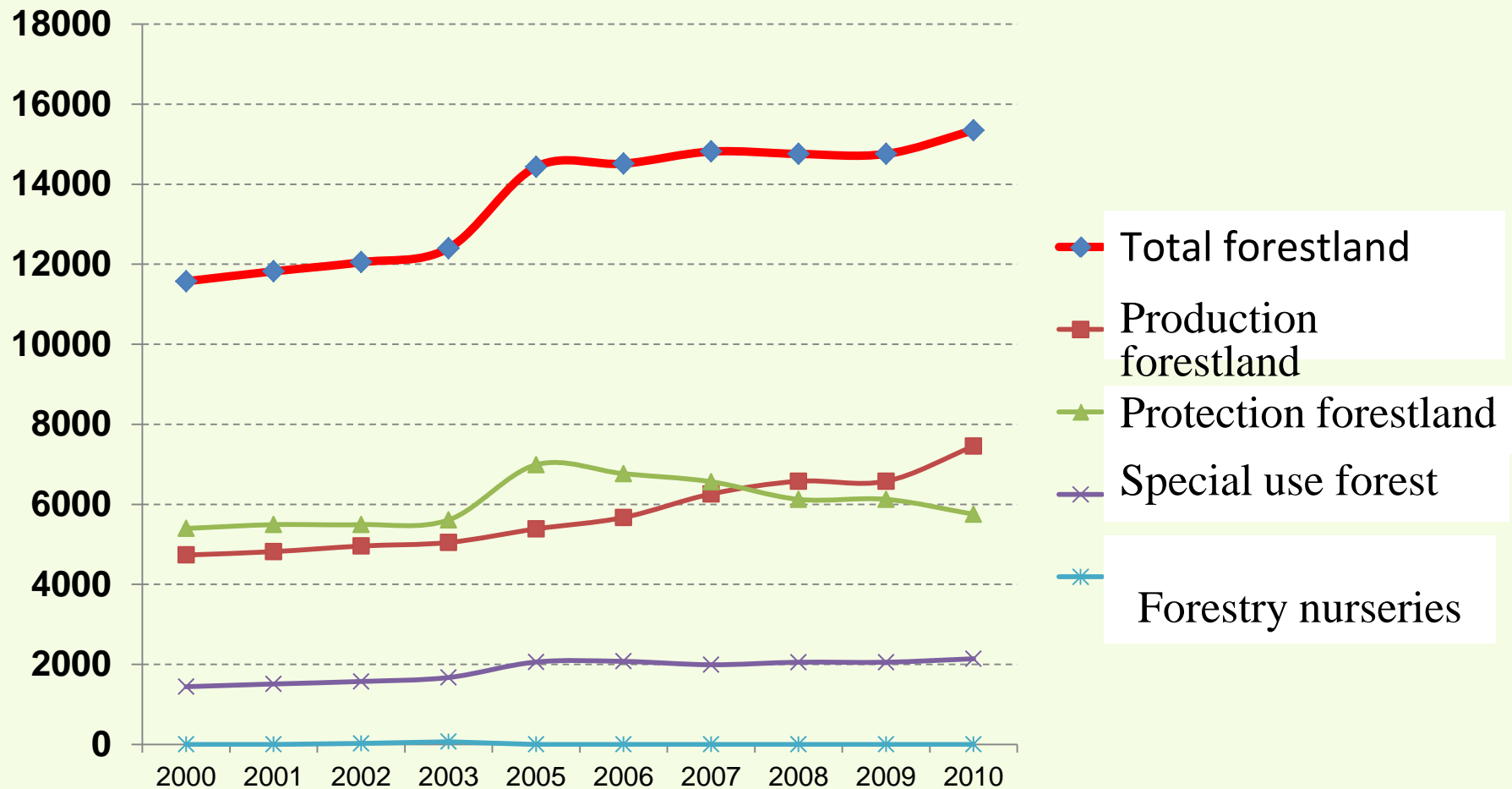
- Not consistent statistically reported data between data from MARD and MONRE, GSO?
- There are 2.0 million ha of forestland published by different government agencies?

Forestland distribution by different stakeholders

- The published data are mostly on papers and they are far different from reality owned by different stakeholders.
- SOEs hold majority of forestland.
- According to statistical data provided by provinces, SOEs and People committees (commune. District) hold more than what indicated on papers they received



Changes of forestland over the last decade (thousand ha)



State owned forestry enterprises

N0	Indicator	Before 2005*	In 2011	Changes (+) (-)
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
	Total	256	148	-108
1	By provincial government	231	138	-93
2	By federal government	25	10	-15

* 2005 is the year of restructuring SOFEs.

Source: MARD, 2013.

- Reduced by a half
- The area managed by SOFEs reduced by 50%
- Handing over to local government to manage 585.000 ha
- Had been done on paper/map not actually on sites handover.

Change in Forestland Managed by SOFEs

N0	Indicator	Unit	by 2011
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(5)</i>
A	Total (I+II)	ha	2.064.690
I	Agriculture land	ha	1.954.512
1	Forestland	ha	1.904.700
1.1	Production forest	ha	1.529.262
1.2	Protection forest	ha	362.221
1.3	Special used forest	ha	13.217

Source: MARD, 2013.

1- Logging and forest plantation



1. Logging and lumbers are main income source of many SOFEs.
2. Logging causes big problems in many localities.
3. People asking to review Decree QĐ 186

Not many SOFEs investing in forest plantation/reforestation

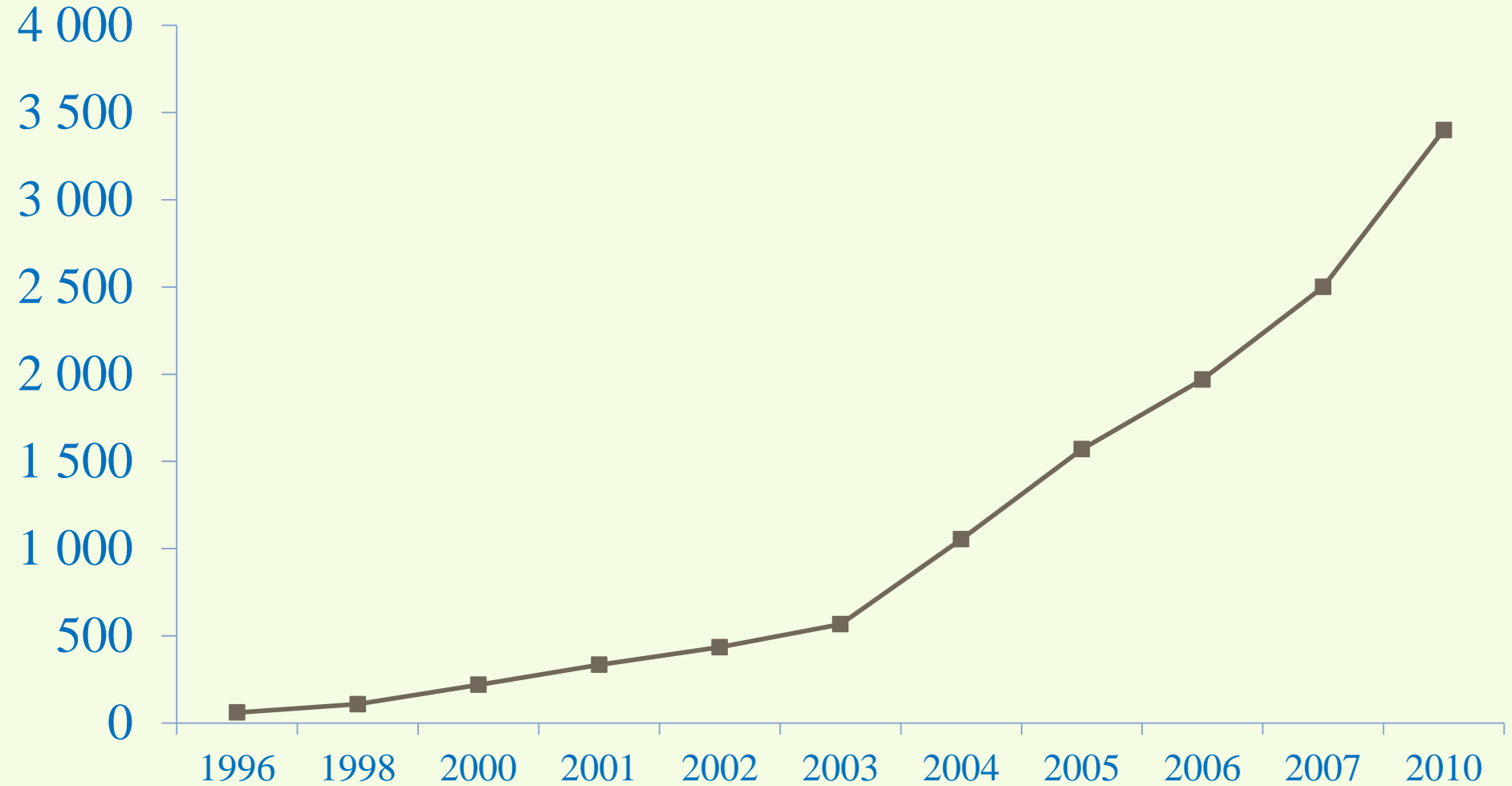


Forestland uses by SOFEs

No	Indicator	Unit	in 2011
(1)	(2)	(3)	(5)
I	Total land owned	ha	2.064.690
1	Used by the enterprise	ha	1.868.383
2	Contracted out	ha	667.500
3	Jointly operate/production	ha	23.102
4	leases	ha	810
5	In deputes/used by others without permission+ unclear uses	ha	58.604

Source MARD, 2012

FORESTRY VALUE CHAIN



Value of export turnovers from forest and wooden products in period from 1996-2010 of Vietnam

Forests and forestland managed by the Forest management Boards

- Hold a significant proportion of forestland;
- Lack of resources (human and capital) to invest in forest plantation and protection
- Propose to be a kind of semi-government agency so that they can plant and operate forest production and business.

Forestland managed by Commune People Committees (CPC)

1. CPCs own a significant proportion of forestland, however, the exact area held are unclear (2.6 million ?);
2. CPCs usually manage or are owners of the forestland that used to belong SOFEs but they had not been able to manage therefore they hand it over to the localities (communes).



Production forestland managed by communities

- Community forest management models are not clear
- CFM (Community forest management)
 - Community based forest management
 - Forest managed by groups of individual forest holding households



Community managed forest in Buôn Tul, Đắc Lắc (picture taken in 2010)

Production forest management by private enterprises

- Allocated with a small part of forestland, but they have a real need of land for forest plantation
- Have to contract, affiliate with HH, SOFEs, FMBs for forest plantation;
- High level of investment - financial need;
- Have just been implementing some project recently.



Forest plantation of Tân Mai paper company, Đắc Nông

Forestland held/owned/managed by individual households

1. Most of the forest holding households do not have enough forestland for ensuring their livelihoods
2. The average forestland area allocated to an individual household is quite small < 2 ha/hh: insufficient for sustaining house's living



CBA for 1 ha of acacia plantation in 10 years by a household

Indicator	Results
Return to investment	1.21
NPV	5.27 US\$
IRR	12%

FACTORS EFFECTING INCOME FROM FOREST AND FORESTLAND

Average income from planted forest compared with planted forest area owned by a household (million/ha/year)

Average income from planted forest of household (million/ha/year)



DEVELOPING LIVELIHOOD AND JOB FOR FORESTRY LABOURS

Average income from forest and forest land (million VND/ha/year)

Land use activities	Average income	Average production cost	Net income
Planted forest	1.15	0.64	0.51
Natural forest	0.02	0.02	0
Industrial crops	29.5	15.41	14.09
Annual crops	8.86	5.56	3.3
Aquaculture	18.45	12.62	5.83
Average income from forest and forest land	11.56	3.35	8.21

OWNERSHIP AND FORESTLAND DISTRIBUTIONS

- Illegal exploitation has been popularly occurring in protection forests and special used forests under management of state's forest management boards
- Forestland allocation process was carried out with a lack of community participation and mainly allocated based on the forest map, the allocation, measurement, indicating borderline on land are still limited, leading to big gap between the area an individual received on paper (drawn from the map) and the actual area owned in reality
- Some conflicts raised from forestland allocation issue for households
- Lack of support policies after allocating forest and forestland for forest owners

Policy implications

- Wood and wood products play an importance role to farmer's livelihood, especially the forest-dependent people
- Non-timber products such as bamboo shoots, medicinal herbs, ... are the second most important livelihood for local people and the people living in natural forestland

Policy implications

- Agro-forestry production is an effective method in developing livelihood for forest-dependent people
- Environmental service payment is one of solutions to create income for forest protection management
- Community forest management is considered as an approach for sustainable forest management in general and for Vietnam in particular.

Policy implications

- Effective exploitation, combined with forest resource protection and development
- Strengthening current forest planting and protection
- Forest protection and development need to follow planning, ensuring benefit balance between forest owners and state
- All activities threatening forest resource must be banned
- Government supports livelihood activities through infrastructure development and land and forest allocation policies

Policy implications

- Inappropriate forestland distribution among forest owners being individual and state's companies, enterprises.
- Inappropriate forest and forestland use and exploitation because of limited resources (in Central Highland)
- Household owners using forest and forestland more effective than other owners.

Lessons learnt from Bai Bang

- A substantial increase in planted forest
- A large number of small operators in forest plantation
- A functioning market, feeding Bai Bang, benefiting small forest operators
- A new landscape covered with various forest plantation types
- Bringing economic, social and environmental benefits

From natural forest to various types of small forest plantations



THANK YOU !

CẢM ƠN!