

 	United Nations Development Programme Cambodia	BACK TO OFFICE REPORT (BTOR) Submitted by: Nhem Sovanna Title: National Project Advisor Date submitted: 5 December 2017 Travel Authorization Attached (please tick) <input checked="" type="checkbox"/>
1. Project title/component: - FCPF project/UNDP		
2. Mission/trip period (incl. of travel days): - 27 November 2017, travelled from Phnom Penh to Viet Nam - 02 December 2017, travelled from Viet Nam to Phnom Penh		
3. Purpose of mission/trip: Study visit to Viet Nam to learn about: <ul style="list-style-type: none"> • Challenges and lesson learned by Viet Nam's during the implementation of its National REDD+ Strategy as well as its subnational (provincial) activities to inform decisions about the implementation of Cambodia's National REDD+ Strategy • Challenges and lesson learned in the implementation of Viet Nam's National MRV and NFMS • Insight experiences on various production forestry activities, forest management, PES and the role of microcredit climate change which are envisaged to be developed in the near future in Cambodia 		
4. Documents, materials gathered from mission/trip: <ul style="list-style-type: none"> - Concept note and Agenda of the Study Visit - Power Point Presentation files including key Viet Names REDD+ related policies and guidelines - Some pictures - Travel Request Approval - Boarding pass 		
5. Output(s) of mission/trip: <ul style="list-style-type: none"> • Lesson learned and ongoing challenges on National REDD+ Action Plan (NRAP), Provincial REDD+ Action Plan (PRAP) and Commune REDD+ Action Plan formulation and implementation • Technical methodologies related to enhancing quality of MRV data and systems • The application of specific tablet-based forest monitoring system by forest rangers and local community • Experiences and involvement of microcredit in forestry • Experiences and challenges on PRAP and CRUP implementation including payment for environmental services (PES) • Experiences and challenges of Viet Nam production forestry activities including private plantation, private sector engagement and access to markets • Identification of specific approaches and models for forest management and diversifying financing that could be adapted to Cambodia 		
6. Mission/trip member(s) (incl. consultants if any): Government officials who are directly relevant to the NRS implementation participated. <ul style="list-style-type: none"> ▪ 4 persons from General Directorate of Administration for Nature Conservation and Protection, Ministry of Environment ▪ 2 persons from General Directorate of Local Community, Ministry of Environment ▪ 2 persons from Forestry Administration, Ministry of Agriculture, Forestry, and Fisheries ▪ 2 persons from REDD+ Taskforce Secretariat ▪ JICA REDD+ Advisor 		

- JICA National Consultant
- FCPF/UNDP sponsors 3 participants to join this visit
- 1 person from Ministry of Economy and Finance
 - 2 persons from FCPF/UNDP

Brief summary of the mission/trip:

Cambodia has come a long way to develop its National REDD+ Strategy (NRS), starting with the preparation of REDD+ Readiness Roadmap implemented with the support from various donors' programs and projects. The NRS was finalized in 2017, same year that the Forest Reference Level (FRL) was submitted and went through the technical assessment under the UNFCCC, and that the NFMS design has progressed together with discussions on safeguards and the development of the Safeguard Information System.

While FCPF's phase II is starting and FIP projects are currently under discussion, it is time for the Royal Government of Cambodia (RGC) to consider and decide how the NRS will be implemented on ground and align all the REDD+ relevant initiatives with the general guidance of the NRS.

Through this visit and discussions with Viet Nam's stakeholders for REDD+, the representatives from the Cambodia government learned about the challenges and main results of the Viet Nam's implementation of its national REDD+ action plan and subnational (provincial) REDD+ activities. Through field visits, the participants also observed Viet Nam's national MRV approaches (ongoing national forest inventory) and various production forestry activities.

This visit was hosted by Viet Nam REDD+ Secretariat with coordination support from JICA Viet Name office.

Key findings

Orientation meeting on Viet Nam's National REDD+ Process

- Viet Nam has pursuing a national approach for REDD+. The National REDD+ action plan (NRAP) has been completed and endorsed by Prime Minister. The NRAP provides guidance for the province to prepare Provincial REDD+ Action Plan (PRAP). PRAP is also integrated into the Forest Protection and Development Plan (FPDP) and broader socio-economic development plan. PRAP serves as the key document for human and financial resource mobilization to support the REDD+ implementation at the provincial level. The Provincial REDD+ Steering Committee (PRSC) coordinates the preparation of PRAP with support from the Provincial REDD+ Working Group (PRWG). The PRAP should be approved by the Provincial People Committee. In addition to NRAP and PRAP when it comes to actual field implementation, a Commune REDD+ Action Plan is usually also developed.
- Financing to support the implementation of NRAP, PRAP and CRAP may come from 3 difference sources:
 - 1) State budget: currently there is no specific separate budget allocation for REDD+ activities from the state.
 - 2) Development Partners' support and
 - 3) Payment for Environmental Services.
- VN has also received the financial support from FCPF for phase II. The objective of the FCPF II is to support Viet Nam to become ready for REDD+ implementation through financial support from the FCPF Carbon Fund. Phase two will cover only 6 provinces in the North Central Coast. Four key main group of activities will be implemented from 2017-2020 including 1). Support for the development and implementation of relevance REDD+ Policies, 2). Support for the readiness to implement REDD+ in NCC areas that including provincial REL/RL and forest monitoring, natural forest restoration, long term plantation development and forest certification, 3). Support for readiness safeguards focused on NCC including SESA, ESMF and FGRM required under the WB carbon funds and 4). Support for the readiness to prepare and implement of the NCC-ER-P.
- Just like Cambodia, Viet Nam has also completed it national FREL/FRL and submitted to UNFCCC in 2016 and completed the technical review in 2017. Reference period 1995-2010, carbon pools cover ABG and

BGB with only CO₂ due to data availability. All five REDD+ activities were included and reported separated into 2 different levels i.e. FREL including deforestation and degradation and FRL including reforestation and restoration. Stock difference method used to construct RL. Key recommendations for the Cambodian MRV team and MRV work including ensuring technical capacity development for the national team, the need to ensure constructive and effective between agencies in charge and the MRV team, maximize the use of best national data and update information and open discussion and transparent with TA on technical issues and data sharing. NFMS and MRV system is under development in Viet Nam. Viet Nam has already presented two BURs (2014 and 2017), but has not yet presented the REDD+ results via Technical Annex. This delay in the presentation of REDD+ results will consequently delay the country's eligibility to access REDD+ results based payments through the Green Climate Fund.

- Similar to Cambodia, forest patrolling and law enforce face numerous challenges due to limit of number of forest rangers, lack of adequate financial support, cost efficient etc. In addition, forest patrolling done by forest officers using traditional forest patrolling methods mainly manually collecting and reporting data which is more difficult to track and often not reliable. With the support from JICA to improve the forest resource monitoring system (FRMS) an innovative tablet-based data collection methodology for forest monitoring was developed. The methodology provides all in one solution to address the issues, as it comes with digital based maps for easy field navigation, GPS for area measurement, GPS camera for proof recording and digital field notes for data collection that directly transferred to a central database linking from district, provincial to national levels. It also improves transparency, consistency, compatibility and robustness and the cumulative data can be used for decision making, monitoring and evaluation (M&E) as well as for MRV for REDD+. Village Forest Patrolling Teams (VFPTs) were also established linking to Forest Rangers. VFPTs conduct regular patrolling and report detected forest changes to local forest rangers who in turn use tablet to perform official measurement and report to through the system for intervention. The initiative started with a pilot in Dien Bien in 2010-2015 and by now the methodology has been expanded to 15 provinces across Viet Nam and will continue to be spread to more provinces.
- A representative from the Vietnamese Bank for Social Policies (VBSP) following a request by the Cambodian Delegation was invited to make a presentation about Viet Nam's experiences on the roles of banking and microcredit in mitigating climate change and supporting REDD+. Founded in 1995, VBSP is a public non-profit policy bank serving poor and near poor households and other disadvantage groups. VBSP operates its mission through both financial and non-financial services. Among the many social and climate change related services and products serve by the banks through micro-credit scheme (21 credit schemes), VBSP is currently expanding its services to include forestation loans to smallholder forest plantation as well as private sector for timber and pulp tree production integrated with animal husbandry. The loan for forestation is for 15 years with an interest rate ranging from 3%-9.6% depending on the criteria. If the loan credit amount is less than \$2,200 the Bank requires the borrower to enter the saving group to access the loan. However, if the loan credit is greater than \$2,200, collateral is required. Special loan for disadvantage students was also provided to continue their study.

Field visit to Dien Bien Province

The team visited to Muong Phang commune, Dien Bien district, Dien Bien province and met with Provincial Department of Agriculture and Rural Development (MARD) to discuss experience on the implementation of PRAP and CRAP.

- Dien Bien PRAP adopted by the Provincial People Committee (PPC), the highest-level committee in the province in 2014 and was revised in 2016 based on the new issued national guideline. Drivers of deforestation are mainly land clearance, unsustainable forest planting, forest land conversion, forest fire and unauthorized commercial business.
- Two offices under MARD are responsible for forest management in Viet Nam. Office of Forestry responsible for reforestation/afforestation and Office of Environment responsible for forest protection.
- Budget to support the implementation of PRAP is from the state government budget and from safe generating budget through the implementation of PES. The state funded budget is mainly used for

reforestation and forest protection. 900 million Dong is required for the implementation of Dien Bien PRAP and only 50% are from state budget sharing/mixing with an existing national budget. There is no separate budget line allocated for REDD+ activities yet. Districts and communes prepare their annual budget plan submit for approval by PPC.

- As part of PRAP implementation in Dien Bien Province, two communes were selected as pilot sites to implement REDD+ activities with the support from JICA. A Village Management Board was established in each village to coordinate village level forest management and livelihood development activities. The Commune and District Extension Team/Officers, facilitate the formulation, implementation and monitoring of a village-based REDD+ action plans. Currently, in Dien Bien REDD+ implementation has been expanded to cover all the 39 communes in the province in 2017.
- Village-based collaborative arrangement approach proved to be an effective approach for field REDD+ activities implementation. Key activities to address drivers include forest land allocation to individual family, forest protection contracting, reforestation, payment for environmental services (PESs), benefits sharing agreement, forest patrolling and livelihoods development.
- The PES for water supply and hydro-power electricity was implemented in Dien Bien Province. With the growth of tourism to the province, the implementation of payment for ecotourism is being considered as well. Budget received from PES stay at the provincial level and has been directly allocated to local community to support forest management and protection activities.
- Village Patrolling Teams (VPTs) were also established to carry out regular forest patrol and to detect forest violation. VPTs works closely with Commune Based-Forest Rangers (CFRs) to notify any violation and forest change. Based on the indications, forest rangers undertake measurement and reporting using tablet PC to Forest Protection Office going through district, province and national levels.
- It was also reported by DARD that Viet Nam law have clearly defined roles and responsibilities for different level of administration and strictly enforced with a swerve penalty if not implemented including stripping official functions with governments.
- Although positive impacts (forest lands have been increased in the two pilot sites and forest violation has been diminished) PRAP implementation still faces a lot of challenges including limited financial support, limited awareness and capacity of subnational governments. PPC does not yet fully take an active role in monitoring the PRAP implementation but instead delegates the responsibility to DARD reducing the level of influence on stakeholders' interest particularly when it relates to issues of cross sectorial coordination and private sector engagement.

Field visit to wood chip processing factory

- Setting up its head quarter in Da Nang, Vietnam Japan Chip Corporation (Vijachip Da Nang) operates its business as a joint venture between Vietnam Forest Corporation (VINFOR) and its Japanese partners.
- Vijachip Da Nang gets involved in manufacturing papers, processing wood chip for exporting to Japan as well as supporting in tree planting for securing raw material supply.
- The company buys raw material, mainly acacia, from both private households/small scale forest plantation accounted for 65% and 25% from state owned plantations.
- Demand for pulp has been increased and currently, Viet Nam is one of the prestigious chip exporting country in the world to China.
- The Company started with awareness building program and provided free seedling to farmers who were interested in planting acacia tree. Now the farmers make all the arrangement themselves.
- Currently, at the chip processing site the company pays around USD 40 – 50 per ton of wood. With one hectare of land in 3 years farmer can harvest around 100 tons of acacia generate around USD 4,000 – 5,000.
- For harvesting, farmer only need to inform local authority with no obligation to pay any tax or royalty. The company is responsible to pay 2% export tax to Viet Nam Government. It was also reported by the company that Viet Nam Government plan to increase tax up to 5-6%.
- The company have the capacity to produce 200,000 GMD/ day, employing 80 staff.

Field visit to WB3 plantation sites in Phu Loc district.

- The program was part of Viet Nam World Bank support resettlement program (2005-2015) for family affected by the hydro power development.
- 76,000 ha has been planted predominantly with acacia and 4,500 families are beneficiaries. Up to date, more than 3,000 ha of plantation have been certified under the Forest Stewardship Certification (FSC) scheme.
- Farmers have been allocated forest land and provided title of use of the land (all land in Viet Nam is owned by the State). A family with 4-5 members has been provided with the right of use of 1 ha of forest land. Two type of forest land has been allocated production and protection. Farmers have the full rights to benefit from the land allocated including selling, transferring, collateral etc. however, they are not allow to convert the forest land to other land use purposes. Any conversions will have to be approved by the Prime Minister.
- Dominantly, all plantations are planted with acacia predominantly for pulp and only few for timber.
- Team visited and discussed with Mr. Te who own around 40 ha of forest land planted acacia for timber. His plantation has also been certified by FSC. After 6 years, he estimated to be able to generate around 250 million Viet Nam Dong per ha.
- Small holder forest plantation can borrow around 200-300 million Dong from the bank with 7% interest rate per years.
- 49 nurseries have been established as a joint venture between Vietnam Forest Corporation (VINFOR) and its Thailand partners to supply seedlings for the plantation.

Wrap up sessions

- Viet Nam have established NRAP; PRAP and CRAP. The NRAP approved by the Prime Minister with a very clear action guidance for formulation and implementation of PRAP. The Cambodia NRS which has set out broader objectives and strategies to address drivers of deforestation and forest degradation. The challenge now is how to operationalize the strategy. Currently, Cambodia is in the process to finalize NRS action plan. The next step will be to define how the Action Plan should be implemented, if following a provincial level approach just like Viet Nam or if through a sectoral approach, as in the case of Ecuador. Cambodian National REDD+ Strategy and the draft of NRS action plan were established based on sectorial strategies. Cambodia should also consider how to integrate REDD+ financial action in the NRS action and investment plan. The NRS Action and Investment Plan should be finalized and completed by end of quarter one of 2018.
- Cambodia should build capacity to prepare and implement subnational REDD+ as well as mainstreaming REDD+ into subnational level planning and institutions.
- In Viet Nam, the MRV related tasks are undertaken by the forestry academic research institutions that have close linkage with MRV works in their research skill and expertise. Cambodia has considered to integrate REDD+ subjects in the university but it didn't progress well. The MRV Team should revisit and discuss with academic research institutions to explore ways to strengthen their capacity to take leading role in MRV related work.
- In Viet Nam, the implementation of SMART forest monitoring tools (tablet based forest monitoring tool) is regarded to be a simple and realistic, efficient and cost effective, more accurate and less uncertain for data collection and has been widely used in Viet Nam. The application supported by JICA and is free of charge. Cambodia should adopt the use of this tablet-based forest monitoring tool for field level forest rangers and local community. MRV Team should coordinate with JICA to pilot the implementation of this methodology/tool in Cambodia in 2018
- The MRV Team has already received training and capacity building on real-time forest monitoring tools but not yet implement in the field. The MRV Team should establish a working group to start piloting the

tools immediately in 2018.

- In Viet Nam, microfinance start from small scale and has grown rapidly and strong support by Vietnamese government. Favourable condition has also been considered to enable community participation in livelihoods improvement and sustainable forest management, encourage students to study on subjects related to social forestry, REDD+ and climate change through micro finance with low interest rate. In Cambodia, WB has provided loan to ACLEDA Bank to support micro-finance institutions to involve in forest protection, however, not yet encourage to have low interest rate. Also it should not promote the loan for forestry business on natural forest.
- Policies for forest management is difference from Cambodia. In Viet Nam, forests belong to all and managed by the state and it is therefore no one have the rights to convert to other land use purpose without the approval by the government. Viet Nam has clear land use plan unlike in Cambodia.
- PES is the key factor contributing to local sustainable forest management. Viet Nam has established clear policy for PES implementation and required that all private companies must pay for environmental services. The income from PES stay at local level and go directly to local community for forest and other natural resources management and protection. Cambodia, is currently undertaking PES assessment study in two sites in Phnom Kulen National Parks and in Kbal Chhay watershed protection forest to explore a possibility for piloting PES implementation. The PES income generated for specific site from specific activity should directly managed and allocated at that site to continue manage and implement this activity for a long run.
- Viet Nam has established CRAP for field level implementation. Cambodia has implemented many sectorial community based initiatives for the last decade including CLUP, CBR+, CF, CFi, CPA, CBT etc. and has to a large extent already integrated these initiatives into local development plan as well, particularly, commune development plan. Mechanisms to allocate financing support to Commune Sangkat to implement commune development plan has already been established by RGC through decentralization reform programme under MoE. More effort should be done to facilitate financial allocation to commune/sangkat for forest protection and natural resource management.
- In Viet Nam, working arrangement including roles and responsibilities of government institutions are clearly defined for national, provincial and commune. In addition, only one institution responsible for the management and protection of forest including preparation of provincial management and land use plan. Cambodia should establish clear working arrangement in accordance with the government decentralized reform policy. The development of clear management and land use plan will help ensure clear allocation of roles and responsibilities. While preparing an integrated provincial management and land use plans faced with a lot of difficulties and challenges, each institution at the subnational level should be encouraged to start and complete individual sectorial plan that will be used as a basis for establishment of an integrated provincial plan. They should not wait for an integrated provincial plan.
- Land use and land management in Viet Nam is clearly defined by its function. Forest land can only be used and will continue to remain as forest land although land title and or user rights have been granted. The benefits from the development of these forest land go directly to the owners and users. Open and transparent Public Private Partnership (PPP) play key important factor for successful implementation of both small-scale plantation and state own forestry plantation. PPP ensure sustainable management, production chain and marketing. In Viet Nam, state owned and small-scale plantations supply raw material and private company processing and marketing. In addition, to promote and build momentum for such a practice to move, Viet Nam started from 0% interest rate and eventually increase to 2% and will continue to increase depending on market condition and evolvement. Cambodia will need to establish a policy that encourages small scale forest planting on private individual land and that warranty full citizen rights as stipulated in the constitution.

7. Key counterpart(s) and persons you met:

- Viet Nam REDD+ secretariat staff
- Viet Nam, Forest Academic and Research Institutions
- JICA, UN-REDD and FCPF staff
- Representative of Viet Nam Bank for Social Policies
- Department of Agriculture and Rural Development, local authority and community Dien Bien Province
- Representatives of Viet Nam and Japan Wood Chip Company, Da Nang
- Department of Agriculture and Rural Development and small scale forest plantation owner, Phu Loc district

Annex I: Visit Programme

Time	Description	Remarks
27 Nov.(Mon): Travel to Viet Nam		
	<ul style="list-style-type: none"> • Travel from Phnom Penh (14:00) to Ho Chi Minh City (15:00) • Travel from Ho Chi Minh City (17:00) to Hanoi (19:10) 	VN921 VN262
28 Nov. (Tue): Orientation on Viet Nam's National REDD+ Process		
AM	<ul style="list-style-type: none"> • Introduction of Viet Nam's REDD+ national policies, processes, and progress • Introduction to the JICA REDD+ project and other REDD+ relevant initiatives 	VNFOREST, VRO, JICA/SNRM, FCPF2, UN-REDD2
PM	<ul style="list-style-type: none"> • Discussion with government officials on national REDD+ action plan (NRAP) and its relationship with provincial REDD+ action plans (PRAPs) • National MRV system and progress 	VRO, FIPI/VAFS, JICA/SNRM
29 Nov. (Wed): Travel to the Northwest Region		
AM	<ul style="list-style-type: none"> • Travel from Hanoi (11:45) to Dien Bien Province (13:00) 	VN8202
PM	<ul style="list-style-type: none"> • Field visit to Muong Phang Commune, Dien Bien District, Dien Bien Province 	MP CPC, MPSUFMB
30 Nov. (Thu): Travel from the Northwest to Central Coastal Region		
AM	<ul style="list-style-type: none"> • Discussion with provincial government and experience sharing on implementation of the PRAP 	Dien Bien DARD, MPSUFMB
PM	<ul style="list-style-type: none"> • Travel from Dien Bien Province (13:30) to Hanoi (14:30) • Travel from Hanoi (16:30) to Da Nang (17:50) 	VN8203 VN181
1 Dec. (Fri): Visit in Da Nang and/or Quang Nam Province		
All day	<ul style="list-style-type: none"> • Visit to wood chip processing factory (VIJACHIP) • Visit to plantation sites 	Communities and local governments who are conducting production forestry
2 Nov. (Sat): Returning from Viet Nam to Phnom Penh		
AM	<ul style="list-style-type: none"> • Travel from Da Nang (12:15) to Ho Chi Minh City (13:40) • Travel from Ho Chi Minh City (16:00) to Phnom Penh (17:00) 	VN123 VN920