

MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT

PROCEEDINGS

OF THE NATIONAL WORKSHOP ON

CHALLENGES AND VISION

FOR THE 5 MILLION HA REFORESTATION PROGRAM

HANOI, 19 OCTOBER 2000

ORGANIZED BY

**PARTNERSHIP SUPPORT PROGRAM
FOR THE 5 MILLION HECTARE REFORESTATION PROGRAM**

In coordination with

**ADB TECHNICAL ASSISTANCE FOR THE STUDY ON THE POLICY AND
INSTITUTIONAL FRAMEWORK FOR FOREST RESOURCES MANAGEMENT**

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PART I. BACKGROUND

Partnership Secretariat

1. INTRODUCTION

Based on Resolution No. 08/1997/QH10 of the 2nd Session of the 10th National Assembly, from 21 November – 12 December 1997, and Decision No. 661/QD-TTg of the Prime Minister, dated 29 July 1998, the Vietnamese Government launched the National Five Million Hectare Reforestation Programme (5MHRP) with the overall objective to reforest and rehabilitate five million hectare of forest by the year 2010. The 5MHRP went into implementation in early 1999. Currently more than 500 projects are under implementation.

During the Consultative Group meeting in Paris in December 1998 the donor community and the Vietnamese Government agreed to establish a partnership in support to the Five Million Hectare Reforestation Programme. On 10 December 1999, a Memorandum of Agreement (MoA) was signed in Hanoi between the Ministry of Agriculture and Rural Development and representatives of the donor community that aims at the establishment of a formal partnership between the Government of Vietnam and interested donors, NGOs and International Organisations for a shared sector support programme for the 5MHRP on the basis of agreed policies, strategies, priorities and principles of implementation

In order to achieve a partnership on a sector support programme for the 5MHRP, three joint government/donor task forces are established by the Joint Partnership Steering Committee (PSC) to prepare the various elements of such a partnership. Each task force includes experts from the Vietnamese and donor sides to work on the following main topics:

- Task Force I: Clarification of the Five Million Hectare Programme;
- Task Force II: Forest Policy, Strategy and Institutions, and;
- Task Force III: Forestry Sector Investment and Assistance Needs and Partnership Support Structures.

The Task Forces were expected to elaborate the basis for the envisaged sector support programme for the 5MHRP. They would define the main areas to be discussed and further developed, elaborate on key issues, and seek agreement on major aspects as a foundation for a future forest partnership for the sector support programme.

2. ORGANIZATION OF THE WORKSHOP

The three Task Forces had been firing all their engines and have produced so far initial outcomes. Along with the 5MHRP Partnership process, the *ADB Technical Assistance for the Study on the Policy and Institutional Framework for Forest Resource Management* had been implemented. There was a need to organize a workshop to discuss the results and finding of both Processes. It was agreed that such a Workshop to be held upon the termination of the ADB TA.

Based on the approval of H.E. Mr. Nguyen Van Dang, Vice Minister of MARD, the 5MHRP Partnership Secretariat in coordination with the ADB TA organized a one-day Workshop titled "*Challenges and Vision for the 5 Million Hectare Reforestation Program*" following a series of preparatory discussions among the key actors of the Partnership.

Based on the preparatory discussions, the Workshop would not discuss the results of the two process as a whole but rather *the critical issues in the implementation of the 5MHRP which require to be urgently addressed*. In the second half of the day, the participants to the workshop, who were the representatives of the Central Government ministries, of 9 provinces and of the Donor Community and International organizations, split into 4 Working Groups to discuss the questions raised by the presenters and especially, the questions put forward by H.E. Mr. Nguyen Van Dang. The first Working Group included representatives of provincial authorities, whereas Working Group 2 included representatives of ODA Projects and NGOs, Working

Group 3 Central Government Representatives, and Working Group 4 Donors Agencies and Leaders of the Government. The first 3 Working Groups discussed the questions raised. The Working Group 4 alone worked on the agreement for the next stage of the Partnership.

3. WORKSHOP PROGRAMME AND REPORT STRUCTURE

The workshop comprised of the following components:

- *Opening, background and introductions* (Part I of this Report & Part II, Chapters 1 to 4) Including an overview of the 5 MHRP to date.
- *Plenary presentations on specific technical topics* (Part II of this Report, Chapters 5 - 12) These presentations were grouped around five different themes:
 - Topic 1: 5 MHRP: selected issues & recommendations
 - Topic 2 Land allocation and forest land classification
 - Topic 3: Socio-economic aspects of forest development within the 5 MHRP
 - Topic 4: Institutions, human resources and knowledge development and transfer within the forestry sector
 - Topic 5: Investment environment and priorities

At the end of the morning session, participants made use of the opportunity to raise questions about the presentations. These questions and the responses are included in chapter 13. In addition, Vice Minister Dang raised some questions for discussion in the workinggroups. These questions are also presented in chapter 13.

- *Workinggroup discussions*
In the afternoon, participants divided into workinggroups according to their affiliation:
 - Workinggroup 1: Provincial authorities and representatives
 - Workinggroup 2: ODA projects and NGOs
 - Workinggroup 3: Central Government representatives
 - Workinggroup 4: Donor Agencies and Leaders from the Government

Workinggroups 1,2 and 3 reviewed and discussed major issues and questions raised in the presentations of the 5 topics. A list with questions guided the discussions (See Annex 3). This list was prepared by the workshop organisers beforehand.

Workinggroup 4 discussed the concept paper for the Synthesis phase of the Partnership process and the formulation of the Forest Sector Support Programme including some elements of the Partnership Mechanisms.

All groups were supported by a chairman, a facilitator and a rapporteur. The workinggroups had approximately 90 minutes to discuss the questions.

- *Reports of the workinggroup discussions* (Part III of this Report; Chapters 1 to 4) Rapporteurs presented the findings of the workinggroups in the plenary.
- *Closing statements* (Part IV of this Report)

All sessions, both plenary and workinggroups benefited from simultaneous interpretation.

PART II. PLENARY STATEMENTS

1. OPENING ADDRESS

Vice Minister Nguyen Van Dang

Ladies and Gentlemen,

On behalf of the Ministry of Agriculture and Rural Development I would like to warmly welcome you and to express my sincere gratitude for your time to attend this Workshop.

As you well know, the 5 Million Hectare Reforestation Program is one of the three major programs approved and monitored by the 10th National Assembly of Vietnam. After 2 years of implementation, thanks to the great efforts made by Vietnam and effective assistance rendered by the international donor community, certain encouraging achievements have been obtained. However, there have emerged some difficulties and challenges, particularly in terms of policy, finance and approach.

In mid-December last year, 15 donors and representative of the Vietnamese Government signed a Memorandum of Agreement on preparation of a Partnership Support Program for Vietnam's 5 Million Hectare Reforestation Program. One of the elements of the Partnership is to shift from the project approach to programmatic approach. For many countries in the world, this is an advanced approach, for the Agriculture and Rural Development sector of Vietnam, however, this is a new experience and being experimented in the 5 Million Hectare Reforestation Program.

With the support of different ministries and sectors as well as the assistance of the international experts, MARD has instructed the 5MHRP Partnership to promptly proceed the tasks indicated in the MoA. To date, the three Task Forces under the MoA have basically come up with their reports in three fields:

- (1) Clarification of the 5 Million Hectare Reforestation Program;
- (2) Forest Policy, Strategies and Institutions; and
- (3) Identification of Investment and Assistance Needs and Partnership Support Structure

Also in the implementation of Partnership activities, ADB Technical Assistance for Study on Policies Institutions for Forest Management in Vietnam. The results of this study and the results of the Partnership will be the basis for MARD to adjust, supplement and formulate more appropriate policies to implement the 5MHRP

This workshop will be an excellent opportunity for representatives of different ministries and sectors, particularly representatives of provinces to discuss with the donor community the constraints and challenges as well as to elaborate recommendations in order to provide MARD an overview and implementation alternatives of the 5MHRP.

I would like to request the Workshop to attach importance to how the synthesis phase of the Partnership process will be conducted in order to formulate the Forest Sector Support Program. This exercise requires prompt action and should be concluded by March 2001. This will be incorporated in the report on adjustment of the 5MHRP to the National Assembly.

On behalf of the leadership of Ministry of Agriculture and Rural Development I declare the opening of the Workshop and wish you all good health, happiness and success.

Thank you very much.

2. OPENING SPEECH ON THE OBJECTIVES AND PROCESS OF THE PARTNERSHIP

Mr. Wijnand van IJssel, First Secretary, Royal Netherlands Embassy

H.E. Vice Minister Dang, distinguished guests, ladies and gentlemen.

According to the program I am to say something on the objectives and process of the partnership.

Today, ahead of this workshop, I think it is probably a good idea to repeat once more the objective.

We are aiming to research agreement between government and donors on a shared forestry sector support program for effective and efficient implementation of the 5MHRP on the basis of agreed policies, strategies, priorities and principles of implementation.

Why are we trying this? Because we are aware of many shortcomings of the project approach, which is often beneficial to particular areas, issues or institutions, although at a high cost, but largely in-effective in helping the government in its sector development at national scale. We have to do business in a different way in order to be effective and in order to maintain credibility and support for international development cooperation.

Vice-Minister, only 10 months ago we signed the MoA, after Tet we started making it operational. Now, 8 months later, we have achieved a lot of things. The institutions of Partnership Steering Committee, secretariat and trust fund are operational, but most important of all is that we have mobilized, through the Task Forces a lot of people from the sector to explore the relevant forestry sector issues.

I would like to congratulate the Task Forces and all the people who have been involved and spend their time and efforts on it for the work they have delivered. Similarly I think that the work of the ADB TA has been very useful as a second view on many of the issues.

What is the result:

- There is wealth if information on the table
- It provides a very useful insight in "real life" in the forestry sector; feet on the ground
- It very clearly brings out many of the relevant issues in implementing a national forestry program.

If you look further at the recommendations of the ADB technical assistance team, they might seem sometimes a bit radical, but they challenge all of you in to relevant discussion and, Vice-Minister and dear participants, we are attempting a new and unique approach, it requires courage

If you allow me to touch on some specific issues: What comes out very clearly is that in the implementation today of the 5MHRP, there is confusion among those implementing it (mostly among the farmers) about the rights, responsibilities and benefits. This relates very much to having the right incentives, which again relates very much to the markets.

This bring us to the score of the program and to the fact that it will have to look deeper into issues of land allocation and land classification, but also at what happens outside the gate of the farm and the state organization: are the right products produced for the right markets at the right incentives and are stakeholders adequately informed to make investment decisions.

Another issues which comes out clearly is the fact that nearly all project owners are State organizations.

If we want to mobilize international resources to the 5MHRP then we have to define again the scope of the program in the appropriate way to include not only State Enterprises and

management boards managing forest land, but also commune level organizations and their investment plans related to forest land and forest protection.

What is the most effective way of addressing poverty alleviation and environmental protection in one and the same investment?

Ladies and gentlemen, I could go on and on, but let me close with the issue that we also have to hammer away at the Donors to lower a bit their flags and come together in finding ways with the government of Vietnam, to establish transparent and accountable mechanisms for a common program approach for the forestry sector. If we want it we can succeed, if the majority is skeptical and reluctant we will not succeed.

Once more congratulations to the Task Forces and the ADB Team. Let us today review the finding and discuss the issues and move on to the next stage.

Thank you very much.

3. INTRODUCTION OF THE OBJECTIVES OF THE ADB TECHNICAL ASSISTANCE FOR THE STUDY ON THE POLICY AND INSTITUTIONAL FRAMEWORK FOR FOREST RESOURCES MANAGEMENT

Statement on behalf of the Asian Development Bank by Mr. John Samy, Resident Representative, Viet Nam Resident Mission

Vice Minister Dang, Distinguished Guests, Ladies and Gentlemen,

Thank you for inviting me to represent the ADB at this workshop. My colleague from Headquarters, Mr. Mir is also here today.

As background, may I briefly recall some relevant background. In late 1997, the Government proposed a national program for the afforestation of 5 million ha (the National Afforestation Program) by the year 2010 to restore forest cover to post-independence levels. In August 1998, the Government described the targets, tasks, policies, and institutional set-up of this National Afforestation Program. To ensure the successful implementation of the Program, the Government requested assistance from foreign aid agencies involved in the forestry sector to help implement the Program.

Consultations between the Government and the major aid agencies involved in the sector, including the ADB, FAO, the Netherlands, and the World Bank, identified several major constraints to the implementation of the National Afforestation Program. Principal among the constraints was the lack of an adequate sector policy and implementation strategy. This constraint stemmed from:

- (i) limited beneficiary participation in land use planning, resulting in an inadequate land titling process and in insecure tenure; and
- (ii) unclear policy on private sector involvement in reforestation activities. Another fundamental constraint was the weak capacity of agencies and the low skill of personnel involved in reforestation activities, at all levels. In addition, better co-ordination among aid agencies concerned was needed to support the Government's National Afforestation Program.

To address the request of the Government, the ADB agreed in 1999 to provide a technical assistance for the Study on the Policy and Institutional Framework for Forest Resources Management. The design of the Technical Assistance was built on the lessons learned from the experience of aid agencies involved in the forest sector, and the consultations held between the Government and the major aid agencies. The TA design also emphasised on collaboration among agencies to develop a sector policy, and an implementation strategy under which the Government and the agencies could co-operate to achieve the objectives of the National Afforestation Program. The overriding objective being to ensure that the Program is participatory, technically feasible, and economically viable, and that it will contribute to the sector goals of sustainable resources management and poverty reduction.

That, in summary, is what the ADB-funded TA is all about. The TA aims to assist the Government in its efforts to sustainably manage renewable natural resources and to reduce poverty in forest areas.

The TA, through a consultative process, will examine the adequacy of the Government's sector policies and implementation strategies, and the capacity building needs from central to commune levels relevant to the National Afforestation Program and ongoing projects. The TA will take into consideration the accumulated experience of externally funded projects. It will formulate recommendations on policy and strategy changes and institutional arrangements. The major activities are:

- (i) Policy evaluation and formulation, and
- (ii) Assessment of the needs for capacity building.

The policy evaluation and formulation component will cover:

- (i) A study of various forms of actual land use and occupancy in forest areas earmarked for the National Afforestation Program,

- (ii) A review of land tenure and land allocation policies in consultation with all stakeholders, and
- (iii) A review of the incentive system for private sector involvement in afforestation and forest protection.

Case studies will be undertaken in 2-3 representative provinces to assess the technical, social, environmental, financial, and economic soundness of the National Afforestation Program.

The component for assessment of the needs for capacity building will include an evaluation of Government functions and responsibilities with a view to recommending efficient restructuring of forest-related institutions, from central to commune levels, including village organisations, state forest enterprises, the Forest Inventory and Planning Institute, the General Department of Land Administration, and the Forest Science Institute of Vietnam. It will include an analysis of skill gaps and training needs to design appropriate programs and awareness campaigns in support of the National Afforestation Program. Research and development needs will be examined and identified under this component to support and institutionalise demand-driven and participatory forestland use, afforestation, and forest management.

All of what I have said about what are the objectives and scope of the ADB-funded TA will convey to you the message that this is an important undertaking. The challenge for the TA team, including the key stakeholders in the Government, is to ensure effective delivery: of policy recommendations that are implementable and an institutional and strategic framework for sustainable forest resources management in Viet Nam.

In this context, this workshop seeks to ensure that any differences in views among the Partnership, the Study team, the Government and other key stakeholders invited to this workshop (especially the provincial representatives and NGOs), can be discussed and resolved jointly. We value, in particular, the presence of the provincial representatives who will ultimately be the key players in implementing the results of this important undertaking.

This workshop sets as its central theme "the Challenges and Vision for 5 MHRP". This is also the theme for the preparation of next year's "Vietnam Development Report" (VDR) to be presented at the Consultative Group Meeting in December. ADB has been asked to initiate a "Vision Theme Note" for the 5 MHRP, and to jointly (with the Partnership, the Government and other key stakeholders) prepare a draft for inclusion in the VDR. We, therefore, urge you to provide feedback on this Vision Note -- especially the key steps towards attaining the Vision and how the donor community can partner with the key stakeholders in Vietnam to realise these objectives.

Your active participation today, will be the important first step in achieving this vision!

Thank you.

4. RESULT OF TWO YEARS OF IMPLEMENTATION (1999-2000) OF THE 5 MILLION HA REFORESTATION PROGRAM AND DEVELOPMENT ORIENTATION FOR THE PERIOD 2001-2005

Nguyen Ngoc Binh, Director of DFD, MARD

4.1 Result of two years of implementation (1999-2000) of 5MHRP

4.1.1 Summing-up of 6 years of implementation (1993-1998) of 327

- Protected 700,000 ha of forests for natural regeneration
 - Established 640,000 ha of new forest
 - Established 31,290 ha of hoe gardens and farms and constructing infrastructures including road, schools, health clinics, small irrigation structures etc
- Total investment capital is 2,952 billion VND

4.1.2 Organisation of implementation and promulgation of a system of documents for project management

- Organisation of implementation mechanism
- Promulgation of a system of documents for project execution

The Government has implemented the following activities for Program 661:

- Forest and forestland inventory
- Promulgated Decision No. 245/1998/ QT-TTg dated 12/12/1998 on implementing State management responsibilities at different levels on forest and forestland after inventory
- Promulgated Decision No. 187/1999/ QT-TTg dated 16/9/1999 on restructuring the organisation and management mechanism of SFEs
- Promulgated Decision No. 163/1999 QT-TTg dated 16/11/1998 on land allocation, leasing forestland to organisations, households and individuals for long terms for forestry purpose in accordance with Land law (revised)
- Established regulations for management of three forest types
- Streaming more amending and adding to Forest Protection and Development law, making forests have their real owners, linking to benefits and obligations of the people in forest protection and development
- To prepared forest beneficiary policy; promulgate regulations for exploitation of natural and productions forests, procedures for forest natural regeneration, manual for checking and acceptance of forests and procedures for protection forest of key tree species.

Table 1. Targets achieved during two years 1999-2000

No.	Activities	Planned for 1999-2000 (x 1,000 Ha)	Implemented from 1999 to 9/2000 (x 1,000 Ha)	%
1	Forest protection contract	2.000	1.830	91,5
2	Delineation for natural regeneration	350	533	152,3
3	New plantation: total	481,6	357,7	74,3
	Of which:			
	3a Protection forest, special use forest including fly sowing	134,6	128,7	95,6
		10	10	100
	3b Production forest of forestry trees	136	135,8	99,9
	3c Industrial forest of fruit trees	146	18,2	12,5
	3d Plantation forest by foreign aid	45	33	73,3
	3e Plantation forest by local budget and revenue from forest	20	42	210
4	Forest maintenance	1.181	898,2	76,1

Some challenges arisen during the program implementation:

- Establishing protection and special-use forests: Investment rate from State budget is low. The annual investment rate is now at low level (314 billion VND/year for 1999 and 316 billion VND for 2000)
- Establishing Production forest with forestry trees develops slowly due to limited markets for their products, material sold at low price which does not create good motivation.
- Forest product processing industry is still poor, not yet producing products competitive enough for domestic consumption and export.
- The policy on credit lending for forest plantation of 7% is still high
- The beneficiary policy from forest has not been promulgated. The issuance of forest LUR certificate is still slow

General evaluation of two years of project implementation:

- A system has been timely and synchronously prepared. Management mechanism from the central to grass root levels has been set up
- A forestry inventory, land inventory and land use planning basing on which a master plan has been made for the three types of forests has been conducted
- It has brought into profound changes in terms of consciousness on forest protection and development among administrative levels, mass organisations and particularly those people living near forest
- Promotion of scientific and technological themes application like testing many new tree species of high productivity, increasing application of tissue culture and cutting technology for creating new seeds for some tree species, making people conscious of establishing high-yielded forests
- Farm economy has a tendency of active development in the whole economy
- Financial assistance of bilateral, multi-lateral organisations, NGOs, banks and foreign private enterprises is contributed to reforestation program
- Activities are being efficiently implemented by MARD with Partnership members in 2000

4.2 Objectives and main solutions of the project for period 2001-2005

4.2.1 Objectives

- To protect existing forest and raise forest cover up to 43% by the year 2010
- The whole country presently has 10,915,592 ha of forest, presenting at 33.2% of total natural land area. If it is up to 43% by the year 2010 then it needs 14,540,000 ha, increasing 3.6 million ha more (is a round figure is taken and including possible changes, additional 4 million ha should be planted)
- Area of protection forest and special use forest is now 6,875,000 ha. It needs to generate additional two million ha, of which new planting is one million ha and natural regeneration area is one million ha
- Existing production forest area is four million ha. In order to ensure sufficient supply of raw material for processing industry (paper, particle board, furniture, handicraft etc) , it should establish two million ha of new forest, of which forest for
 - Paper raw materials: 1 million ha
 - Pitprops: 0.08 million ha
 - Particle board: 0.5 million ha
 - Other purpose: 0.4 million ha

4.2.2 Amendment and addition to investment policy and management mechanism

- For investment policy:
 - Investment rate for plantation
 - Investment rate fore forest protection contracting relating beneficial policy
 - Fee for project management
 - Balance State budget in the way that increase budget for the project
- Mechanism for plan assignment:
 - To adjust the way to assign plan so as to be more appropriate, advancing fund for production of seedlings and preparation of planting sites
- Management mechanism

- To have proper investment mechanism in a way of investing to a large project, comprising many local projects, in which each should be invested for forest plantation considered as a core project combined with sub-projects on infrastructure, scientific and technological research and management.

5. THE PROPOSED NEW 5MHRP AND ITS SUB-PROGRAMS AT THE PROVINCIAL LEVEL

Choeng Hoy Chung, ADB TA 3255 Team leader

The following are the proposed subprograms for the new emphasis of the 5MHRP:

Sub-program I: *Land Use Planning, Classification and Allocation*

- IA: Macro Land Use Planning to identify and rank priority communes/mini-watersheds with vulnerable protection forest
- IB: Community Land Use Planning and Total Land Allocation
- IC: Forest Re-classification

Sub-program II: *State Forest Enterprise Restructuring*

- IIA: Forest Re-Classification
- IIB: Forest Regeneration and Protection
- IIC: Business Enterprise Development

Sub-program III: *Forest Regeneration, Planting and Protection Contract*

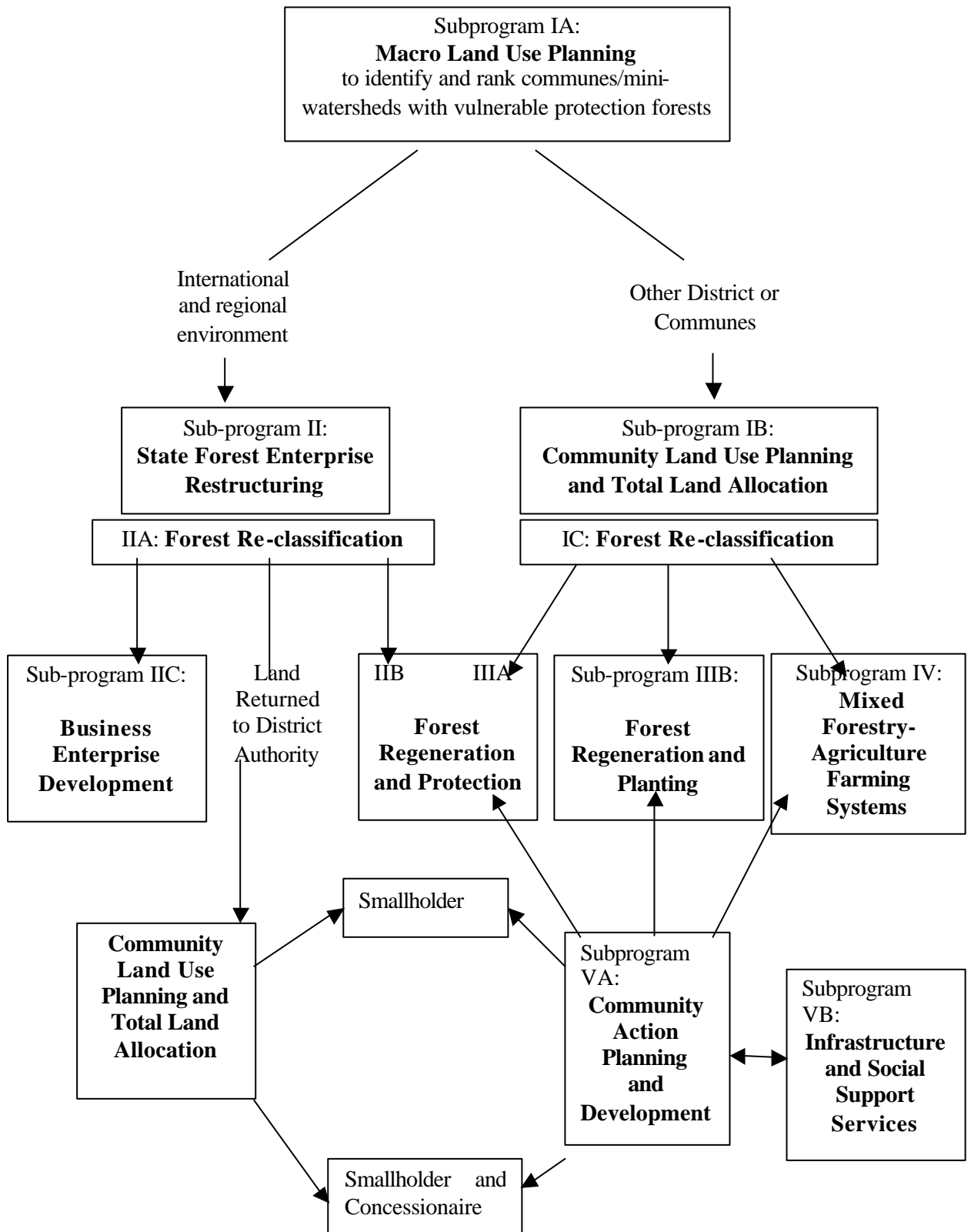
- IIIA: Forest Regeneration and Protection
- IIIB: Forest Regeneration and Planting

Sub-program IV: *Mixed Forestry-Agriculture Farming Systems - Extension/Research*

Sub-program V: *Community Action Planning and Development*

- VA: Community Action Planning and Development
- VB: Infrastructure and Social Support Services

The proposed new 5MHRP emphasis and its Sub-programs at the provincial level



6. 5 MHRP: SELECTED ISSUES AND RECOMMENDATIONS OF TASK FORCE I

Pham Minh Thoa, Expert of Forest Development Department

6.1 Selected issues

6.1.1 5MHRP and Government strategies

- 5 MHRP is one of the efforts of poverty elimination and hunger alleviation and sustainable development
- Poverty elimination and hunger alleviation and sustainable development is based on the following principles:
 - To strengthen decentralisation
 - To promote community participation
 - To strengthen co-operation, collaboration and integration
 - To use resources effectively

6.1.2 5MHRP and Fund 661

- 5MHRP include activities aiming at increase in forest cover, ecological environment protection, socio-economic development
- 661 fund is very limited, presently investing for special use forest, critical and very critical protection forest
- Credit access for production forest is still complex
- The differences of main objectives of the project and fund for its implementation need to be solved
- Fund 661 covers only protection-oriented forestry
- Fund 661 supports only projects which contain special use and protection forests, projects aiming at an increase in forest cover of 2 mill. ha
- Activities leading to establishment of 3 mill. ha of production forests are not supported in the field by Fund 661
- Limited power to control...
 - Even if all projects supported by 661 are successful they can only contribute partly to attainment of the objectives of 5MHRP
 - Many activities are ongoing but the organisational set up of the 5MHRP has no real means to follow up in an adequate manner with appropriate monitoring and evaluation mechanisms

6.1.3 5MHRP and sustainability

- **Social:**
 - Creating jobs for many people, contributing to hunger elimination and poverty alleviation however
 - At present it's very difficult to manage the forest protection for long term
 - Local people are not really active to participate in activities but as employees, contractees
 - The diversity of ecological, economic and social conditions requires various approaches for different localities
 - Local authorities' capacity of decision making is still limited
- **Ecological:**
 - Most of the projects rely on old survey data and many of them haven't work on the basis on local specific situations
 - It has not been aware of their local basic objectives of forest protection and development in some areas
 - Some forest protection designs are not yet proper
- **Economic:**
 - Protection forest, special-use forest attract communities, generating income but not on stable basis yet. What is beneficiary mechanism from these forests?

- Production forest is interested by many communities. However presently there are still main difficulties in terms of land, markets, infrastructure, credit lending mechanism and proper processing technology etc

6.2 Recommendations

1. Strengthening co-ordination with other relevant national programmes /projects and sectors

- GOV's resources are still scattered, not yet harmonised at local levels.
- The co-operation, information exchange and collaboration among programs/projects is still limited.
- The co-ordination capacity especially in terms of planning and decision making among levels and branches is limited.

2. Develop appropriate frame conditions

- To establish proper frame conditions for each type of forest
 - Support condition for special use and protection forests
 - Motive promotion condition for production forest
- To establish an effective beneficiary condition for special use forest and protection forest
- To identify necessary technical assistance to encourage farmers' active participation
- To improve financial mechanism and funding procedures

3. Consider institutional realignment

- To link 5 MHRP closely with GOV. and international branches, organisations and other resources for its implementation
- To strengthen decentralisation
- To enable local level be active in planning, designing, implementing, monitoring, supervising and accessing activities
- To establish a mechanism bring the role of district, commune, hamlet into full play in local project management and implementation
- To provide more training for local staff and extension for farmers

7. FOREST CLASSIFICATION AND FORESTLAND ALLOCATION: CURRENT SITUATION AND SOLUTIONS

Cao Vinh Hai, DFD, MARD

7.1 *The content is presented under 7 components*

Of which: Current situation includes 12 issues
Strategic options has 3 objectives
Solutions are 5
Recommendations are 5

7.2 *Issues to be discussed*

7.2.1 *Forest and forestland classification:*

- Decision 1171 dated 30/11/1986: "Issuance of regulations for three types of forest management"
- Main problems: Not yet socialising forest-dependent job
- Valuing management role of SFEs
- Difficult to manage three types of protection forest and this classification is controversial so far
- Unclear criteria for forest classification

7.2.2 *Slow and unsynchronously forest, forestland planning and classifying is the cause of the following problems:*

- Land for aqua-culture is overlapped land for forestry
- Land for agriculture is overlapped land for forestry
- Lack of synchronous link between FLC, LUP with other plans
- Some of the forest, forestland classification plans are vague (poor at forecasting, and scientific reasoning)
- Slow at identifying stable national stand
- Changing planning
- Unclear and overlapped classification criteria used among industries which result in big differences in survey data

7.2.3 *Forestland allocation*

- Many State organisations and communal authorities who are allocated large land areas, have not been used effectively (about 2.6 mil ha is unused) resulting in conflicts with poor and lacking land households
- Establishing local forestry management and land allocation team nation-wide with more than 10 000 communes. If 40% of communes requires such staff, 4000 local staff need to be trained.
- Will we implement Article 12-3 under 661 or not?
- The land allocation and land concession should be done in those areas with large forestland
- The role of ethnic community should be clarified, should be like co-operative as a legal entity to be able to access credit?

7.2.4 *5MHRP Partnership Questions for discussion*

1. Is it necessary to rebuild and supplement the criteria for forest and forestland classification? In particular for protection forest? Will there be 3 types? If the classification is changed, the protection forest need protecting will be largely reduced.
2. There is differences between land use plan and credit policy, how to deal with them?
 - Is it effective if land allocation is done but not linked with land use plan and credit policy?

- While waiting for such linkage, delayed land allocation will result in illegal land occupy?
- When will the forestland allocation and red book certificate issuance be completed?

8. LAND ALLOCATION AND FOREST LAND CLASSIFICATION

Presented by: Nick Woods, ADB TA 3255

I. Protection Forest only where: Slope > 40 % and Population < 15 %

- Population land area includes:
Residential, Gardens, Current cultivation, Fallow and Grazing Lands
- **Use** exclusively *non-destructive of the forest cover*
- **Residents** to be given *either priority support to relocate*
or otherwise livelihood enhancement activities
- Buffer-zones are **Not Recommended**

II. Production Forest: Slope < 40 % OR Population > 15 %

- *Production Forests* are: Natural Forests, Forest Plantations, Permanent Tree Crops and Mixed Agriculture/Forestry Lands.
- **Management objective** : environmentally sustainable use to:
Generate an adequate livelihood for farmers
Grow forest products and tree crops on an economic basis.
- **All** production forest lands to be **allocated with "redbook" LUC** - If necessary limitations on use for environmental protection requirements: **"Conditional redbook"**.

9. THE ECONOMICS AND MARKET VIEW - WHY IT IS IMPORTANT FOR THE 5 MHRP

Choeng Hoy Chung, ADB TA 3255 Team leader

- The Traditional Socialist View - Targeted production for targeted consumption
- The Economic/Market View - Assess market/demand and how the firm or farmer can produce competitively to meet the demand.

The timber Processing Industry is more complicated than annual crops:

- Demand for raw material logs are "derived demands" - they are derived from production needs of the processed product which in turn depends on the ability of the processor to sell its products competitively to a "final demand" market.
- If price for timber changes each year they cannot shift their production like annual crops.
- Comparative advantage and competitiveness for exports
- If the producer of a wood product cannot compete in its export market (Japan, Taiwan, US), it will have to unload its production unprofitably in Viet Nam, and its losses will cause the firm to go out of business.
- Log prices for farmers will either decline very sharply as the firm unload its product back home or the bankrupt company will cease production and will not buy any logs from them.

For Woodchip Factory (VIJACHIP in Da Nang):

Fortunately, in the case of woodchip in Vietnam, the processor is competitive in the world market:

- At existing and future prices (to 2010) and at present levels of processing efficiency and plantation yields, Vietnam has comparative advantage in its exports.
- Present farm gate price: VND 278000/m³
- (70 km from VIJACHIP Da Nang Factory)
- Export price for woodchip to Japan: US\$ 87.7/m³ BDT (bone dry ton)
- Farmer can actually be paid 30% more given the above price and transport cost.
- Promoting smallholder Acacia production up to 200 km from Da Nang is economic.
- We expect that 200,000 ha can be achieved by 2010.
(This is not provided for in 5MHRP)

Comparative Advantage and Competitiveness for Import Substitution

For Bai Bang Pulp Factory (Vinh Phu):

- The cost structure is such that import substitution (by producing pulp in Vietnam) is justified if imported pulp price is about US\$ 700/ton.
- At this pulp price present level of log price to the farmer (VND 280,000 per m³) is justified and only if the farmer is located less than 100 km road distance from the mill.
- By 2010, prices will not be above US\$ 700 because the international pulp price is now at the peak of its 5-Year Cycle.
- By 2006 import tariff for paper (presently 40%) will have to be reduced to 5% because of ASEAN Free Trade Agreement.
- To compete with the reduced imported price of paper in 2006 unit cost of Production in Bai Bang will have to be decreased by about 30% or farmer's yield will have to increase by the same percentage.
- We are not sure Bai Bang can reduce cost so much; at least for the farmers not 30% increase in yield.

Implications of comparative advantage or economics

1. Would you rather be a timber tree farmer in Da Nang or Yen Bai?
2. As a tree farmer, would you like to live less than 100km from Bai Bang or more than 100 km?

3. What shall we do for the farmers who live more than 100km from Bai Bang in the Districts that grow raw material timber trees?
4. Do we want this to happen to farmers who are asked to plant raw materials for the Particle Board Factory?
5. How can we evaluate the comparative advantage of Particle Board Factories?

Economics is only one Factor, What about the Social Factor?

- Economic impact can have strong social impact. If a factory closes because it cannot compete, the workers will lose their jobs. The raw material supplier will face severe social consequences when they cannot sell their timber.
- Its is better to anticipate the problem in advance and start mitigating measures early than to wait until the last minute when affected farmers will have limited options (eg. Bai Bang in 2006)

What about the Political Factor?

- If GOV has so much money that they can cover the potential losses of Bai Bang or any other loss making factory they can choose to do so.
- But there are ways to provide support for the farmer which will cost much less.

Table 1. Areas of 5MHRP Forest Categories under different Assumptions (million hectares)

	Official	Maximum	Likely Range
Protection and Special Use	2	2	2
Production	3	3	3
Of which: Wood-Producing Forests	2	1.5	0.5-1.0
Natural Regeneration		0.5	1.5-2.0
Other Tree Species	1	1	0.5
Total 5MHRP	5	5	5

10. RESTRUCTURING AND REFORMING MANAGEMENT MECHANISM OF SFE'S IN ACCORDANCE WITH DECISION 187-1999/QD-TTG

Vu Huu Tuynh ADB TA 3255

On the basic of ideas contributed by experts, this report will present five issues and recommendations for them.

1. Among 130 SFEs assigned to manage natural forests for production purpose whose standing volume is available, SFE enjoy the right of harvesting so they get return and able to cover business production. However the annual natural wood yield nation-wide is only 300 000 m³, equivalent to 2300m³/yr./SFE. Such yield will not be economic.

Recommendation:

- To reduce the number of SFEs who enjoy the right of harvesting and increase the annual exploitation yield for the rest SFEs.
2. 120 SFEs are allocated production forest as natural forests, which are however exhausted for harvesting. Under Decision 187, SFEs have to use credit for forest protection and maintenance until it is mature enough to harvest and SFEs have to recall their business cost. Studies show that none of SFE's directors to borrow loans to cover their business cost.

Recommendation:

- To close such SFEs, forest and forest land should be allocated for local authorities who will hand it over to farmers, SFE's former staff working for local AF extension centres.
3. Those SFEs managing critical and very critical forest and forest land (if this area is 5000 ha or accounting for over 70% of its land) should be restructured into Protection forest management Boards.

Recommendations:

- MBs should only directly manage very critical protection forests.
 - Critical protection forests should be allocated to households to enable them plant protection forests and satisfy economic needs at the same time.
 - MBs should include member representing local communities.
4. To ensure that SFE planting material forest can recall their business cost, its is necessary to review the land area allocated to SFEs. The land area should be not too poor and not too far from markets so that the SFEs area able to get profit from forest plantation. The rest land area should be allocated to households. And the large and concentrated area should be left for forest plantation concession in the modal of farm.
 5. Each SFE should establish their own business production plan and submit to Provincial PC for approval and permission for implementation. In order to enable Provincial PC to appraise SFE's reformed plans, MARD need to develop a list of criteria on how an effective and ineffective business production plan will be.

11. CONTRACTING EXTENSION SERVICES

Presented by: Nick Woods, ADB TA 3255

1. *Why does the existing extension service have such a poor record?*

- DARD extension services have very limited capacity.
- Budgets for funding of extension activities are small.
- Increased staff needed for effective extension cannot be sustained.

2. *How should extension activities in support of the 5MHRP be organised and supported?*

Tap into and strengthen external organisations already present in the communes:

- SFEs & Management Boards?
 - Staff available but technically weak and unmotivated
 - Poor record.
- Grassroots organisations? - Farmers', Women's, Youth unions.
 - Volunteers technically weak but highly motivated
 - Existing presence in the communes
 - Experience of 327 and 5MHRP project implementation
 - Independent, good links to Government and are trusted.

3. *Extension Concept:*

- Contract through bidding by locally best-qualified organisations
- Funded and supported through training.

Advantages:

- Payment by results - cost effective
- Scale activities according to need - efficient
- Grassroots volunteers already part of the community - relevant
- Unions have good organisation & discipline

4. *Method of Operation*

1. A common extension approach for both forestry and agriculture
2. Training organised with national experts from research institutions
3. Contractors work in the villages through:
 - farmers clubs
 - extension clubs
 - forest management groups
4. Extension work starts with land use planning in a fully integrated way
5. DARD extension staff to supervise the contractors

5. *Contract payments for extension work performance-related*

- Contractors motivated to monitor own performance
- Contract staff have personal stake in success
- Focus on technologies with farmer support
- Match technologies with farmer capacity
- Farmers participate in monitoring - build confidence & trust
- Increased quality of extension service

12. OVERVIEW OF THE INVESTMENT ENVIRONMENT,

Tran Dinh Tung, Planning and Projections Department

12.1 Scope, objectives and methodologies

- Focus:
 - Institution and investment policy
 - Infrastructure
 - Orientation for investment plan
- Objectives of the study
- Using documents from various sources
- This Report summarises the typical features only

12.2 Overview on awareness and action of forestry sector

- Vietnam is a backward agricultural country
- People get used to exploit natural resources to earn their living
- Awareness on forests is not much
- Merging of the Ministry created additional difficulty

12.3 International, regional and Chinese environment

- Tendency of conciliation, integration and scientific development
- The 21st economy is the intellectual one
- Asia falls into financial and currency crisis
- Global challenge of population growth, poverty and environment
- Vietnam: stable political regime, labour potential, favourable geographical location, hard working and intelligent people
- Vietnam: open door, integration, bring into full play internal resources
- Outstanding issues: insufficient and incomprehensive development, yet to integrate into international legislation, low level of economic, scientific development and people's intellect.

12.4 Current legislative framework and investment policy

Since 1990, the State has promulgated 37 legal papers related to investment in forestry sector

12.4.1 Legislative environment of forestry sector

- Law on Forest Protection and Development, the most powerful paper to govern operation of forestry sector
- Decree 39/CP is being revised to change Forest protection force to Forest Police
- Revised Land Law issued on 2 December 1998
- Decree 163/CP on 16 November 1999 on forest land allocation
- Decision 245/TTg of 21 December 1998 on the responsibility to manage forests and forest land
- Decision 661/TTg on 29 July 1998
- Decision 187/TTg on 16 September 1999 on reform of the State Forest Enterprises
- Added, there are Decisions 327/CT of 15 September 1992 and 246/CT of 22 July 1992

12.4.2 Legislative environment for investment of Vietnam

- Revised Law on Encouraging Internal Investment No 13, promulgated together with the Decree 51/CP of 8 July 1999 as guidance of the Government
- Revised Forest Investment Law
- Decree 52/CP of 8 July 1999
- Decree 87/CP of 5 August 1998 on management of ODA fund source

General priority in terms of legislative framework and investment policy:

- Investment for forestation - 2 view points
 - Need to separate 1 million ha of industrial and fruit trees, credit as the 661 project
 - For production forests, favourable interest rate from 2 - 3%/year to be applied
- Financial policies - 2 view points
 - Subsidy to be gradually replaced by benefits from using forest products and land
 - Increase payment level for contracted forests
- Investment level - 2 view points
 - Re-adjust forestation cost using ODA fund source
 - Sufficient cost for plantation of production forests

12.5 Institution, infrastructure and human resources

- Forestry sector has set up its network from Central to district, commune levels
- Establishment of socio-economic infrastructure
- Ever employed 111,000 labourers, but now only 56,600 ones but added to that there are 1 million households with 2 million labourers involved in forest production
- Building up around 23,000 km of forest roads, plus 5,000 km under 327 program
- Networking with over 700 forest product processing establishments
- 412 State Forest Enterprises (SFE)

12.6 Policy on ODA

- Committed fund was about US\$ 15.14 billion from 45 donors
- Contributing to accelerate and shift the socio-economic development
- The papers are insufficient, not tight and in consistent with the donors' regulations and the international practice
- Yet to establish a strategy to mobilise ODA fund
- Slow disbursement
- The donors have certain demands

12.7 Investment in the past and at present

- 1996 - 2000: the investment undertaken in the whole country is around US\$ 36 billion (exchange rate at 1995), it is estimated that from 2001 - 2005, the investment will reach US\$ 56 - 60 billion
- 1996 - 2000: the Agriculture and Rural Development sector invests around US\$ 8 billion, accounting for 22% out of the total investment country-wide
- Investment for forestry sector from 1991 - 1998: VND 2,082 billion

12.8 Credit in Vietnam and credit for forest development

From the examples below (next page), you can define the investment environment by yourself.

12.9 Questions for discussions

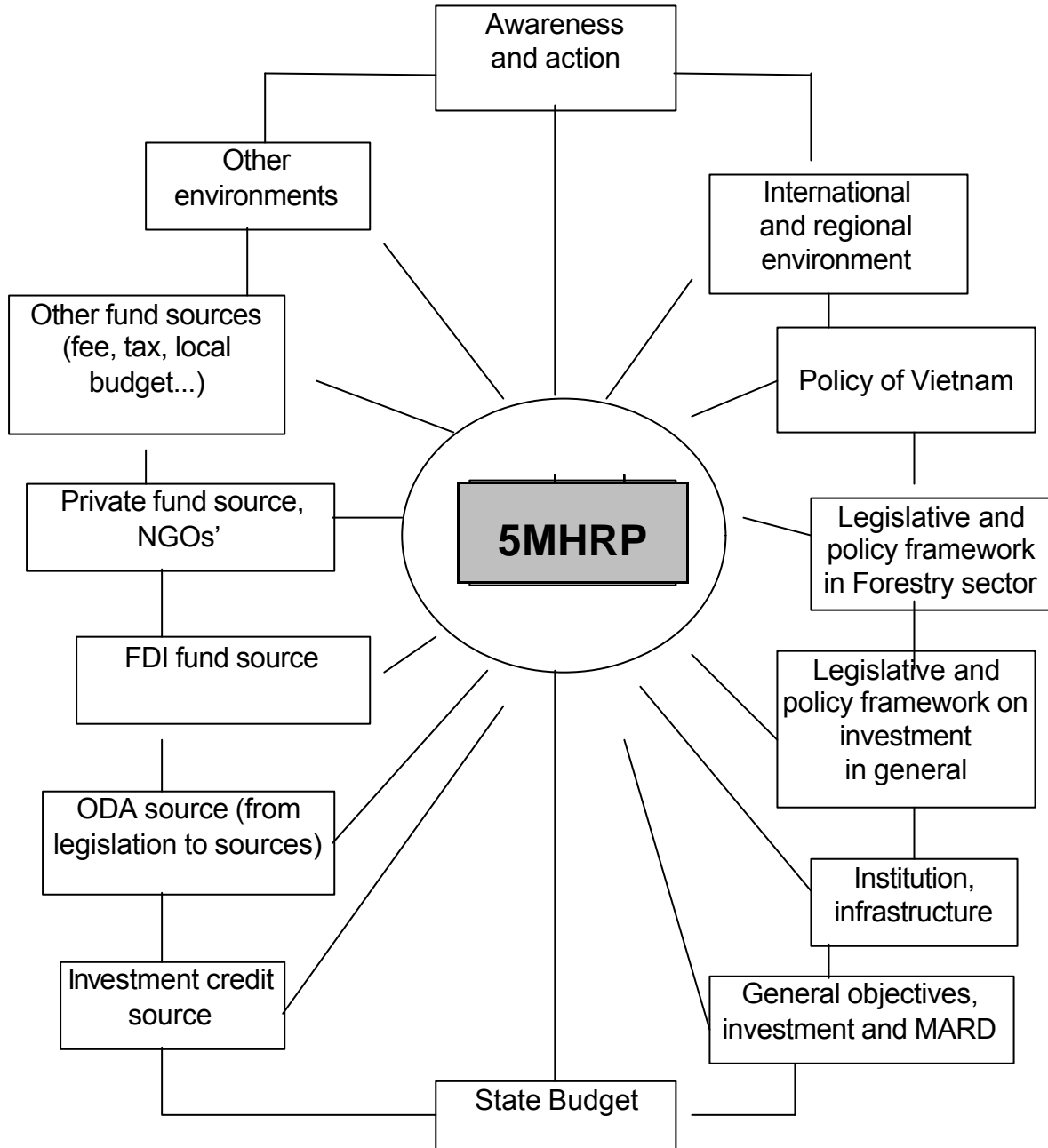
Topic: Investment Environment

1. What is the investment environment? Which investment environment governs the 5MHRP?
2. Are the legal environment of Forestry sector and State investment environment sufficient to create the legal corridor for implementation of the 5MHRP? If not, which areas need to be improved?

3. The investment policy in general and the ones directly involved in the 5MHRP - outstanding issues and solutions?
4. Are OSD and FDI considered the indispensable fund sources for the 5MHRP?
5. What are your points of view on the investment mechanism, especially the mechanism to borrow credits from internal and ODA sources, and on the existing investment level of the 5MHRP?

What is the investment environment?	
<i>Example:</i> which factor or environment a person whose living depends on?	Investment environment influences the 5MHRP as the factors affecting a person's life
I and you are living (due to being born by our parents)	The 5MHRP decided for implementation by the National Assembly and the Government)
Natural environment	Objective environment
The earth	The earth
Vietnam (not any other countries)	Forestry sector (not any other sectors)
Air	The world and the region
Water	Major policy of the Government of Vietnam
Climate	Climate (tropical, monsoon)
Eating, drinking	Investment sources
Localities (the North or the South, province or city)	Awareness over forests, people's intellect
	Legislative framework, regulations of international organisations, foreign countries
Social environment	Subjective environment
Organisation, Office	Institution, infrastructure
Family (husband, wife, children, nephew...)	General legislative framework
Relatives	Legislative framework of forestry sector
Friends	Polices: land, investment, tax, consumption, labour...
Neighbours	
etc....	etc....

Summary of major impacts of the investment environment to the 5MHRP



13. QUESTIONS RAISED BY PARTICIPANTS

13.1 *Mr. Nguyen Tu Siem: Head of Agriculture Project Management Board*

- **Land tenure and land use right issues of 5MHRP** should be solved entirely as it is a long term basis to ensure successful implementation of the Program. It should be seen as a key element for the sustainable result of 5 MHRP. For many projects, there is a number of unsolved difficulties arisen in terms of Redbook. For example, in the Program of 327, a large area of rubber plantation was done on State's land but on our project site which a large area rubber had been planted before (18000ha) on the State farm land and allocated to farmers. Now these can't assess our project credit because they don't have Redbook. This rubber is on risk to be abandoned. Does Vietnam Government have a policy retrieving lands from SFEs and other State owned organisation for reallocating land to households?
- **Technical site** The criteria for the forest classification proposed by ADB TA project are quite interesting. However, they should be defined for different levels of watersheds: large watershed, small, medium and different geographical areas (north Vietnam, Central highland, etc. The soil quality, topography and soil erosion factor should be included. If these factors can not be identified, the proposal would be less feasible. The experience shows that the red basalt soil in central highland with the slope more than 40% has the erosion rate lower than non-basalt soil in areas with lower slope but located in critical protection forest areas (for example Ta Bu 20%). This will be very dangerous. There is a need to include additional criteria such as erosion and soil coverage factor.

13.2 *Dr. Do Dinh Sam, Director of FSIV*

- The important issue is to identify the land without forest. The current forest land classification is unclear that makes the finding land for forest planting difficult.
What should be the policy applying for the areas where forests have been destroyed for agricultural production? And How the policy for forestry-dependent farmers will be for agriculture production? Please check again.
- Land allocated for the forestry sector: Difficult as one often mainly thinks about the short-term and immediate benefits.
- Classification of the protection forest should not be complex, but too simple methodology and/or criteria (only the slope and population) could not solve the problem. The attention should be paid only on very critical protection forests.
- Economic analysis of Mr. Chung: assessment of forest production markets analysis and potential benefits are very useful and need further studied.

13.3 *Mr. Dang, Vice Minister MARD*

Questions to be discussed;

- Tree species structure
- Land fund/resource for 5 MHRP
- Planning national stable standing land/stand

PART III. WORKINGGROUP REPORTS

1. WORKINGGROUP 1: PROVINCIAL AUTHORITIES & REPRESENTATIVES

Chairman: Mr. Hoang Ngoc Khanh, Director, Forest Protection Sub-Department of Thua Thien Hue; Facilitator: Mr. Choeng Hoy Chung, Team Leader, ADB TA.

1.1 Forestland classification

Most of the participants agreed that forest classification criteria must be re-defined, including technical and social criteria.

Conditional Land use certification has to be granted to ensure the continuum of the forest estate, meanwhile the forest owner can still enjoy 5 rights.

1.2 Community land allocation

- (1) Land Law should be amended to facilitate land allocation to hamlet community.
- (2) Commune/hamlet community based forest management should be promoted where the people have not requested on a voluntary basis
- (3) Land allocation must be closely attached to land use planning and credit policy

With regard to the 3 remarks made by H.E. Vice-Minister Nguyen Van Dang:

- (1) Land resource availability must be identified based on the results of the three Land inventory programs: Directive 24, Directive 286; and Decision 90. The unused land resource is plenty, however, potential land for plantation is relatively limited and mostly in remote areas and difficult for forest establishment.
- (2) Species structure must be based on the timber market and wood processing industry. In the first cycle, fast growing species should be introduced, and indigenous species in the second cycle. In addition, planning of pulp material or artificial board material area should be referred to.

2. WORKINGGROUP 2: ODA PROJECTS AND NGOS

Chairman: Mr. Ben Hodgdon, WWF; Facilitator: Mr. Do Van Hoa, Fixed cultivation, Sedentarization and NEZ Department, MAR

2.1 Introduction

Presented herein are several key issues and concerns on the current state of the Five Million Hectare Reforestation Program (5MHRP) and the Government of Vietnam (GOV)/donor partnership charged with its review. These ideas were generated as part of a brief working session of individuals representing several ODA and NGO groups. The working session was part of the workshop "Challenges and Vision for the 5MHRP" on the preliminary outputs of the three task forces and the ADB-TA.

Before presenting the concerns raised in bullet form, a note about the structure of the working session. The group broke the discussion on 5MHRP down into seven main subject areas, based on the five headings suggested by the workshop organising committee, and adding two new subject areas that deserved discussion:

1. Forest classification
2. Land allocation
3. Research and extension
4. Investment environment
5. Socio-economic and socio-cultural issues
6. Environment
7. Gaps in the current 5MHRP and the Partnership

The working group approached the discussion in this way because it was felt that the questions prepared by the workshop organising committee did not allow the group to respond to the issues presented by the task forces and the ADB-TA. The group also felt that the time allocated for discussion was insufficient, particularly given the scope and complexity of the issues at hand.

The working group used the seven subjects above as a framework for providing comments on the work of the task forces, the ADB-TA and the 5MHRP Partnership in general. What follows is a list of the key issues generated, in no particular order:

2.2 Key issues

2.2.1 Forestland classification

- Two step approach required. Initial step: technical using verifiable criteria (may be development region or province specific). Other element is preparation of current land cover maps as overlay. Step 2: use above info as basis of dialogue/ negotiation during commune development planning (this will bring in the socio-economic perspective - and result in delimitation of land use management boundaries. There is a need to introduce certain land use conditionalities varying with protection objectives. Problems will, however, arise with monitoring and enforcement. Therefore, conditionalities need to be limited and clearly verifiable, with a possibility to be backed up by sanctions. Yes, criteria are in need of definition and should be possible to apply under an initial computer assisted classification. One class of protection forest, next to (sometimes) conditional LUC based production. Yes, area of protection forest would reduce under these classification criteria.
- Occurrence of high biodiversity - endemic species should be criteria
- Protection forest need to cover social aspect. Protection forest allocation under red book is reasonable. Forest types, forest land need more criteria to be identified, e.g. slope, fertility.
- Protection forest: who would judge if conditions of the conditional red book are acceptable or not?

- Criteria for forest classification: purpose of protection; soil and physical condition; slope; population
- Forest land classification has to take ecological, social and economic aspects into account
- Social aspect should not be fixed at 15%
- Forest classification should be done under more comprehensive criteria
- It is possible to issue conditional red book for household planting
- In general , we should not set a very narrow regulations/criteria at the central level, as there is a need to adapt policies to local conditions. The regulatory framework should be broad and give provincial/district authorities latitude in implementation
- The ADB 3255 proposals for protection forest makes 5MHRP target (+ 2 million ha) difficult.

2.2.2 Land Allocation

- The question of land allocation is unclear
- The land law needs to recognise communities as legal entities
- "Group"-based management is needed as recognition of common resource management on part of the land estate
- A basic analysis balancing agriculture and forestland is needed
- The state should not allocate land to communities
- The land law should be amended to allow allocation of land to communities, but this must be flexible to allow for locally appropriate solutions
- Where it is difficult to allocate land to households or other organisations, the state should allocate land to communities
- Land use planning and land allocation need to be done simultaneously
- LA and LUP should be carried out together with credit and extension services for better use of allocated forest
- There needs to be more flexibility vis-à-vis the relationship between the provincial and district approaches to planning and management, and the local/commune approach
- There must be clear rights and responsibilities for all involved in LA
- There needs to be a community Red Book for protection and for production forest
- Forestry needs to be socialised so that communities can enjoy the benefits of the forest
- There must be an overall integrated approach where LUP, LA, credit, extension and protection are all done together
- LA can be sped up using Decision 187 and Decision 163, using these as a way to implement 5MHRP
- LUP must happen before LA
- Women's role in LUP, use rights, and related benefits (credit) needs to be explicit

2.2.3 Research and Extension

- Extension must target women
- Use mass organisations
- Must strengthen village extension network
- There is poor knowledge among forest managers on water resource management
- There is a need for feasible and flexible solutions for a wide range of different situations (e.g. agro-forestry in highlands demands different solutions than plantation forestry in lowlands)
- Extension services demand public administration reform
- Research institutions need public admin reform
- Work needs to be done to improve knowledge on the transfer and gender division of labour
- Women's access to new technology and information, plus the benefits of extension needs to be ensured
- Contracting extension work might increase inequity b/c rich farmers can pay more for assistance
- Research activities required for a good 5MHRP need to be clarified: what topics, what approach

- Extension must be integrated with forestry programs; farmers must see the need of increased information
- Same institutions can be used for extension services as present
- Extension needs to be accessible for farmers
- Grassroots organisations (Women's Union, Farmer's Union) ensure accessibility of training, plus gender mainstreaming
- Forestry extension needs to be separate from agriculture, or else agricultural extension will overwhelm forestry
- Research and extension should be integrated with 5MHRP in both planning and implementation
- Must strengthen extension capacity at village level
- Must involve mass organisations in extension work
- Extension can build on local approaches already being used in some areas; need to stay flexible for commune work
- It is unclear if authorities know enough about the local situation to make good decisions on extension services needed for communities (esp. ethnic minorities); i.e. they don't even speak their language
- There is an over-emphasis on natural regeneration as a mechanism for reforestation; we need to ask "what is the natural capacity to regenerate?" before we agree to such emphasis
- Must ensure that localities have the capacity and right to monitor technical and financial issues related to forestry
- Forestry and agricultural extension should be integrated and managed by GOV sector, community-based voluntary groups, and contracted extension groups
- The core challenge for extension is to be of use to farmers; contracting is one issue, extension capacity is another
- Need to mainstream gender in forestry extension to ensure sustainability

2.2.4 *Investment Environment*

- Policies that attract foreign direct investment in forestry are needed
- GOV needs to clarify how to implement laws and policies on domestic investment in the forestry sector
- Benefit sharing with poverty alleviation and effective, merit-based returns for people are necessary
- ODA, FDI investment into 5MHRP needs to be a priority
- A development strategy is needed for industry/processing and wood markets
- Without ODA help, the 5MHRP will not be implemented
- Resources need to be consolidated to facilitate support and capacity building for MARD, plus software investment for effective implementation of 5MHRP
- Support to 5MHRP needs to be provided at a low interest rate and bypassing bureaucratic procedures
- ODA, FDI support is needed – especially to get the funds necessary for all the training needs in 5MHRP

2.2.5 *Socio-economic and socio-cultural issues*

- How to address the diversity of social conditions in the 5MHRP? There is a great need for flexibility in implementation in mountainous areas. Most probably, also a need to improve agriculture close to the forests - this will have direct positive effects on the forest situation. Viet Nam lacks good agroforestry "models" for highland areas. The standard solutions now being introduced do not fit the local situation (no infrastructure - poor market access). Viet Nam needs to find sustainable models for subsistence rather than commercial production, and improving existing practices and fallows may be one solution.
- Strategies and implementation policies need to be developed for both ethnic minorities and gender in the 5MHRP.
- Collaborative management of special use forest/protection forest need to be looked into.
- Analyse gender implications in relation to land allocation, extension and research, and job creation

- Decentralisation and participation must include measures to ensure women's involvement
- Gender implications of future policy trends: commercialisation and liberalisation
- No social-economic technical analysis of role of NTFPs in management of forests in Viet Nam
- Detail socio-cultural analysis of role of forestry in poverty alleviation is needed

2.2.6 Environment

- What is the rationale for the 5MHRP? Overall, within-sector financial (commercial) interests cannot or should not be the main rationale of the 5MHRP, since there most probably will be few areas that are feasible for commercial plantations.
- Several countries in the Pacific region already have established a lot of high-yielding forest plantations. For example, large areas are soon to mature in Indonesia, Australia, New Zealand and Chile, and all these countries will compete on the Japan/China market. Even larger areas will mature within five years, not to talk about 10 years from now. Bulk wood prices will go down.
- A comprehensive study is needed that tells under what conditions will Vietnams commercial plantations be competitive. What yields are needed, what costs cannot be exceeded. What kind of soils. What maximum distances to mill or harbour? Also, what will happen to forestry when Viet Nam is fully in ASEAN and WTO? The financial feasibility of commercial plantations will go down - maybe Viet Nam will face a real loss situation.
- Considering the increasing population in Viet Nam, a very strong rationale may be the provision of water for agriculture. Such an understanding would have large effects on the way the 5MHRP is implemented: species choice, needed forest areas, silviculture of secondary forests, knowledge on water management among implementers.
- Food security versus forest cover/forest production? The 43% forest cover target may not be feasible in a long term perspective, when the population increases. Water supplied from forest areas in a good seasonal pattern, may be the most important function of the forest sector.
- Increased population- impacts on 5MHRP? Less forest can be afforded. However, more water is needed to support the agriculture sector. The water supply function of forestry should be emphasised. More forest products (of in kind) will at the same time be needed.
- A macro land use assessment would be needed - balancing need for food to need for forests, including water from forest lands. Take population increase and future needs for agriculture products into consideration.
- Develop strategies for environmental functions, e.g. biodiversity and water retention/discharge patterns.
- It is important to address the compatibility of 5MHRP with plans to expand the Protected Areas System.
- There is a need to introduce safeguards against reforestation activities with negative environmental impacts, e.g. reforestation of natural wetlands, on mudflats, on fallow land.
- More specific objectives for the biodiversity goal of the 5MHRP need to be formulated. This goal is not elaborated in the plans developed at the moment

2.2.7 Gaps

- How to phase out government and phase in local and private sector involvement/implementation. The 5MHRP is to a large extent depending on private sector investments. Instead of focusing attention to policies for a government driven and implemented programme we need to work on policies that enable local communities and private sector to take the lead.
- Agricultural encroachment
- Institutional issues regarding the role of DFD/FPD are not addressed
- A serious discussion of means of promoting sustainable forest management is missing
- The first objective of the 5MHRP is to protect biodiversity. How to achieve this was not mentioned in any way in the reports presented.
- How to co-ordinate inputs of different projects in a certain area to maximise expected outputs.
- Policy-strategy links 2000 -2010
 1. rural development

2. forestry development
 3. environment management
 4. poverty reduction
 5. Mekong basin
 6. industrialisation of rural sector
- Buffer zones: institutional mandates need clarification
 - Policy gives overall strategic framework with flexibility to meet diverse local conditions
 - Overemphasis on reforestation as opposed to protection of natural forest, which is more resource efficient and brings greater environmental benefits
 - An increasing reliance on local extension networks is a good idea. This requires, however, performance based remuneration system, adequate institutional linkage. Quality control very important.
 - Farmers should be given the right to access, manage and benefit directly from forest, therefore promotion of ownership before forest plantation is essential.
 - Active management of protection forest to yield short and long term benefits to communities and households.
 - One should move away from pulp tree plantations. Try to increase yields through better technical practices.
 - Conservation of existing special use forests needs more attention rather than/in addition to restoration activities afterwards. Overall, there is not much attention given to special use forest and how management can be improved.
 - Monitoring system that would address all the objectives of the 5MHRP. The monitoring system need to be designed so that social and ecological factors are monitored.

Links to and co-operation with other sectors and national programmes, e.g. on agriculture development and infrastructure development. Maybe the best strategy for improved forest land and forests is to invest in agriculture that is close to forests. That will increase food security and reduce dependency on forest land for food production. Income generation is a key factor in mountainous (poor) areas. Forest investments should be made where there is or will be transport infrastructure

3. WORKINGGROUP 3: CENTRAL GOVERNMENT REPRESENTATIVES

*Chairman: Mr. Nguyen Ngoc Binh, Director, Forest Development Department, MARD;
Facilitator: Mr. Nick Woods, ADB TA.*

The working group three decided to discuss 6 sets of questions (including the 4 sets of questions prepared in the handout and 2 sets of questions raised in the morning plenary session). Each set of questions were given 15 minutes for discussion, therefore, only main questions were selected out of the sets. Below is the agreement on the issues:

Question set 1 (Forest Classification)

- *Classification criteria:* the classification criteria are there, protection forest is classified into three categories: very critical, critical and less critical. However, there is no clear-cut boundary between critical and very critical forests. On the other hands, production forest does not mean that it is not protection forest but it also depends on the natural geographical conditions. The forest classification is therefore very complicated.

Working Group 3 agreed that forest should be classified into two categories only:

- Protection forest (including critical and less critical)
- Production forest

In addition, social elements should be taken along in the classification, such as 15% of the forestland used by the residents. The slope of 40° is also considered, however, it should be well justified, because the same slope degree can have different impacts on different soils and different topographies. On the other hand, slope degree criterion should be changed according to each specific region.

- *“Red book” based land allocation:* it is noted that in management regulation of the state forest enterprises it is stated that land with area of over 5,000 ha is under the management of the government, only areas of less than 5,000 ha are allocated.

Question set 2 (Land allocation)

The relation between the land allocation and credit policy: credit policy can be changed, but the land allocation is the basis and can not be dependent on the credit policy.

- *Clarification of “community” concept:* it should be clearly stated in the Law that land is allocated to “village/hamlet community” but not simply “community”. It is important that land allocation should accord a macro master planning, otherwise the land allocation would be meaningless.
- *Forestland that the people do not require:* where the land can not be used for production should be converted to protection forest.
- *Land allocation deadline:* where reforestation is going well, land allocation should be speeded up. On the other hand, due to slow land allocation progress, unclear forest classification criteria and the 5MHRP is planned by 2010, land allocation is not necessary to be completed in 2000 as initially planned.

Question set 3 (Research and Extension)

- *Field agricultural-forestry extension organization:* if the agricultural forestry extension is set up down to grassroots level, it will be quite bulky. Moreover, the project management board, must be able to control the agricultural and forestry activities, the organization therefore should be significantly reformed. The working group 3 agreed that training is provided only at district level because the cadre quality at this level is not even.
- *“Development package” approach:* in a long run, this exercise should be developed comprehensively, but for the time being, it can not be carried out. It is agreed that further agricultural forestry activities be added to extension program.

Question set 4 (investment environment)

- *Legal framework for the 5MHRP:* the legal framework is not integrated. It is necessary to further consolidated.
- *Investment policy and mechanism:* including many factors such as the interest rates vary from one program to another: the interest rate in the 327 program is 0%, in the 246 program is 23%, the 5MHRP should employ a flexible mechanism and interest according to each specific location

- *ODA and FDI funds*: remain insignificant. The funds are not sufficient for protection forest, let alone production forest. At the current progress, it is far from planting the 2 million production forest. The working group 3 agreed that ODA and FDI are the two important funding sources and should be more properly managed and utilized.
- *Gaps to be filled*:
 - Outputs of production forest – have not been well considered.
 - Support to Special use forest is not suitable for the poor.

Question set 5 (socio-economic implications of forest development)

This set of questions was elaborated by Mr. Chung (ADB TA) related to raw material processing where some examples were given such as pulp, artificial board.

The working group 3 agreed that this only mentioned the economic aspect but not social one. Production must be market oriented, however, forest products should be properly protected considering the AFTA. This remark has not either mentioned sufficiently the role of science and technology when evaluating the competitive advantage and the product price.

Question set 6 (Species structure)

This set of questions was put forward by H.E. Vice Minister Dang in the morning session. The working group agreed on the following issues:

- Species structure planning should be based on market.
- Appropriate and steady planning.
- Protection forest structure should be clearly defined: whether 2 million is enough.
- *Paper production*: planning has been worked out, raw material areas should be appropriately set up.
- *Chip board production*: should be protected, attention should be paid to home products and other diversified products.

4. WORKINGGROUP 4: DONOR AGENCIES AND LEADERS FROM THE GOVERNMENT

Chairman: Mr. Le Van Minh, Director General, International Cooperation Department, MARD; Facilitator: Mr. Wijnand van Ijssel, First Secretary, Royal Netherlands Embassy

The workinggroup discussed a number of issues in relation to the content and principles of the partnership process.

1. *The aim of the process is to move from a project approach to a programme approach.*
This will include:
 - Agreement between the Government of Vietnam and the donors
 - The implementation of the programme through the decentralised structures of the Government of Vietnam plus other partners
 - The establishment of a joint Monitoring & Evaluation system

2. *The agreement between Government and Donors will address the following issues:*
 1. The objectives of the programme, which will be based on the objectives of programme 661.
 2. The strategy, including policy change & institutional reform, required for the implementation of the programme
 3. Expected results, probably phased with results defined for each phase and including indicators to be monitored
 4. The principles of implementation, for example:
 - Participatory nature
 - Beneficiaries
 - Accountability & transparency
 5. The Monitoring & Evaluation system
 6. The requirements for:
 - Investment
 - Capacity building
 - Technical Assistance
 7. The linkages to other programmes
 8. The implementation mechanisms

3. *The actual implementation of the programme will be the responsibility of the Government of Vietnam; Monitoring & Evaluation will be done jointly.* The implementation of the ongoing 5 MHRP is based on a subproject structure. This existing structure might also be useful for the future programme.

4. *The following components of the programme can be anticipated:*
 1. Institutional development, capacity building & Human Resource Development
 2. A component related to the Environment Protection objective & the poverty reduction objective. These objectives could be addressed through a series of subprojects. The two are closely connected and difficult to delink.
 3. Economic development, i.e. what is happening outside the farm gate or the gate of the state enterprise: markets, accessibility, processing industry etc. etc.

5. *The scope of programme, which is closely related to the objectives, needs further discussion,* in terms of what is part and what not of the 5MHRP or a sector support program:
 - Field projects at the commune level
 - Projects with State organisations
 - The extension system
 - Vocational training
 - University training
 - Research
 - Resource monitoring
 - Etc.

A discussion needs to take place whether these and other elements should be included. But the trade-off is increased complexity. Program formulation should not become so complex as to become impossible.

6. It is proposed that *the following steps will be taken after this workshop*:
 1. The task forces will complete their work
 2. The synthesis of the report by the task forces will take place during the months of November & December.
 3. Joint programme formulation will take place during February and March; during this phase priorities for the 5 MHRP Support Programme will be formulated; the support programme will be broken up in elements and a division of tasks will be carried out. Maybe not all elements will be elaborated and implemented in one exercise or at the same time.

Some of the issues to take into account during this phase include:

 - The available implementation capacity
 - Monitoring & Evaluation mechanisms
 - The procedures of the Government of Vietnam, including investment policies, cost norms, etc.
 - Donor procedures
 - Partnership mechanisms
 4. After formulation will be an appraisal process
 5. Finally the Support programme will be approved

This process should be linked as much as possible to the discussions in the National Assembly, which is monitoring the 5 MHRP (as one of the few national programmes monitored by the NA). Changes to the 5 MHRP can be proposed during the spring session of the NA. Participants cautioned nevertheless to be realistic about the time-frame. One consideration would be to already shape the Synthesis report more towards a first draft of a forestry sector program.

7. In order to move forward also a number of *partnership principles* need to be discussed and agreed upon. For example do we aim for:
 - Government - donor co-financing
 - One programme
 - Harmonized management
 - Harmonized procedures
 - Earmarked - pooling
 - One Monitoring & Evaluation system

Obviously, all these issues require further discussion and negotiation in the coming time.

PART IV. CLOSING STATEMENTS

1. STATEMENT ON BEHALF OF THE WORLD BANK

Mr. Christopher Gibbs

According to Mr. Gibbs, it has been an interesting day and two issues will stand out in his memory:

- A lot of hard work took place and many key issues have been brought up: there was serious discussions on a variety of relevant issues, which were not discussed 6 months ago, and it is obvious that there are many different angles or responses possible to these issues.

This result reflects the enormous amount of work that has been put into the preparation, and the dialogue about many difficult issues has come a long way.

- Secondly, the draft road map presented this morning by Dr. Chung began to formulate what will be required to take forestry in Vietnam forward. The road map is not yet comprehensive and there will be changes: for example, it focuses on the provincial level, and investments will be required at national level as well in issues such as research, training and M&E (eg national level). However, the road map provides an exciting overview; it will be a tool to persuade others to move ahead in this direction.

Mr. Gibbs drew the attention to two key issues:

- What we're really discussing here is **how aid can be made more effective**: sound policies, capable institutions and investments are required for that. Mr. Gibbs explained that earlier in the morning he was a bit concerned that the message would be that "we're doing well but we need more money". However, it is not just money which makes the difference: policies and institutions are as important and this was well reflected in the presentations, in particular the road map and discussions during the course of the day.
- **We're not starting with a blank sheet**: many remarkable things have already been done with relatively limited resources, but there is now a need to become more adequate, to strengthen the capacity of the institutions in Vietnam to do better forestry in order to achieve the three agreed objectives of the 5MHRP. The lessons of the past are important in this process and it was obvious that many lessons were being brought out and analysed during this forum here, in order that the mistakes are not repeated.

With the present process, there is an enormous opportunity to do constructive things next decade. However, there is still a long and difficult way to go through the synthesis and formulation process. It is important to keep the momentum going and we'll have to continue the process with our eyes wide open: critically and soberly, to avoid potential pitfalls.

Mr. Gibbs stated that he is looking forward to the synthesis process and that we need to be realistic about the timing and duration of that process. The synthesis report can provide substantive input into the reporting to the National Assembly, due in March next year. Obviously and rightly so, Vice Minister Dang is keen to submit a well prepared substantive report to the National Assembly.

The World Bank is very committed to the partnership mechanism and to taking it into a programme lending direction. The implications of this process are not yet exactly clear, but there is definitely willingness around the table to move forward and to use the present momentum. There is in particular a serious commitment to the programme formulation exercise next year with as many partners as possible. During the process some will move faster and others slower and there will be difficulties along the way. Adjustments to internal procedures might not always be possible, but at least there are precedents, in which the World Bank has participated in joint missions, and joint Monitoring & Evaluation exercises.

Finally, Mr. Gibbs thanked the vice minister and all others who have been working hard to make the process and this meeting work.

2. STATEMENT ON BEHALF OF THE ASIAN DEVELOPMENT BANK

Mr. Mir Javed Hussein

Mr. Mir Javed can see a lot of convergence between the ADB activities and the partnership process in terms of approach and principles, based on a sectorial or programmatic approach. The ADB has already a forest sector programme and a TA ongoing, which can contribute to strengthen the partnership process.

- In principle, the partnership approach is supported by the ADB. Some further clarification will be required during the course of the process: the 5MHRP is being used as a vehicle for the partnership discussions. It must be avoided that in the end the results will be seen as going back to the old masterplan approach. ADB would not want that to happen: it has clearly decided to go for a sectorial approach.
- For the near future the ADB is committed to continue to provide input throughout the synthesis phase through the forest sector programme. Data and reliable information as a basis for good policy formulation and implementation (eg impact assessment) is a key area, where efforts need to be made and where collaboration is possible.

The ADB TA will also serve as input and additional inputs can be looked into. A new TA is being prepared and it is anticipated that this one will start next year.

Finally, Mr. Mir Javed congratulated and expressed that he is looking forward to further collaboration.

3. CLOSING OF THE MEETING

Mr. Le Van Minh, International Co-operation Department, MARD

After having thanked Mr. Mir Javed and Mr. Gibbs for their contributions, Mr. Minh proceeded to make some final observations:

- After a day's hard work, the meeting has achieved its objectives: the sharing of a diversity of views about the difficulties and challenges of the all-important 5MHRP, including both financial and technical issues.
- The 5MHRP is one of only three national programmes which are directly monitored by the NA. Reporting is very important and this will be an important task for MARD after this workshop
- After the synthesis phase, a fact-finding or pre-identification mission can be expected, to identify priority areas for project formulation. This is an important step during which the debates will be converted into concrete action. The next step will then be the actual appraisal/formulation stage, which will hopefully result in some implementation activities to start next year.

Finally, Mr. Minh thanked the members of the task forces, the members of the ADB TA, the donors in partnership, the representatives from the provinces, Mr. Wijnand van IJssel and the members of the organising committee for all the work that they have put in the process and the workshop.

Mr. Minh then declared the workshop closed.

ANNEXES

1. Workshop agenda
2. List of Participants
3. Questions for group discussions

ANNEX 1. WORKSHOP AGENDA

<i>Time</i>	<i>Content</i>	<i>Responsible Person</i>
07.30 - 08.00	Registration	
08.00 - 08.10	Introduction	Mr. Vu Van Me, Partnership Secretariat Manager
08.10 - 08.25	Opening address	Vice-Minister Nguyen Van Dang
08.25 - 08.40	The Objectives and Process of the Partnership	Mr. Wijnand van IJssel, First Secretary, Dutch Embassy
08.40 - 08.55	The Objectives of the ADB Technical Assistance Project	Mr. John Samy, Resident Representative, ADB Hanoi,
08.55 - 09.15	Results of 2 years of implementation (1999-2000) of 5MHRP and orientation for development for the period 2001-2005	Mr. Nguyen Ngoc Binh, Director, Forestry Development Dept. (DFD)
09.15 - 09.40	Topic 1: 5MHRP - Selected issues & recommendations	Ms. Pham Minh Thoa, DFD, Mr. Choeng Hoy Chung, ADB-TA
09.40 - 10.00	Topic 2: Land allocation and Forest Land Classification	Mr. Cao Vinh Hai, DFD; Mr. Nick Woods, ADB-TA
10.00 - 10.15	Coffee Break	
10.20 - 10.40	Topic 3: Socio-economic Aspects of Forest Development within the 5MHRP	Mr. Choeng Hoy Chung, ADB-TA, Mr. Pham Xuan Phuong, Policy Department, MARD
10.40 - 11.15	Topic 4: Institutions, Human Resources and Knowledge Development and Transfer within the Forestry Sector	Mr. Nick Woods, ADB-TA; Mr. Vu Huu Tuynh
11.15 - 11.40	Topic 5: Investment Environment and Priorities	Mr. Tran Sinh Tung, Planning Dept., Mr. Choeng Hoy Chung
11.40 - 12.00	Answers to the Questions raised and discussion on the 5 topics presented	Presenters of the all Topics
12.00 - 13.30	Lunch Break	
13.30 - 15.00	Working Groups Distribution of participants in 4 Working Groups: Group 1: Provincial Authorities and Representatives Group 2: ODA projects and NGO's Group 3: Central Government representatives Group 4: Donor Agencies and Government Leaders Tasks for Groups 1-3: Review and discuss major issues and questions raised in the presentation of the 5 Topics Tasks for Group 4: Discuss the Concept Paper for the Synthesis Phase and the formulation of the Forest Sector Support Program including some elements of the Partnership Mechanisms (Sub-Group 3, TF III results)	Chairmen of Working Groups
15.00 - 15.15	Coffee Break	
15.15 - 16.00	Presentation of the Group work from Groups 1 - 5	Chairman of Working Groups
16.00 - 16.20	Topic 6: Presentation of Working Group 4 on Synthesis Phase, formulation of the Forest Sector Support Program and Partnership Mechanisms	Mr. Wijnand van IJssel
16.20 - 16.50	Plenary Discussion on follow-up of the Partnership Process	Mr. Le Van Minh (ICD), Mr. Chris Gibbs (WB), Mr. Javed Mir (ADB)
16.50 - 17.00	Summary and Closing	Chairman of the Workshop

ANNEX 2. LIST OF PARTICIPANTS***I. Central government agencies***

No	Name	Organisation
<i>I.1 Partnership Steering Committte</i>		
1.	Nguyen Van Dang	Vice-Minister, MARD
2.	Le Van Minh	Director General, ICD, MARD
3.	Nguyen Ngoc Binh	Director, Forest Development Department, MARD
4.	Doan Minh Tuan	Expert, Forest Protection Department, MARD
5.	Nguyen Phuong Vy	Director, Policy Department, MARD
6.	Vu Van Me	Manager
<i>I.2 Government Office + Ministries</i>		
7.	Dao Xuan Nang	Expert, External Economic Department, MPI
8.	Expert	Agriculture and Rural Development Department, GO
9.	Anh Phu	Expert, International Relations Department, GO
10.	Nguyen Thi Tho	Deputy Head of Department Office, Dept. of Environment, Ministry of Science, Technology and Environment
<i>I.3 Ministry of Agriculture and Rural Development</i>		
11.	Phan Trung Dien	Deputy Director, Forest Development Department
12.	Nguyen Ba Thu	Director, Forest Protection Department
13.	Nguyen Van Lan	Expert, Personnel Department
14.	Nguyen Hong Quan	Deputy Director, Forest Development Department
15.	Do Van Hoa	Deputy Director, Fixed Cultivation, Sedentarization and NEZ
16.	Doan Diem	Management Board of Forestry Projects
17.	Nguyen Tu Siem	Management Board of Agricultural Projects
18.	Do Ngoc Giao	Deputy Director, Cabinet office of MARD
19.	Do Dinh Sam	Forestry Science Institute of Vietnam (FSIV)
20.	Le Sy Viet	Deputy director, Social Forestry Centre, Forestry University
21.	Phan Thanh Ngo	Secretary of Vice Minister Nguyen Van Dang
22.	Nguyen Dinh Huong	Deputy Director, International Cooperation Department, MARD
23.	Pham Trong Hien	Expert, ICD, MARD
24.	Tran Kim Long	Expert, ICD, MARD
25.	Tran Nam Binh	Manager, International Support Group
26.	Do Huu Thien	Deputy Director, Agricultural and Forestry Extension Dept., MARD
27.	Tran Lam Giêng	Deputy Director, Information Centre, MARD
28.	Pham Duy Tam	International Cooperation Dept. MARD
29.	Nguyen Duy Chuyen	Executive Director, Mountainous Rural Development Program, SIDA
30.	Hoang Kenh	Director, REFAS Project
31.	Nguyen Thanh Tu	TWG-Gender
32.	Vu Huu Tuynh	Consultant ADB-TA

33.	To Dinh Mai	Consultant ADB-TA
34.	Bui Huy Nho	Agriculture and Rural Development Policy Department, MARD
35.	Le Trong Cuc	CRES
36.	Le Van Khoa	Consultant ADB-TA
37.	Hoang Sy Dong	Forest Institute of Planning and Inventory (FIPI)
38.	Nguyen Van Thinh	Forestry Development Department, MARD
39.	Pham Kim Thoa	Forestry Development Department, MARD
40.	Dang Tung Hoa	Consultant, 5MHRP Partnership
41.	Pham Xuan Phuong	Policy Dept., MARD
42.	Pham Ngoc Mau	FSIV
43.	Cao Vinh Hai	Forestry Development Department, MARD
44.	Tran Hung	FIPI
45.	Le Van Tan	Science-Technology-Product Quality Dept. MARD
46.	Tran Dinh Tung	Planning and Projection Dept., MARD
47.	Thai Thi Quy	Women's Union, MARD
48.	Huynh	Agricultural and Rural Development Dept., MPI
49.	Nguyen The Hien	Economic Strategies Board
50.	Nguyen Kim Xuan	Forestry Development Department, MARD
51.	Le Thi Huyen	ICD, MARD
52.	Luong Thi Huyen	ICD, MARD
53.	Mai Anh	ADB TA
54.	Ngoc	ADB TA
55.	Dieu	ADB TA
56.	To Thi Kim Van	Partnership Secretariat
57.	Nguyen Van Kien	Partnership Secretariat
58.	Pham Thuy Linh	Partnership Secretariat
59.	Kim Anh	REFAS
60.	Doan Bong	Consultant ADB TA 3255
61.	Phung Ngoc Lan	Consultant ADB TA 3255
62.	Vu Long	Consultant ADB TA 3255
63.	Hoang Ngoc Tong	Forest Development Dept., MARD
64.	Ngo Dinh Tho	Policy Dept., MARD
65.	Tran Thu Ha	Thai Nguyen University of Agriculture and Forestry
66.	Bui Thi Nhan	ICD, MARD
67.	Pham Thi Hong Hanh	ICD, MARD
68.	Ho Phong	ICD, MARD

II. Provincial forestry authority

No.	Name	Agencies
1.	Ma Dinh Quang	Director, DARD, Bac Kan
2.	Le Kiem Long	Expert, DARD, Bac Kan
3.	Duong Xuan Hai	Expert, DARD, Bac Kan
4.	Luong Van Thiet	Deputy Director, DARD, Son La
5.	Nguyen Van Manh	Expert, Provincial Forest Development sub-Department, Son La
6.	Nguyen Van Luan	Deputy Director, Provincial Forest Protection Sub-Dept., Son La
7.	Nguyen Thi Dinh	Deputy Director, DARD, Tuyen Quang
8.	Le Quang Hoa	Expert, DARD, Tuyen Quang
9.	Bui Hai Ha	Deputy Director, Provincial Forest Protection Sub-Dept., Tuyen Quang
10.	Pham Quang Trung	Chief, Planning Division, DARD, Quang Ninh
11.	Dao Ngoc Sam	Director, Provincial Forest Development sub-Dept., Quang Ninh
12.	Nguyen Huyen Kieu	Deputy Director, Provincial Forest Protection Sub-Dept. Quang Ninh
13.	Ho Dang Van	Deputy Director, DARD, Thua Thien Hue
14.	Ho Hy	Deputy Director, Provincial Forest Development sub-Department Thua Thien Hue
15.	Hoagn Ngoc Khanh	Director, Provincial Forest Protection Sub-Dept Thua Thien Hue
16.	Nguyen Van Phong	Deputy Director, DARD, Gia Lai
17.	Pham Muu Binh	Director, DARD, Dac Lac
18.	Nguyen Van Xuan	Deputy Director, Provincial Forest Protection Sub-Dept Dac Lac
19.	Doan Hai	Deputy Director, DARD, Dong Nai
20.	Le Khanh Vinh	Expert, DARD, Dong Nai
21.	Le Van Dong	Director, Provincial Forest Protection Sub-Dept, Dong Nai
22.	Nguyen Dinh Chi	Deputy Director, DARD, Nghe An
23.	Hoang Van Long	Director, Forest Development Sub-Dept., Nghe An
24.	Chu Van Dung	Director, Provincial Forest Protection Sub-Dept, Nghe An
25.	Vuong Dinh Dang	Chief, Technical Division, DARD, Nghe An

III. Donor agencies and International Organizations

No.	Name	Organization
1.	Hilkka Talsio	Counsellor, Embassy of Finland
2.	Jost Kadel	Second Secretary, German Embassy
3.	Takao Shimokawa	Resident Representative, Japan Bank for International Cooperation
4.	Watanabe Kozo	Assisitant Resident Representative of Japan Internation Cooperation Agency (JICA)
5.	Wijnand van Ijssel	First Secretary, Royal Netherlands Embassy
6.	Ola Moller	Second Secretary, Sweden Embassy
7.	Urs Herren	First Secretary, Swiss Embassy
8.	Christopher Gibbs	Rural Development Pogram Coordinator, WB
9.	O. Botillen	Program Officer, UNDP

10.	Nguyen Thi Yen	IUCN
11.	Mr. Xavier Nuttin	Development Cooperation Adviser, EU
12.	Hoang Thanh	Program Officer, WWF
13.	Jonathan Eames	Representative, BirdLife International
14.	Sheelagho Reilly	Natural Resources Advisor, Mountainous Rural Development Program, SIDA
15.	Lutz Hermann	Chief Technical Advisor, REFAS Project
16.	Hubertus Kraienhorst	Chief Technical Advisor, KfW3 Afforestation Project in Bac Giang, Quang Ninh and Lang Son provinces
17.	Nguyen Hai Nam	SMRP
18.	Guido Broekhoven	IUCN
19.	Bardolf Paul	Director, Helvetas
20.	Choeng Hoy Chung	Team Leader, ADB-TA
21.	Nick Wood	Consultant ADB-TA
22.	Javed Mir	ADB Forestry Specialist
23.	Do Thanh Lam	Oxfam GB
24.	Nguyen Xuan Nguyen	PROFOR UNDP
25.	Jens Olsen	Danida
26.	Karim Amer	Care International
27.	Suzuki	Jica expert, Forest Development Dept., MARD
28.	Jill Blockhus	WB
29.	Cao Thang Binh	WB, 63 Ly Thai To, Operations officer
30.	Samy	Resident Representative ADB Hanoi
31.	Colin Mc. Quistan	IUCN
32.	Tara Rao	Gender Expert, 5MHRP
33.	Vu Hoai Minh	PROFOR
34.	Martin Geiger	REFAS
35.	Goran Nilson Axberg	F-V Forestry program, BackKan
36.	Bart Dominicus	ADB/TA 2852 (GFA)
37.	Ton Mandemaker	Embassy of The Netherlands
38.	Kumar Upadhyay	FAO
39.	Keiko Inaba	JICA
40.	Le Quoc Hung	Embassy of Finland
41.	Stephen Lynch	Agriculsulting
42.	Maria Berlekom	MRDP

ANNEX 3. QUESTIONS FOR WORKING GROUPS

1. Forest Classification

1. Should the definition of protection forest include a social dimension, as proposed by TA 3255 (ie population < 15 %) or should it be defined solely on physical grounds as at present?
2. Should protection forest also be allocated under “conditional red book”?
3. Is it necessary to re-establish the set of criteria of the forest and forestland classification? Particularly of the protection forest? Should the classification of protection forest as three categories maintained? If there is any adjustment, would the area of the protected protection forest decrease dramatically?

2. Land Allocation

1. How to solve the current conflict between land allocation process and land use planning and credit policy?
2. Should the Land Law be amended to permit community land allocation?
3. Should the 5MHRP actively promote communal forest management in areas where it is not yet demanded by the local people?
 - If land is allocated but the land use planning and the credit policy are not attached, would it be efficient?
 - If it is, the land allocation will be slow, would the encroachment happen?
 - What is the deadline for the forestland allocation and “red book” certification?

3. Research and Extension

1. Should extension activities under the 5MHRP be contracted out to grassroots organisations, or would it be better to increase staff of Sub DAFEX?
2. Should the forestry extension programme be completely integrated with agriculture as a single “development package” approach for the farmers?

4. Investment environment

1. What is investment environment? Which investment environment governs in the 5MHRP
2. Are the legal environment of the Forestry Sector and the investment of the Government sufficient for the implementation of the 5MHRP? If not, what issues to be tackled?
3. What are the investment policies in general and 5MHRP related policies? Weaknesses and solutions?
4. Are the ODA and the FDI sources for the forestry sector be judges as indispensable for the 5MHRP?
5. Your view on the investment structures, particularly the domestic loan mechanism; on the re-borrowing of ODA projects, and on the investment rate of the 5MHRP.