

Forests in Vietnam and the Partnership for Forestry Development

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Forests are considered a very important natural resource in Vietnam, both in environmental protection and for economic development. Although forest development activities have achieved some good results since 1995, the quality of the forests has continued to decline, and the activities implemented by the Government and the donor community are still not coordinated. The Vietnamese Forest Sector Support Partnership might be a way of bringing together national institutions and international donors.

At present, there are around 11 million hectares of forest in Vietnam; this is a third of the country's total area. The total area of forests decreased from 14.3 million hectares (43 %) in 1943 to only 9.3 million hectares (28.2 %) in 1995, a loss of 5 million hectares over the space of 50 years. However, according to the latest statistics reported by the Ministry of Agriculture and Rural Development on December 31, 1999, forest resources have now recovered, as shown in Table 1.

Table 1: Forest resources as at December 31, 1999

Forest category	Timber resource (in thousand m ³)				Bamboo resource (million stands)			
	Total	Protected forests	Special-use forests	Production forests	Total	Protected forests	Special-use forests	Production forests
Natural forests	720,891	343,383	136,526	240,982	8,304	3,883	946	3,475
Plantation	30,578	9,204	1,168	20,205	96	6.7	0.3	89
Total	751,468	352,587	137,694	261,187	8,400	3,889.7	946.3	3,564

Source: Forest Inventory and Planning Institute, 2000

However, most forest resources have decreased in quality and become poor forests with a volume of less than 80 m³ per hectare. Only 9 percent of the country's forests are still classified as rich (with a volume of more than 150 m³/ha).

The main causes for deforestation are:

Forest fires: Forest fires are destroying forests in many parts of the country. Five million hectares of forest are assumed to be endangered by fire. About 20,000 to 30,000 hectares are destroyed by fire each year (Government, 1994).

Unsustainable and illegal harvesting: The forest harvesting period is generally short and not followed by suitable silvicultural activities. Furthermore, harvesting activities often lead to uncontrolled agricultural cultivation, resulting in a loss of forestland to arable use.

The uncontrolled harvesting conducted by state forest enterprises, among others, causes a loss of 3.5 million m³ of timber per year. Illegal felling results in the loss of 80,000 hectares of forests annually (Ministry of Forestry, 1991).

Wars: During the last two wars, mainly the war against the USA, bombs and chemicals in particular destroyed a considerable number of forests and ecosystems, mainly in the southwest region. About 13 million tons of poisonous chemicals are estimated to have been used during the war in South Vietnam, and some 4.5 million hectares of forests were destroyed as a result (World Bank, 1995).

Infrastructure development: About 30,000 hectares of forests are estimated to be lost each year due to infrastructure development – roads, dams for electricity supply, etc. (World Bank, 1995).

Unsuitable management of waste-gathering areas and mining: Thousands of hectares of mines and waste-gathering areas cause serious deforestation, have a negative impact on the environment and lead to land degradation.

Unsuitable legal framework, institutional and management capacity

Although Vietnam's renovation policy has made considerable achievements, economic changes are still causing a number of problems and constraints.

Generally speaking, the legal framework is still not consistent and is not feasible in certain areas or sectors; it is therefore not conducive to natural resources management. Benefit-sharing to encourage people to become actively involved in all activities is still lacking.

Land allocation processes have been initiated, but due to a lack of land use planning, forestry development plans, and other legal documents related to institutional, financial, and technical aspects, these processes are still developing too slowly.

Staff still do not have sufficient management skills and lack the capacity for long-term planning, policymaking, accessing information, and monitoring and evaluation to meet the requirements of the renovation process.

The market for agro-forest products has not been strongly developed. There is still a lack of marketing strategies for forest products at both central and local level.

Technical support is also inadequate, especially in terms of soil assessment, crop species selection and site matching, seedling production, disease control, and processing/marketing of agro-forestry products. In addition, the technical capacity to support research, technology transfer, training, and extension services for local people is very poor.

The limited budgetary support, the lack of research opportunities driven or supported by the private sector, and the institutional fragmentation in research have hampered solutions to many technical issues and have prompted calls for more research, e.g. on high-yielding varieties and seedling improvement in forestry development.

Although a state extension system has been established from central to district level, few agro-forestry extension units at district level have trained forestry personnel, and there is almost no extension network at local level. The annual budget for agriculture and forestry extension has increased, but is still far too low to meet the demand.

There is a lack of close collaboration between policymakers and local actors. Integration and collaboration among related sectors, government authority levels, and programs/projects are not as close as they need to be.

The present Land Law states that land use rights are not to be allocated to village communities. Many ethnic minority groups in Vietnam traditionally manage land by communities, especially forestland. Nevertheless, communities are not regarded as a legal entity. According to an analysis prepared by several projects (ADB-TA 3255, PROFOR, 2000), forestland is better protected – particularly from destruction by animals and forest fires – if allocated to village communities, because there is a common interest in the benefits.

The sustainable land use management capacity of many agencies at provincial, district and local level is still very limited. Not only local authorities but also Government officials demonstrate little awareness of the role of sustainable natural resources management, environmental protection and the role they play in poverty reduction. Natural resources are still exposed to the risks of illegal logging, unsustainable cultivation techniques, uncontrollable migration, forest fires, excessive harvesting of water, etc.

The need for partnership: The FSSP

In July 1998, the Government of Vietnam adopted the Five Million Hectare Reforestation Program (5MHRP). It aims to re-establish 43 percent forest cover in the country by 2010 through a comprehensive program to enhance environmental protection, reduce poverty, and increase the contribution of forest resources to the national economy.

In implementing projects and programs, the forestry sector has had to face the following constraints:

- The projects financed by the donor community have mostly been designed by donors, and the latter maintain a strong influence and control over implementation.
- The Government's contribution to projects often accounts for less than 10 percent of the total budget; 90 percent donor financing leads to high incremental costs to the Government during and after project implementation.
- There is an increasing number of similar development projects with similar goals and activities, while the impact on the Government's own sector development and program implementation is limited.
- Due to unclear procedures, disbursements are very low, especially in the larger loan projects in the forestry and rural development sectors.
- Project aid is an inflexible way of delivering assistance, because it often allocates funds to many different activity levels and cost units over a period of several years; constant discussion is therefore required to adjust assistance to actual developments. Moreover, as project budgets are fixed, there are few tradeoffs and thus few incentives to work efficiently.

Conscious of the aforementioned shortcomings, the donors and the Vietnamese Government took a decision within the Consultative Group to create a stronger partnership related to the 5MHRP.

In December 1998, at a Consultative Group meeting in Paris, the Government asked for the donor community's assistance in its national forestry program. The donors agreed to support the 5MHRP and its objectives through a partnership between the Government and the international community. The partnership was to result in comprehensive and effective support, taking into account the wider policy and institutional environment in the sector and strengthening the required national capacity.

In November 2001, after intensive consultation on the philosophy and concept of a partnership, the Vietnamese Government and international donors, including various NGOs, signed a Memorandum of Agreement (MoA) to set up a partnership support program for the 5MHRP, the Forest Sector Support Program Partnership (FSSP). The objective is to reach a formal agreement on joint sector support to the 5MHRP, based upon agreed implementation policies, strategies, priorities, and concepts in line with international agreements.

The institutional structure of the FSSP

The FSSP is headed by the Partnership Steering Committee (PSC), chaired by the Ministry of Agriculture and Rural Development (MARD).

The Technical Executive Committee (TEC) consists of Vietnamese and donor representatives (multilateral, bilateral, and NGOs). The TEC provides direct guidance on implementation of the partnership and to the FSSP Office.

The FSSP Office was established as an independent institution within the MARD. A trust fund has been set up, funded by bilateral donors.

At the Annual FSSP Review Meeting, the partners jointly review progress, decide on financial and technical support for the sector, and discuss major policies.

In 2000, the FSSP conducted a joint sector review as the basis for program development. The Ministry formulated a Forest Development Strategy for the years 2001–2010. In March 2001, the PSC adopted the Joint Sector Review (Synthesis Report) and decided that the Forest Development Strategy would form the basis for further program development under the partnership. As such, it acknowledged that a national forestry program has to be viewed and supported using a comprehensive, broad-based sector development approach.

The framework of the FSSP

The Memorandum of Agreement (MoA) defines the key principles of the partnership. It consists of three important elements:

- ***Basic and Operational Principles for Forestry Sector Cooperation***, with a total of 15 principles; these are a mixture of good practices in professional implementation and management tools for all FSSP activities.
- ***The Program Framework***, which combines a working proposal within nine thematic result areas and practical procedures to implement the intended activities.
- The operational tools, which include:

- ***The Matrix of Tentative National and International Institutional Affiliation***, which identifies the commitment of national and international support to the nine specific result areas; it is a major tool for donor coordination, achieving coherence and building coalitions. It also helps identify gaps and propose new forms of cooperation.
- ***The Common Work Program*** is designed to serve as a rolling planning tool and as a transparent calendar for major events and outputs.
- ***The Forest Sector Manual*** is to provide tools for planning, implementing, and monitoring projects and activities within Vietnam's forestry sector. It is regarded as a professional toolbox in which information is made available on the main forestry issues in Vietnam; it also allows users to follow a hands-on approach to developing solutions.
- ***Monitoring and Evaluation (M&E)***, the objectives of which are: M&E of the Common Work Plan at national and provincial level; M&E of the sector-level impact of Government- and donor-supported interventions; M&E of the added value of the FSSP as a cooperation mechanism.

Perspectives for the Partnership

A successful sector-wide partnership provides a platform for the Government and donors to discuss and outline the nature of their involvement within a framework of agreed Government policies, strategies, and programs in the medium term. Conversely, the Government's policies, strategies, and programs are reviewed and updated on the basis of the lessons learnt from implementation.

Although the FSSP's result areas identified within the Program Framework are interconnected, it is crucial for effective planning that each signatory should identify its own area(s) of interest. This will encourage each donor to find the best options for implementing the FSSP framework and will allow the Government to use donor coordination to effectively implement the FSSP.

Signatories to the partnership share a commitment to the sustainable management of forests and the conservation of biodiversity with the following goals:

1. environmental protection;
2. improved livelihoods of people in forest areas; and
3. enhanced contribution of forestry to the national economy.

By collaborating, the partners and the Government aim to maximize effectiveness and efficiency in the mobilization and use of all sector resources. One of the keys to making activities effective is to achieve greater harmonization of policies and programs in the context of shared objectives for the forestry sector.