

Summary of the Vietnam seminar 3 June, 2013.

An event organised by the Secretariat for International Forestry Issues (SIFI) at KSLA

Background to the seminar

The original initiative for this seminar was taken by Prof. Reidar Persson, who for many years had argued, within the KSLA International Forestry Committee (steering group for SIFI) and elsewhere, that there is a need to analyse what lessons could be learnt from the Bai Bang project, one of the largest, initially most controversial, and, in the end, most successful Swedish development cooperation undertakings ever. Several persons who had been directly involved in the programme were consulted and in October 2011 a roundtable planning discussion was held at KSLA at which it was decided to organise a full scale seminar. Contacts were also established with the Vietnamese Institute of Policy and Strategy in Agriculture and Rural Development (IPSARD), the Stockholm based Institute for Security and Development Policy (ISDP) and researchers at SLU, all of which had worked on analyses and research on the Bai Bang project. They all agreed to collaborate in organising and contribute to the seminar. Through SIFI, a student from SLU, Marcus Hallenberg, was commissioned to summarise the history of the project based on various documents, evaluation reports, research papers, and interviews. Finally, a special issue of the SIFI Newsletter (No. 11 – May 2013) on “Experiences from Vietnam”, with short articles by several of the speakers and others, was prepared as a background document for the seminar.

The seminar – participants, presentations and discussions

The great interest in the subject was evidenced not only by the fact that between 55 and 60 persons attended the seminar, but also by the large number of “old Vietnam and Bai Bang veterans” that came and actively contributed to a very lively and interesting discussion. Among them were two former Directors General of Sida, several senior executives and programme leaders from the various Swedish industry and forestry consulting companies that worked in Vietnam between 1970 and to date, researchers from SLU, IPSARD, SEI and ISDP who had worked, or still worked, on forestry issues in Vietnam, and many others.

The seminar was divided into three main sections:

- First, there were four background presentations summarising the project: by **Dr. Nghia Dai Tran** from IPSARD on “The future of the Vietnam forestry sector”; by **Prof. Reidar Persson** on “Introduction to the Bai Bang development project”, by **Mr. Petter Otterstedt** on “Swedish experiences from Bai Bang”, and by **Dr. Mats Sandewall** on “Lessons learned from Bai Bang”.
- Second, a panel of commentators provided very interesting comments, supplementary views and examples from other parts of the world (Africa, Asia except Vietnam, and Latin America) on the various issues that had been raised from Bai Bang and Vietnam by the presenters and in the background documentation; the panel was made up of **Eva Lindskog** (SEI), **Antti Marjokorpi** (Stora Enso), **Pär Oscarsson** (African Opportunities), **Mattias Goldman** (Global Utmaning), **Ngolia Kimanzu** (Swedish Cooperative Centre), and **Jan-Erik Nylund** (SLU).
- Third, there were questions and inputs from the audience; given the vast experience and first-hand knowledge from Bai Bang and Vietnam that was represented among the participants, it is not surprising that many inputs were not a matter of simple questions, but rather of supplementary facts and figures, and/or opposing opinions to what speakers and back-ground material had presented – a very lively and rich discussion, indeed!

All printed background material, including the SIFI Newsletter mentioned above, and the four PP-presentations by the main speakers are available at the SIFI and KSLA home pages (www.sifi.se and www.ksla.se).

Some reflexions on the Bai Bang project

It is not possible to summarise all facts, figures and opinions that were presented at the seminar – for this, reference is made to the above mentioned home pages and the back-ground material. A few important features of the project, and why it eventually has become a success, were repeatedly mentioned and are worth briefly highlighting:

- First, one may wonder how a project that was originally not only questioned by many on political grounds – Sweden supporting a communist country with a huge investment, not only during the cold war but at the tail end of the very hot “Vietnam war” – but also on economic grounds (a far too small pulp and paper mill in a global context), eventually could become something that most people consider successful and non-controversial. Naturally, the end of the Vietnam war, the end of the cold war, Vietnam joining the ASEAN countries, and virtually all its old “enemies” now looking upon it as a dynamic economic place well worth investing money in, explains why the Swedish involvement in the country’s forest industry sector is no longer controversial. But it still doesn’t explain why it has been successful!
- During the seminar, two factors were emphasised, which contributed to the success. The first was the early realisation that there was, contrary to such statements, no secure wood fibre supply to the pulp mill, and the enormous and determined efforts that were made to establish such a supply through plantations and finding the right tree species.
- However, without the radical policy changes that took place in Vietnam during the period 1987-1993, with a gradual shift towards a market economy and land and tenure reforms that made it economically worthwhile for farmers and communities to grow trees commercially for the mill, it is doubtful whether the tree planting efforts would have sufficed on their own.

In other words, it is probably the combination and fortunate sequencing of financial, technology and knowledge inputs, extensive training at all levels, determination at the Vietnamese and Swedish sides that the project should succeed, the historical development leading to the defusing of the political controversy, *and* policy reforms, that have resulted in the fact that this originally questionable “white elephant” project eventually has turned out to be an economic, social and land rehabilitation success story. The fact that it has had several positive spin-off effects also in other parts of Vietnam and its forestry sector is an added feature.

Lessons learnt

Finally, back to the main purpose of the seminar, i.e. what lessons can be learnt from the long Swedish involvement in this Vietnamese forestry and forest industry project? Reidar Persson and Bo Ohlsson summed it up in 10 lessons, which also Mats Sandewall and Petter Otterstedt agreed on:

- There must be a market for the wood produced;
- Local populations must get something out of investments in large-scale commercial plantations;
- Best if farmers/communities can take part in or own the process;
- Secure tenure is necessary;
- More acceptance if part of wood production is used locally;
- Better to work with individual farmers rather than communities;
- Plantations often succeed where “governments are strong”;
- Farmers must trust both the market and the Authorities;
- And, Authorities (and donors) must trust the farmers; and,
- Some strong actor(s) must defend the right of farmers

These lessons are all further elaborated and explained in the back-ground material.