

OVERVIEW OF HARVESTING SITUATION IN VIETNAM

paper to the international expert meeting in Japan

I. Background

Vietnam's total land area is 33 million ha. About 11 million ha is forested, of which 10 million ha are natural forest and 1 million ha is plantation. Most of the production forest is now under management of the state owned forest enterprises (SFE).

The forestry sector in Vietnam is currently in a state of transition. The Government of Vietnam (GOV) has shut down logging operations in over 75% of the country's State Forest Enterprises (SFEs), banned the export of timber from natural forests, and emphasised strengthening the protection of remaining natural forests. However, the GOV is still looking to continue exploitation in selected SFEs.

Over the last two years in Vietnam, major forest policy developments have begun that provide a favourable environment for the promotion of sustainable forest management:

- The GOV has approved its Forest Development Strategy for the years 2001 – 2010;
- The GOV has revised the Law on Forest Development and Protection;
- The Partnership on the 5 Million Hectares Reforestation Program between the Government of Vietnam and all major donors and international organisations has developed a Sector Support Program on the basis of a forestry sector review.

Also, the government have issued a number of new policies on decision on the renovation of state forest enterprise and decision on forest land allocation issued in 1999.

II. Current situation of harvesting practice in Vietnam

SFEs receive an annual quota for harvesting from the government them. The amount of timber being harvested has been considerably reduced in the last few years, for example: 1,2 million m³ in 1992, 1996-1997: 450,000 m³ and 300,000 m³ in 2001-2002; and in 2003 the volume will be reduced to only 200,000 m³.

Each SFE should have developed the 5 year and annual harvesting plan for their forest. This plan is normally developed by a state organization called Forest Inventory and Planning Institute (FIPI). Based on the awarded harvesting quota, the SFE contracts with this organization to carry a pre-harvesting inventory in a specific forest area to mark the trees to be cut and to design for skid trails and transportation roads in the forest area.

Due to the recent changes from SFE reform, most harvesting activities are contracted to logging companies if SFEs do not have functions and capacity for harvesting. After the SFE renovation process, most of SFEs are only responsible for forest protection, implementing silvicultural activities such as tending and forest planting while some SFEs do the harvesting by themselves. The level of mechanization in harvesting practices is varied from SFE to SFE but they mostly use the chainsaw and axe for cutting timber. Bulldozers are quite common for log skidding from the stump to the roadside. In some forest, due to the high slope, animals (such as buffalo and

elephant) and man-power are used to pull out logs from the harvested area to a log landing and even to load the log onto the vehicles.

The logging companies are responsible for constructing and maintaining the forestry road during their harvesting. The major problem is that SFE select logging company through bidding and the winner will be awarded the harvesting contract. What they do is more or less “cut and run” and they do not have long term responsibility for roads and more importantly less concern for the future of forest resources after that.

III. Major issues need to be addressed

Vietnam has not developed a national code of practice for harvesting to guide the specific activities in line with the requirement for sustainable harvesting.

The main issues that need to be addressed in current harvesting practice in Vietnam are i) the less attention of the logging activities from the forest manager, logging companies to the potential negative impacts may have with biodiversity, natural resources and environmental and social as well; ii) inappropriate investment in the forestry sector and iii) mechanism of harvesting management at SFE and provincial level.

As mentioned above the harvesting plan of the SFE is designed by an organization such as FIPI. The main content of the plan is just a description of the area to be harvested, volumes and trees to be cut based on the quota. The plan focused on “how to do the work” rather than “what should be done or should not be done”. There are a lot of aspects still lacking in the harvesting plan compared to an ideal “comprehensive harvesting plan” such as reliable forest inventory data, forest resource maps, etc. There is also little technical guidance or clear instruction for the logging operation in the forest that the operators are required to follow. The following that the country need to consider and address in order to improve the current harvesting practice:

- The development of a specific code of practice for harvesting for Vietnam forest taking into account existing codes developed such as the FAO or countries or regions. This would need a lot of support from the Vietnam government in term of political will and finances. More importantly, due to the lack of competent skills in the development of the code, technical support from outside such as International NGOs, other donors-funded projects is needed.
- Once a draft of code is completed, it needs to be implemented with training. Also there is a need to develop a monitoring system to check how it is followed in practice.
- The capacity of the forest protection unit needs to be strengthened to enable them to supervise and enforce the performance of the implementation of any new code;
- Financial issues need to be considered by the competent authorities at government and provincial level because an FMU will need more money to invest surveying, buying new equipment, training new technology for staff and conducting EIA and social impact assessments, etc. On the other hand SFE are not decentralized and independence in making business.

In order to have a new code of practice for harvesting successfully implemented, the government needs to issue more relevant /appropriate regulations guiding instruction

for the implementation. In addition, the forest management unit (FMU) needs to do a lot of work to enable them to have enough “capacity” for applying for a new code such as staff training for different aspects, investment for suitable equipments, road construction, new technology transfer, more awareness about the environmental and social issues when developing harvesting and management plan.

IV. Relevant regulations on harvesting practice issued by Vietnam government.

- The recently issued regulation of the Vietnam government in 1999 for harvesting practice mainly focused on management of harvesting activities, but did not deal with technical aspects (the regulation attached for further references). The audience targeted by this regulation are the Ministry of Agriculture and Rural Development who have the mandate to approve the harvesting plan of all forest management unit, then allocate the annual harvesting volume to those FMUs, the provincial departments on agriculture and rural development who directly manage and monitor the activities of the provincial FMUs, FMUs, logging companies and forest inventory institute who have function and capacity to do the forest research and design the harvesting plan for all FMU in the whole country. Also the forest protection divisions at the country and field level are responsible for supervising the harvesting activities. This regulation applied for both natural forest (production and protection forest as classified in Vietnamese forestry system) and plantation. The regulation also indicates norms for harvesting design, method for harvesting, harvesting cycle, AAC and limited log diameter to be marked for cutting. However, the detail for other important aspects for developing harvesting design such as tree marking mapping, which area need to be excluded from harvesting, making skid trail or specific requirement for making the culvert, and so on are not mentioned in this document.
- Law on forest protection and development promulgated in 1991.

V. SWOT analysis of harvesting practices in Vietnam.

Strength	Weakness	Opportunity	Threat
<ul style="list-style-type: none"> ○ Skilled labor force ○ existing supporting legal /regulations on forestry ○ high market demand for timber sourced from well managed forest ○ Existing pilot projects on sustainable forest management (WWF, FAO, ADB, etc.) ○ Government is very supportive to forest protection, supervise harvesting activities. 	<ul style="list-style-type: none"> ○ inappropriate investment for suitable equipment, road construction/maintenance ○ weak enforcement on regulation performance ○ ambiguous instruction /regulation on technical aspects ○ no code of practice for harvesting developed yet ○ skill of management still low ○ lack of adequate training for operator and technical staff for new technique ○ Transportation technique is poor (using chained wheels bulldozer) ○ The template of harvesting plan is quite sparse 	<ul style="list-style-type: none"> ○ VN government are very concern on the forest loss and try to find way to improve ○ FMU are keen to improve harvesting practice to get benefit from timber harvesting ○ Donors are interested in helping to promote SFM ○ WWF + Tropical Forest Trust (TFT) is supporting selected FMU to improve forest management, especially with harvesting 	<ul style="list-style-type: none"> - illegal logging still increasing - SFE not doing harvesting instead of logging companies - annual harvesting permission is less than planned by FMU - demand in timber increasing considerably - little care /awareness on the impact of logging on the forest resources and environment - some SFEs are not profitable - harvesting not by SFE, logging company not taking care of environment/road building - low investment on suitable equipments <ul style="list-style-type: none"> - Operating scope of FMU is small, lack of capital for further investment - Policy is not stable to some extent.

VI. WWF Indochina's involvement

WWF Indochina is currently implementing together with partners at the Ministry of Agriculture and Rural development and 4 provinces a 3-year project on promoting sustainable forest management and certification in Vietnam. One of 5 components is the development a pilot model at 2 selected forests in Gia Lai, a central highland province. The expected output of this component is these forest will be assessed for certification according FSC recognized standards. The project will assist them to improve the current management to a certifiable level in 3 years time. Another component is WWF will work with various companies and forest managers, logging companies and traders to set up a Vietnam Forest and Trade Network (VFTN) that will create a good link between international buyers and producers in Vietnam. Those interested to join the member of this network must be eligible with criteria for membership through an evaluation undertaken by an accredited third party. A number of companies already FSC CoC certified will be potential members. The other components focus on survey on illegal logging and support the development of sub-programme on sustainable forest management at 4 central highland provinces.

Another one-year project of WWF is on going at 2 other provinces in Quang Nam and Binh Dinh provinces. In this project WWF will provide training for local stakeholders for raising awareness and develop skills for sustainable forest management and develop guidelines on reduced impact logging, environmental impact assessment and developing the new guidelines for forest management plans taking into account aspects of sustainable forest management's standards. For some aspects that will not be addressed within this one year project due to the limited funding and time, it is anticipated that WWF will develop more activities for another 2 years in collaboration with the existing FAO project on " Enhancing sustainable forest harvesting in Asia" that Vietnam is one of three participating countries.

VII. Conclusion

Presently, the draft standards on sustainable forest management based on FSC's principle and criteria are developed by the Vietnam National Working Group (NWG). This draft has been used at a number of forest management units in the country to assess the current management of those forest. Key findings are forest management plan and harvesting designs and other survey or assessment need to be improved and developed in order to have a comprehensive baseline for a good management planning. This will, obviously cost more for the FMU to improve their forest operation and achieve sustainably in harvesting. The major cost are for example, for building or making new roads, comprehensive forest inventory, biodiversity survey, development of permanent sample plots, investment for new equipment. Many FMU see them very important and necessary but most of them are faced with shortage of capital to carry the works due to small budget allocated by higher level. Currently they are using the template of "simple forest

management plan”, therefore some activities are not budgeted and allocated funds. In addition, due to the lack of credible data on forest resources, the FMU are not allowed to harvest the volume based on their management plan and the quota from government is often less than FMU planned. The positive hope is if the FMU can harvest the planned volume by proving to the government a good data of forest inventory and demonstrate that they are managing the forest at a sustainable manner then they will get more benefit from their well managed forest. The international buyers are happy to pay more for certified timber compared to low price they are selling now. They will have more customers and enter into a bigger market for their timber. At present, there is no certified forest in Vietnam, and many companies making forest products have to import certified timber from outside Vietnam. The market for certified timber is increasing considerably not only in international market but also domesticly.