

Current Status of REDD+ in Vietnam

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<p>Current Status of REDD+ in Vietnam</p> <p>International Technical Seminar Toward Developing a framework of global REDD+ -Scaling up of demonstration activities and integrating players' roles-</p> <p>Feb 7-8 2012</p> <p>Noriyoshi Kitamura Forestry Program Adviser Vietnam Administration of Forestry (VNFORD)/JICA</p>	<ol style="list-style-type: none">1. Introduction2. Progress made so far and Next Steps3. Existing policies and institutions as REDD+ platform4. National REDD+ Program (draft)
<ol style="list-style-type: none">1. Introduction<ul style="list-style-type: none">- Climate Change and GOV- Background of REDD+- Forest situation	<p>Climate Change and GOV</p> <ul style="list-style-type: none">• Vietnam is identified as one of the countries most severely affected by negative impacts of climate change in the world;• GOV has strongly engaged in the international efforts to respond to climate change and committed to REDD+;• Vietnam is selected a pilot country of both of the Quick Start Initiatives i.e. UN-REDD Programme and FCPF;• National Target Program to Respond to Climate Change formulated in Dec. 2008; National Strategy on Climate Change, which includes REDD+, approved in Dec 2011;• National REDD+ Network, Working Group and Sub-TWGs established in 2009• National Steering Committee for REDD+ and VN REDD+ Office established in Jan. 2011• National REDD+ Program drafted for consultation in Nov 2011

Vietnam is identified as one of the countries that will be most severely affected by negative impacts of climate change in the world. Vietnam has a very long coastline, 3000 kilometers from north to south, and most of the economic activities are conducted in the big two deltas; one is the Red River Delta in the north and the other one is Mekong Delta. The Mekong Delta has much more economic activities and sea rise will have very adverse impacts on the economic activities. Vietnamese government is very committed to respond to climate change.

Same as Cambodia, Vietnam is one of the first countries selected for UN-REDD program and FCPF. UN-REDD is now implementing its first phase for about 2-1/2 years. UN-REDD is the leading donor concerning the overall development of REDD+ in Vietnam. For FCPF, RPP has been approved. Negotiation on the activities to be supported by FCPF fund \$3.6 million is now going on.

The government's commitment to climate change is reflected in the fact that as early as in December 2008, the government already formulated National Target Program to Respond to Climate Change. A National Target Program is a government regular program with high priority funded by government. Vietnam is very serious about the climate change issues. The target program consists of activities, and GOV recently approved the strategy on climate change, which includes REDD+, but the roles of forest are more emphasized for adaptation purposes in this climate strategy because of the very mountainous topography.

REDD national network, working group, and sub-technical working groups were established in 2009. Some technical working groups have been very active. The last point is the National REDD Programme now being drafted and circulated for consultation. This will be submitted to the Prime Minister's Office to become one of government programs. Not a target program, but there will be some government funding when it is approved by the Prime Minister.

Background to REDD+

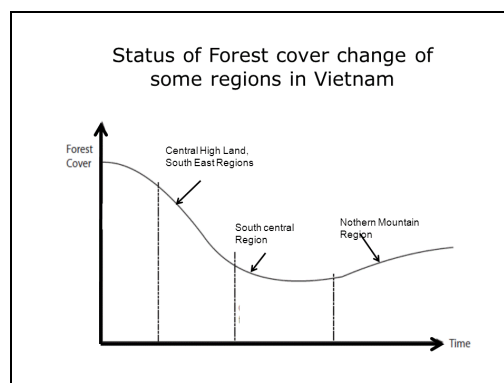
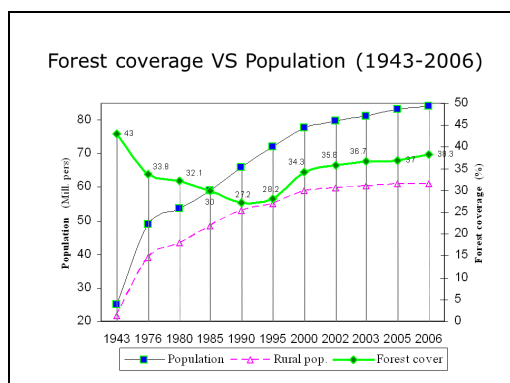
- Area of forestland (13.4 million ha) with high diversity from conifer to evergreen and mangrove forests, also a hotspot of biodiversity
- Rural population dependent on forest and forest land
- U-shape of forest cover but continuous deforestation and degradation in parts of country
- Existing policies and institutions as platform for REDD+ mechanism and implementation; Owner/Forest Land Allocation, Forest Protection Contracts, PFES etc.
- Linkage with FLEGT and regional cooperation for legality assurance and leakage risk mitigation;
- Good coordination with development partners in the forestry sector esp. WB, ADB, UN agencies, Japan, Germany, Australia, Finland, etc. under FSSP

This is the background of why Vietnam is undertaking REDD+ initiative. The figure of forest area, which means forested area, is 13.4 million hectare with very high diversity for the 3000 kilometers from north to south. There are conifer, evergreen forest, and mangroves at the tip of Mekong Delta, even though it has been shrunk by conversion mostly to shrimp farms. Out of 87 or 88 million of national population, about 25 million are said to be living in remote area and dependent on forest and forest land. Forest cover change shows U-shaped curve, but continuous degradation or deforestation in some parts of country is still going on. Moreover, forest situation is very different from region to region in the country.

We have some existing policies and institutions as potential platform for REDD+ mechanism and implementation. Vietnam has been trying to identify owner for every parcel of forest land, not the administrative agencies, an owner who actually owns and manages forest. It can be state agencies or private and identification of owner is done through forestland allocation. Another unique system is forest protection contracts. This is to have a contract with people living around forests, mostly protection or special-use forest. Contracted people patrol the forest area. They are not supposed to encroach in or cut forest illegally. In return, they receive a certain amount of money. Another very important issue for Vietnam's forestry sector is FLEGT. GOV are now negotiating a voluntary partnership agreement (VPA) with EU, and as well known, there is an EIA⁶² report showing hundreds of log trucks crossing border from Laos to Vietnam. It is not clear whether they are all illegally or legally logged, but this legality issue of imported timber from neighboring countries is a very important issue for concluding VPA with EU. FLEGT is now a more urgent issue to tackle because FLEGT will be enforced early next year by February or March in 2013, otherwise, their export of mostly furniture to EU countries will be very closely checked for legality of timber source and some may be rejected.

⁶² Environmental Investigation Agency

Vietnam has a good history of donor coordination through the Forest Sector Support Program⁶³. The donors for REDD also are cooperating each other under guidance of the government.



This is the graph of population increase and so-called U-shaped forest cover. Green line is forest cover on the right-hand X. In 1943, it was 43% but the forest cover bottomed out around 1990 and then increasing. In 2010, the official statistics show 39.5%, so steadily increasing. On the other hand, the population has been exploding from around 25 million to current 87 million. There is a very high population pressure as well as development pressure on natural resources. On national level, average population density is almost 300 persons per km², and even a very remote province like Dien Bien, which is very mountainous, has 53 or 54 persons per square kilometer of population density. This has put a very high pressure on use of natural resources. But, the forest situation is different from region to region. According to this forest transition curve, we can identify some areas at some different points on this curve. In the Central Highland and Southeast region, which are located next to next, they have relatively high forest cover and good forest, but deforestation is very severe. On the other hand, in the Northern Mountain region, forest recovery is going on.

Forest Area and Management Entities	
1. Forest area by category at end 2010	
Special Use Forest (SUF):	2.0 million ha
Protection Forest (PTF):	4.8 million ha
Production Forest (PDF):	6.4 million ha
Total:	13.4 million ha (39.5%)
(Natural forest: 10.3 million ha, Plantation forest: 3.1 million ha)	
2. Forest area by management entity	
Management Boards (SUF/PTF):	4.8 M ha
State Forest Enterprises (PDF):	2.0 M ha
Commune Peoples' Committees:	2.1 M ha
Households and Individuals (PDF):	3.4 M ha
Others:	0.8 M ha

Forest is classified into three categories: special use forests, which are national parks and nature reserves for conservation purposes are about 2 million hectare; protection forest, mostly watershed protection on the upstream of hydropower dams or irrigation schemes, about 4.8 million;

⁶³ <http://www.vietnamforestry.org.vn/>

production forest for timber production, 6.4 million hectares. Out of this 13.4 million hectares, natural forests 10.3, and plantation forest 3.1. Plantation forest has been expanding very rapidly consisting of mostly fast-growing species like Acacia and Eucalyptus. This does not include rubber plantation.

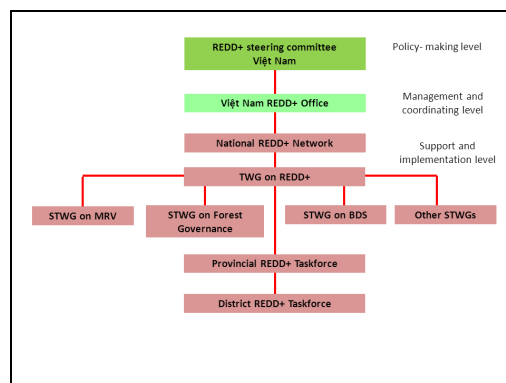
Who manages these forests? For special use and production forests, mostly management boards at provincial level, which are under the supervision of Provincial People's Committee, are the owners and managers. Another big owner type is state forest enterprises. State forest enterprises used to have much larger area, but through the forest allocation program, they have been transformed into management boards for both types of special-use and protection if they manage large areas of these forests. Now, existing state forest enterprises mostly manage production forests. Commune People's Committee (CPC), which is not an owner defined by the forestry law, temporarily manages about 2 million ha and their forest is in the process of allocation; and another 3.4 million hectares are mostly production forests allocated to many households and individuals.



These photos show regional differences in forest situation. Upper-left one is apparently deforestation most likely conversion to commercial crop plantation; upper right looks like illegal logging; lower-left; nursery of Acacia and lower right; plantations.

2. Progress and Next Steps

- Institutional set-up for REDD+ establishment
- Brief introduction of 5th REDD+ Network Meeting in Dec 15, 2011
- REL/RL
- MRV
- BDS
- REDD+ Legal Framework



At the top of institutional set-up, there is a steering committee established by the Minister of MARD, Ministry of Agriculture and Rural Development. But as far as I know, this steering committee has never been held. National REDD+ office, established early last year, has been operational and doing a lot of coordination work for this national REDD+ network and organizing

various sub-technical working group meetings.

<p>Agenda of 5th REDD+ NW Meeting in Dec 2011</p> <ul style="list-style-type: none"> • Key results of COP 17 • Update on key REDD+ activities in Vietnam, and follow-up on recommendations presented by STWGs at last Network meeting • Report from Sub-Technical Working Groups & action plan for 2012 (MRV, BDS, Local Implementation, Governance, Private Sector Engagement) • Formulation of the REDD Network action plan for 2012 • Group discussion by STWG • Proposal on strengthening Vietnam REDD+ Office • Conclusions & closing 	<p>REL/RL</p> <ul style="list-style-type: none"> • Improvement of forest maps and NFI data for 5 time points • Creation of forest change matrix • Development of interim REL/RL at national and sub-national level • Sharing REL/RL experiences at SBSTA Expert Meeting in Nov 2012 <p>Next steps</p> <ul style="list-style-type: none"> • Level and Activities; National, Sub-national, RED, REDD, REDD+ • Sub-national; Region, Province, Eco-region • Consideration of national circumstances • Projection; simple regression, average, model with variables
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This is the agenda of the Fifth Network Meeting held in last December. Main topics are key results of COP17; update on key REDD activities including this drafting and circulation of National REDD Programme; and report from five technical working groups; and action plan for next year; and discussion. This network meeting is chaired by Vice Minister of MARD and the Norwegian Ambassador.

<p>MRV</p> <ul style="list-style-type: none"> • Manual for Participatory Carbon Monitoring • MRV Framework Document (Ver. 1 draft 3) • Forest eco-stratification <p>Next Steps</p> <ul style="list-style-type: none"> • Design of new NFI for implementation in 2013-15 • Institutional set-up for MRV involving MARD, MONRE, research institutes, etc. • Linkage with national GHG-I

For MRV, under UN-REDD Initiative, Manual for Participatory Carbon Monitoring⁶⁴, MRV Framework Document with a wider scope⁶⁵, and eco-stratification of forest into 47 sub-regions have been the main products. The framework document gives a basic idea of MRV in Vietnam and focus is on institutional coordination mostly between MARD and MONRE. Next step will be going to design and conduct next NFI, National Forest Inventory, from 2013 to 2015 based on these works. This REDD+ MRV should be linked with the national level GHG⁶⁶ inventory.

⁶⁴ http://vietnam-redd.org/Upload/Download/File/PCM_manual_short_3415.pdf

⁶⁵ http://vietnam-redd.org/Upload/Download/File/MRV_Framework_Document_V1_Draft_3_4046.pdf

⁶⁶ Greenhouse Gas Inventory

<p style="text-align: center;">Benefit Distribution System</p> <ul style="list-style-type: none"> • BDS Study and follow-up study • Discussion on REDD Fund; objectives, management, linkage with MRV, etc. • Discussion on payment; types (participation, performance, results), modalities (cash, in-kind), level, R-coefficient <p>Next Steps</p> <ul style="list-style-type: none"> • Finalize BDS at national level (REDD+ Fund, fund allocation) • Design R-coefficient • Pilot in Provinces

Benefit Distribution System; this has been one of the biggest issue discussed in Vietnam. Very thick report on BDS study⁶⁷ has been prepared and a follow-up study⁶⁸ was also done by UN-REDD. Discussions on the REDD fund, including objectives, management, linkage with MRV, and so on are going on. The payment is also discussed; what types of payment such as participation, performance-based, result-based? There is confusion of terms, and need to sort out. Modalities means payment should be in cash or in kind, level is how much, and discussion on R-coefficient is also going on. R-coefficient is very difficult, but the idea is to differentiate the stakeholders' effort in reducing or sequestration one ton of carbon. The price of carbon may differ from place to place or from owner to owner. These are going to be piloted in seven or eight provinces.

<p style="text-align: center;">REDD+ Legal Framework</p> <p>Identification of necessary revision and formulation of new legislation</p> <p><u>Revision</u></p> <ul style="list-style-type: none"> - Coordination in land use planning - Coordination in forest management and forest land management <p><u>New legislation</u></p> <ul style="list-style-type: none"> - Financial management; REDD+ Fund and BDS - Carbon trade in voluntary, compliance and other markets - Carbon (credit) rights - MRV
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Concerning legal framework for REDD to be revised, most emphasis is on the land use planning. Coordination between forest use and land use planning, and incorporation of REDD into land use and/or forest use planning. New legislation necessary for financial management, carbon trade in voluntary, compliance, or other markets; and same as other countries, defining carbon rights or carbon credit rights, who owns carbon or carbon credit rights, and technical and institutional legislation for MRV.

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http://vietnam-redd.org/Upload/Download/File/Viet_Nam_REDD_Benefit_Distribution_Study_FINAL_February_2010_4420.pdf

⁶⁸ http://vietnam-redd.org/Upload/Download/File/BDS_follow-up_studies-En_3534.pdf

<p>3. Existing platform for REDD+</p> <p>1. Policy</p> <ul style="list-style-type: none"> - Forest land allocation; Owner for every parcel of forest land (11.2 million ha for 1.2 million owners) - Forest protection contracts; 2 million ha under contract between HH with PTF/SUF Management Boards (fixed amount paid to HH) - PFES; Nation-wide implementation in 2012 <ul style="list-style-type: none"> - Pilot in two Provinces from 2009 - Cash payment to forest owners and contract holders according to forest conditions (K co-efficient) - Hydro power, water supplier, industrial water users, tourism business, CO2 sequestration, aquaculture

<p>3. Existing platform for REDD+</p> <p>2. Institutions</p> <ul style="list-style-type: none"> - Management entities; HH, individuals, communities, Management Boards, SFE, etc. - Forest Protection and Development Fund (Central and Province); PFES implementation, REDD+ Fund (?) - Local administration (Province, District, Communes); Responsible for land allocation, oversee forest owners, PFES implementation with guidelines from central level <p>3. Data</p> <ul style="list-style-type: none"> - Forest owner, location, area, conditions
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Existing platform for REDD+; forestland allocation has been going on. Out of 13.4 million hectare, according to MARD statistics, 11.2 million hectares have been allocated to 1.2 million owners. There are owners for more than 80% of all forests. But MONRE and MARD– MONRE is responsible for land allocation; MARD is responsible for forest allocation – in many cases do not go hand-in-hand. Statistics are very different. This can be a good platform for REDD+, but could be a cause of confusion too.

PFES⁶⁹ has been piloted in two provinces from 2009. Government considered pilot was successful. In September 2010, Prime Minister Decree was issued to implement PFES nationwide. Implementing regulations for this PFES decree are being drafted. PFES in Vietnam is cash payment to forest owners and contract holders, too. Protection forest contract holders even without own forest can be paid this PFES. There will be K-coefficient. Depending on forest situation, the money level will be differentiated. The payers are hydropower generators, water supplier, and so on. CO2 sequestration is also one of forest services, it is not clear whether this means REDD+ or not, but for CO2 sequestration, payment level, who will receive, who will pay are to be decided by another Prime Minister decree.

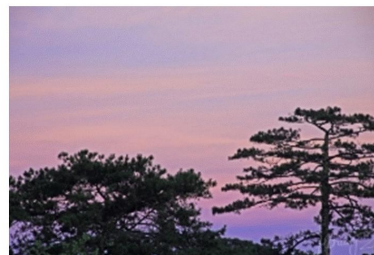
Concerning institutions, many management entities are identified through land allocation, but in many areas, documents are missing. Even if households have documents, they do not know where the land is. Locating their land is very difficult in many cases esp. for small holders. Forest protection and development fund, which will implement this PFES, collect money from payers and then pay to forest owners. This will be a good institutional base for REDD+ financial aspects and local agencies will gain experiences. The data concerning owners, location, area and conditions of forest will be very important for REDD too.

⁶⁹ Payment for Forest Environmental Services: practice of offering incentives to farmers or landowners in exchange for managing their land to provide some sort of ecological service

4. NRP

- Draft in circulation for consultation with inside and outside of GOV
 - Comprehensive covering REL/RL, MRV, Financial management, Legal framework, PaMs, Safeguards, Implementation mechanism
 - Phased approach
- 2011-15; System development at central level
 Demonstration activities in selected Provinces including pilot BDS
- 2016-20; National system completed
 Expansion of REDD+ activities to all forested Provinces
- 2020- ; Full REDD+ implementation under UNFCCC

Thank You!



NRP⁷⁰ covers almost all of the REDD components, including PaMs⁷¹, and implementation scheme. They propose phased approach. Until 2015; system development at central level, and demonstration activities in selected provinces, including pilot BDS. UN-REDD phase 2 will implement this provincial pilot in six provinces; JICA one and a couple of others. After 2016, national system completed, and REDD+ activities will be expanded to other forested provinces. After 2020, in line with the Durban Platform, if it goes as planned, full REDD+ implementation under UNFCCC will take place.

⁷⁰ National REDD+ Programme

⁷¹ Policies and Measures