

**Vietnam: A Country Study within the
Framework of the Evaluation of the
Netherlands Government's Policy on Tropical
Rainforests**

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Contents

| | |
|---|-----------|
| <i>Acronyms and abbreviations</i> | <i>iv</i> |
| 0 Introduction | 6 |
| 1 The evaluation procedure in Vietnam | 7 |
| 1.1 Difficulties of attributing projects to RTR objectives | 8 |
| 1.2 Field research | 9 |
| 2 Vietnam country profile | 10 |
| 2.1 History and political context | 10 |
| 2.2 Social indicators | 11 |
| 2.3 The economy | 12 |
| 2.4 Administrative structure | 13 |
| 2.5 Forests and biodiversity | 13 |
| 2.6 Forest policy framework | 15 |
| 2.7 Forestry institutional framework | 17 |
| 3 The Forest Sector Support Programme and the Trust Fund for Forests | 17 |
| 3.1 General description | 17 |
| 3.2 Project descriptions in the Bemos and Proforis financial data | 18 |
| 3.3 Inputs | 19 |
| 3.4 Outputs | 19 |
| 3.5 Outcomes | 20 |
| 3.6 Impacts | 26 |
| 3.7 Poverty reduction | 26 |
| 3.8 Effectiveness and relevance | 26 |
| 4 Cat Tien National Park Conservation Project | 27 |
| 4.1 General description | 27 |
| 4.2 Project description in the Bemo and Proforis financial data | 28 |
| 4.3 Inputs | 28 |
| 4.4 Outputs | 29 |
| 4.5 Outcomes | 30 |
| 4.6 Impact | 32 |
| 4.7 Poverty reduction | 32 |
| 4.8 Effectiveness and relevance | 33 |
| 5 ForHue project | 34 |
| 5.1 General description | 34 |
| 5.2 Project description in the Bemo and Proforis financial data | 34 |
| 5.3 Inputs | 35 |
| 5.4 Outputs | 35 |
| 5.5 Outcomes | 37 |
| 5.6 Impacts | 38 |

Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

| | | |
|----------------|---|-----------|
| 5.7 | Poverty reduction | 38 |
| 5.8 | Effectiveness and relevance | 38 |
| 6 | Tropenbos International (TBI) Vietnam | 39 |
| 6.1 | General description | 39 |
| 6.2 | Project description in the Bemos | 39 |
| 6.3 | Inputs | 40 |
| 6.4 | Outputs | 40 |
| 6.5 | Outcomes | 42 |
| 6.6 | Impacts | 43 |
| 6.7 | Poverty reduction | 43 |
| 6.8 | Effectiveness and relevance | 43 |
| 7 | Non-timber Forest Products Project | 45 |
| 7.1 | General description | 45 |
| 7.2 | Project description in the Bemo | 45 |
| 7.3 | Inputs | 46 |
| 7.4 | Outputs | 47 |
| 7.5 | Outcomes | 47 |
| 7.6 | Impacts | 48 |
| 7.7 | Poverty reduction | 48 |
| 7.8 | Effectiveness and relevance | 48 |
| 8 | Worldwide and regional support | 49 |
| 8.1 | TBI | 50 |
| 8.2 | IUCN | 50 |
| 8.3 | FAO–Netherlands Partnership project | 51 |
| 8.4 | Plant Resources of South-East Asia (PROSEA) project | 51 |
| 8.5 | World Resources Institute (WRI) project | 51 |
| 8.6 | Other projects (INBAR, CIFOR and ICRAF) | 52 |
| 9 | Summary and conclusions | 52 |
| 9.1 | Objectives and methodology of the study | 52 |
| 9.2 | Forest sector context of Vietnam | 53 |
| 9.3 | Inputs | 55 |
| 9.4 | Outputs | 55 |
| 9.5 | Outcomes | 57 |
| 9.6 | Impacts | 58 |
| 9.7 | Poverty reduction | 60 |
| 9.8 | Effectiveness | 61 |
| 9.9 | Relevance | 63 |
| 9.10 | RTR policy effectiveness in Vietnam | 64 |
| | References | 66 |
| Annexes | | |
| | Annex 1 Terms of reference for the RTR evaluation | 69 |
| | Annex 2 List of persons interviewed | 84 |

Acronyms and abbreviations

| | |
|-----------|--|
| ADB | Asian Development Bank |
| Bemo | <i>Beoordelingsmemorandum</i> , project appraisal memorandum |
| BBI | International Policy Programme on Biodiversity 2002–2006, the Netherlands |
| CARE | Centre for American Relief Everywhere |
| CGIAR | Consultative Group for International Agricultural Research |
| CIFOR | Centre for International Forest Research |
| CO | Coordinating office (of the FSSP) |
| CPRGS | Comprehensive Poverty Reduction and Growth Strategy |
| CTA | chief technical adviser |
| CTNP | Cat Tien National Park |
| CTNPCP | Cat Tien National Park Conservation Project |
| DARD | Department of Agriculture and Rural Development at provincial level |
| DED | German Development Organisation |
| DGIS | Directorate-General of International Cooperation (the Netherlands) |
| FAO | UN Food and Agriculture Organization |
| FIPI | Forest Inventory and Planning Institute |
| FSC | Forest Stewardship Council |
| FSIV | Forest Science Institute of Vietnam |
| FPRDP | Forest Protection and Rural Development Project |
| FSDP | Forest Sector Development Project |
| FSSP (&P) | Forest Sector Support Programme (& Partnership) |
| GDP | gross domestic product |
| GEF | Global Environment Facility |
| GIS | geographical information system |
| GTZ | German Technical Cooperation Agency |
| HIF | Harmonisation Implementation Framework |
| ICRAF | World Agroforestry Centre (International Centre for Agroforestry Research) |
| IDA | International Development Agency (World Bank) |
| IFI | international financial institution |
| INBAR | Institute for Bamboo and Rattan |
| IOB | Policy and Operations Evaluation Department |
| IUCN | World Conservation Union |
| LDC | least developed country |
| MARD | Ministry of Agriculture and Rural Development |
| M&E | monitoring and evaluation |
| MoF | Ministry of Finance |
| MONRE | Ministry of Natural Resources and Environment |
| MPI | Ministry of Planning and Investment |
| NCF-WG | National Community Forestry Working Group (FSSP) |
| NFP | National Forest Programme |

Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

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| NFS | National Forest Development Strategy |
| NGO | non-governmental organisation |
| NTFP | non-timber forest product |
| Nuffic | Netherlands Organisation for Cooperation in Higher Education |
| ODA | official development assistance |
| OoG | Office of the Government |
| PROSEA | Plant Resources of South East Asia |
| PRSP | poverty reduction strategy paper |
| PSC | Partnership Steering Committee (FSSP) |
| RNE | Royal Netherlands Embassy |
| RRA | rapid rural appraisal |
| RTR | <i>Regeringsstandpunt Tropisch Regenwoud</i> – the Netherlands government's policy on tropical rainforests |
| SFE | state forest enterprise |
| SFR | Swiss franc |
| SNV | Netherlands Development Organisation |
| SUF | Special Use Forest |
| TA | technical assistance |
| TBI | Tropenbos International |
| TFAP | Tropical Forestry Action Plan |
| TFF | Trust Fund for Forests |
| TRF | tropical rainforest |
| TTH | Thua Thien Hue (province) |
| VCF | Vietnam Conservation Fund |
| VND | Vietnam dong (currency unit) |
| WRI | World Resources Institute |
| WWF | World Wildlife Fund |
| 5MHRP | 5 Million Hectare Reforestation Programme |

0 Introduction

The Netherlands government's policy on tropical rainforests (*Regeringsstandpunt Tropisch Regenwoud*, RTR) was approved by Parliament in 1991. This interdepartmental policy aims at '*promoting the conservation of the tropical rainforest by realising a balanced and sustainable land and forest use, to end the present, rapid progress of deforestation and the encroachment and degradation of the environment*'. The RTR was adjusted by the International Policy Programme on Biodiversity (BBI) in 1996.

The policy contains a financial commitment. It is expected that €68 million per year will be spent on forests, at least one-third of which will be targeted at tropical rainforests (TRF). These funds are 100% official development assistance (ODA). Although different ministries are responsible for the implementation of the RTR policy, the financial target is mainly the responsibility of the Ministry of Foreign Affairs.

This country study is part of an evaluation of the RTR policy, covering Dutch ODA expenditures targeted at tropical rainforests over the period 1999–2005. For the purposes of this evaluation, partner countries on three continents that have received a substantial proportion of the total expenditures on tropical rainforests – Vietnam, Ghana and Colombia – were selected for study.

The overall objective of this study is to understand the relevance, efficiency and effectiveness of ODA inputs for the preservation of the tropical rainforest in Vietnam. The study also questions whether RTR inputs have contributed to poverty reduction. The terms of reference for the evaluation are presented in Annex 1.

Chapters 2 and 3 provide general information about the evaluation procedure and the overall context of Vietnam. Chapter 4 describes the national forest planning process, and the projects aimed at supporting this process. Chapters 5–9 describe a selection of field projects, and chapter 10 provides a summary and draws general conclusions.

The fieldwork for this study was carried out by Paul Kerkhof, Marjol van der Linden, Jan van Raamsdonk and Nguyen Van San in January 2007. Thanks are due to the staff of the many government and development organisations visited by the team, and to the Netherlands embassy staff, for the time and information they kindly made available. The report was prepared by Paul Kerkhof, with inputs from the other team members. The author is grateful to staff of the embassy, the IOB and members of the reference group, and Jan van Raamsdonk in particular, for their comments on the various drafts of this report.

1 The evaluation procedure in Vietnam

The terms of reference for the overall RTR evaluation is the point of departure for the methodology followed in the Vietnam case study (Annex 1). The preparations for the study, in the last quarter of 2006, included a desk study in the Netherlands, a search of Proforis, the Ministry's forest project database, followed by study of the Ministry's internal project appraisal memoranda (*Beoordelingsmemoranda*, or Bemos). A brief Vietnam country profile was prepared to describe the context (chapter 3).

The Proforis database, maintained by the International Agricultural Centre (IAC) at Wageningen University, provided a list of bilateral projects in Vietnam that met the following criteria:

- at least 50% of expenditures could be attributed to tropical rainforests; and
- approved between 1 January 1999 and 31 December 2005.

The list did not include projects financed through worldwide and regional programmes that are not administered by the embassy, or projects channelled through other organisations (SNV, Nuffic, etc.). Proforis also provided separate lists of worldwide and regional Asia projects that are generally administered by the Ministry of Foreign Affairs. Major worldwide projects were selected for study if, according to the assessment memoranda, they appeared to be relevant to Vietnam.

The lists of bilateral, regional Asia and worldwide projects were then classified by volume of funding in order to determine their major financial characteristics. It appeared that many projects are very modest in financial terms, while a few activities account for the majority of funds. Table 1 presents the distribution of projects in financial terms; more than half of activities have budgets of less than €100,000 and account for a few percent of overall funding, while just a few projects with budgets of more than €1 million account for more than two-thirds of project funding.

Table 1. Distribution of projects selected for the Vietnam evaluation according to budget categories. Information derived from the Proforis database.

| Budget | Bilateral projects | Worldwide programmes |
|---------------------|---------------------------|-----------------------------|
| < €100,000 | 11 activities = 4% | 15 activities = 1% |
| €100,000–€1,000,000 | 6 activities = 30% | 12 activities = 16% |
| > €1,000,000 | 2 activities = 67% | 3 activities = 83% |

Project funding has been clustered around the actual projects that account for most funds, given that activities such as 'project formulation' or 'review' may be funded as separate activities in the Proforis database. Thus a limited number of projects were selected for detailed document analysis and, finally, for field research in Vietnam. The assessment memoranda provided most of the information at the first stage, followed by project documents and external reviews at a later stage.

Key project documents, in particular external evaluations, were analysed in order to prepare a checklist of detailed questions for the research in Vietnam. The projects included in the checklist were limited to a selection of the actual projects, excluding formulation and evaluation activities. Checklists were prepared only for projects for which relevant documentation was available, which was generally not the case for the regional Asia and worldwide projects.

Regional Asia and worldwide projects were selected for further research based on the size of their budgets. Three were considered to be of particular relevance to Vietnam: TBI, IUCN and FAO. The team interviewed staff at the organisations' headquarters (TBI in the Netherlands and IUCN in Switzerland) and regional offices (IUCN and FAO in Thailand). In two cases, the evaluation team visited the country offices in Vietnam (TBI and IUCN) and for one of them (TBI), the field project. For all three projects, staff of the beneficiary organisations were also interviewed.

Various other worldwide and regional Asia projects funded by the Netherlands were also included in the fieldwork. For the evaluation of the Plant Resources of South East Asia (PROSEA) project, the team interviewed staff of the Ecology and Biological Resources Institute (IEBR), the Forest Science Institute of Vietnam (FSIV), the Forest Inventory and Planning Institute (FIPI), the Vietnam Forestry University (VFU), the biology faculty of Hanoi National Universities, and international NGOs such as the World Wildlife Fund and IUCN. During these visits, the team was able to verify that the PROSEA publications were available and being used..

The time available for research in Vietnam was limited to two weeks. Based on the volume of project funding and logistical considerations due to the long distances involved, five core projects were selected for field research, but one of these could not be visited for logistical reasons. The resource persons interviewed in Vietnam are listed in Annex 2.

1.1 Difficulties of attributing projects to RTR objectives

The attribution of the percentage of project funds that can be considered to benefit directly tropical rainforests and other forests with high biodiversity value, is required for annual reporting to Parliament. In the case of bilateral projects, the percentage is normally determined by the embassy, possibly in consultation with the Ministry. In Vietnam, the mission found that the present embassy sector specialist did not necessarily agree with the percentages attributed by his predecessor.

In the case of the Non-Timber Forests Products (NTFP) project, for example, the first phase had been attributed 100% to tropical rainforest in 1996. The second phase was similar to the first, but because implementation was at a larger scale, the attribution was only 25%. But the review and reformulation were attributed 100% to the rainforests. The embassy sector specialist responded that the 25% attribution

must have been a mistake. The figure was determined at a time when there was no environment sector specialist at the embassy, and he would have attributed 50% or more to this project. As a result, the mission included this in the projects selected for field research. Table 2 provides an overview of the projects selected.

Table 2. Overview of bilateral projects selected for the Vietnam evaluation.

| Category | Number of projects | TRF Expenditures 1999–2005 |
|--|---------------------------|-----------------------------------|
| Bilateral projects in Proforis selection | 19 | €6,062,283 |
| Bilateral projects outside Proforis selection but included in the field research | 5 | €685,014 |
| Total | 24 | €6,922,511 |
| Of which projects included in the final selection for field research | 14 | €2,005,406 |

There is another category of Netherlands ODA that is not administered by the embassy, and projects are not included in the Proforis database, but which may be attributed to tropical rainforests in Vietnam. The first phase of the forestry vocational training project, for example, was financed through bilateral support, and was limited to one school, with 100% attributed to RTR. In the second phase, the project was administered by Nuffic (€4 million), but no funds were attributed to RTR. Another example in this category is the ForHue project, which is financed partly through SNV, a Dutch NGO.

1.2 Field research

The field research team consisted of the lead consultant (team leader), an IOB inspector, an IOB research assistant and one national consultant, with the support of an interpreter. The national consultant spent one week preparing for the mission, and a week concluding the research after the mission left Vietnam. All organisations were informed of the evaluation, which took place from 8 to 22 January 2007.

The embassy was an important starting point, since almost all the projects included in the field research have offices in Hanoi. Since the key Vietnamese government offices are also based in Hanoi, much information was collected at this stage, before departure to field sites.

During the fieldwork at four project sites in southern and central Vietnam, the main evaluation tools were interviews, observations and document review. Project staff, beneficiary organisations, local authorities, local organisations and individual households were the main sources of information. The various aspects analysed in the evaluation were as follows (see the ToR of the overall RTR evaluation):

- Inputs and outputs: have they been delivered as described in the project reviews and evaluations? What were the priority inputs and outputs for each project objective?

- How has capacity development been used? This concerns the publication and communication of research, the appreciation of new research capacity within the organisations, the professional profiles and capacity to deliver of those who have benefited from training, appreciation by directors.
- How has forest planning been reinforced? This concerns participation by stakeholders, their assessment of the planning process, the participation of key decision-making institutions, the incorporation of national forest plans in cross-sectoral and higher-level national planning processes, and the share of national and external financial contributions to the execution of those plans.
- How have project activities contributed to poverty reduction, and how have conservation–development interactions been managed? This concerns the poverty reduction nature or scope of research and training activities, and the inclusion of concerns of the poor in these activities.

By the end of the evaluation, draft versions of the report were shared with the embassy, IOB referees and the RTR Reference Group.

2 Vietnam country profile

2.1 History and political context

The Socialist Republic of Vietnam covers an area of 330,363 km² extending over 2300 km from north to south. The climate is tropical monsoon with cool, damp winters and hot, rainy summers in the north, and a more equable climate in the south. Vietnamese is the national language, spoken by some 90% of the population.¹

Vietnam's history is marked by its resistance to its giant northern neighbour China, and its southward expansion that brought the country into conflict with the Khmer empire. Vietnam in its present form was forged only at the end of the 18th century, but by the mid-19th century it was brought under French colonial rule. The challenge to colonial rule coalesced in the Communist movement, with the Communist Party founded by Ho Chi Minh in 1930.

The Second World War improved the prospects of the communist movement, and the organisation Vietminh proclaimed independence in 1945. The military conflict between the former colonial ruler and the Vietminh was decided by the defeat of the French at Dien Bien Phu. When a conference in Geneva failed to reach agreement, the country was divided at the 17th parallel to create North and South Vietnam. Following a military coup in South Vietnam in 1963, the conflict between North and South turned into what the Vietnamese call the American war, which involved 500,000 US troops by 1968. Five years later, the US decided to

¹ Much of this section is based on Economist Intelligence Reports; RNE Hanoi annual reports 2001, 2002, 2003, 2004 and 2005; the website of Transparency International, www.transparency.org; and D.A. Gilmour *et al.* (2000) *Rehabilitation of Degraded Forest Ecosystems*. IUCN.

withdraw its troops, and in 1975 the communists entered Saigon (Ho Chi Minh City), bringing the 30-year war of independence to an end.

Initially, Vietnam received very little international aid to repair its shattered economy. In 1978, Vietnam ousted the Khmer regime in Cambodia, in response to aggression. This led to political dispute and one year later, to war with China. China was disgruntled, among other things, by Vietnam's harsh treatment of ethnic Chinese, many of whom joined the 'Boat People'.

During the 1980s a trade embargo imposed on Vietnam aggravated the economic crisis brought about by central planning. In 1986 the Communist party made an historic commitment to economic reform (*doi moi*). The Vietnamese government withdrew its troops from Cambodia in 1989, and soon after opened up diplomatic and economic relations with many Asian and European countries and institutions. While the one-party state has been maintained, some evidence of division and pluralism has emerged in recent years. The pace of economic reform has quickened since 2002, and in 2007 Vietnam became a member of the World Trade Organization (WTO).

Corruption is prevalent throughout the economy and is a major issue in Vietnamese politics. Table 3 shows Transparency International's Corruption Perception Index for Vietnam over the period 1999–2006. Although Vietnam's ranking has fluctuated over the period, the perceived level of corruption has not changed significantly in either direction.

Table 3. Vietnam's Corruption Perception Index (CPI).

| Year | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------|-------|-------|-------|--------|---------|---------|---------|---------|
| Ranking/total | 79/99 | 78/90 | 75/91 | 87/102 | 105/133 | 106/146 | 114/158 | 111/163 |
| CPI | 2.6 | 2.5 | 2.6 | 2.2 | 2.4 | 2.6 | 2.6 | 2.6 |

Source: Transparency International (www.transparency.org).

Vietnam's human rights record over the period 1999–2005 has been variable. Civil society institutions are mostly limited to mass organisations so that they do not qualify as NGOs by some standards.² All mass media are controlled by the government.

2.2 Social indicators

The population of Vietnam was 82 million in 2004, with a growth rate that declined from 3.1% in 1960–1970 to 1.4% in 2000–2004. The population is predominantly rural (74%), concentrated in the two major rice-growing areas, the Mekong and Red River deltas, but urbanisation is increasing.

² See Irene Nørlund (2006) *The Emerging Civil Society: An Initial Assessment of Civil Society in Vietnam*. Vietnam Institute of Development Studies. CIVICUS Civil society shortened assessment tool CSI-SAT index Vietnam.

Literacy rates are high; according to one survey some 92% of the population were literate in 2002. Key health indicators are relatively good. The infant mortality rate fell from 55 per 1000 births in 1970 to 19 per 1000 in 2003, and life expectancy increased from 50 years in 1969–1975 to 70 years in 2003.

Various gender-related statistics demonstrate that the role of women in Vietnam is relatively progressive. Male and female adult literacy rates are 94% and 87%, respectively, while life expectancy at birth is 69 for men and 73 for women. The share of parliamentary seats held by women is 27%, which compares favourably with New Zealand and Australia (28%), while the ratio of female to male incomes is 0.68, compared with 0.69 in Sweden and Iceland.³ Recent legal changes in Vietnam mean that land title can now be issued to both men and women.

2.3 The economy

Vietnam's economy is doing well, with growth rates mirroring those of China (Table 4). However, economic dynamics and privatisation have led to concerns about rising inequality and new forms of poverty, particularly in rural areas, where poverty rates are three times as high as in urban areas. The highest levels of poverty are found in the Central Highlands and parts of the north.

Table 4. Economic growth of Vietnam, 2001–2005.

| Year | 2001 | 2002 | 2003 | 2004 | 2005 |
|---------------------------------------|------|------|------|------|------|
| GDP/capita, % change on previous year | 5.5% | 5.7% | 5.8% | 6.3% | 7.0% |

Source: Economist Intelligence Report.

The organisation of the economy is steadily changing from centrally planned to market based. The share of state-owned enterprises in industrial output fell from 44% in 1999 to 34% in 2005. Although they are still supported by economic policy, some 60% of state-owned enterprises were restructured, closed down or otherwise dealt with between 2001 and 2005.

The grants received by the Vietnamese government over the period 2000–2004 remained stable at about USD 2 billion. Official development assistance (ODA) to Vietnam – USD 21.8 per capita, or 4.5% of GDP (2003) – is significant, but is less than the amounts received by many developing countries. Vietnam is expected to become a middle-income country by about 2012.

In terms of employment, Vietnam is still an agrarian society, with 60% of the workforce involved in agriculture, forestry or fisheries. But although the value of the agricultural sector grew by 4% per year, its share in the economy almost halved over the period 1991–2005. Nevertheless, the production of commodities such as rice and coffee has greatly increased and has turned Vietnam into one of the world's largest agricultural exporters.

³ UNDP Human Development Indicators

Until recently the government subsidised programmes promoting migration from the densely populated lowlands to the 'new economic zones' in the Central Highlands. These programmes encouraged slash and burn farmers, many belonging to ethnic minorities, to settle in these new areas. There have been demonstrations against the programmes, but they have been repressed by the government.

2.4 Administrative structure

Both national and provincial levels play a key role in Vietnam's administrative structure, which dates from the unification of the country in 1975 and includes communist principles of administration and economic planning. Initially, the national administration was very heavy and centralised until decentralisation measures were introduced, in which provinces were gradually given greater responsibilities, including their own tax base. At present, the country is considered decentralised, but this is distinct from democratic decentralisation, which has not been achieved.

Districts are administrative units within the provinces, while communes are units within districts. To a limited extent, the ministerial structure at national level is reflected in the provinces, districts and, to a lesser extent, the communes. At the lowest level is the village, where the headman is responsible for village organisation/administration.

The concept of 'community' does not legally exist in Vietnam. Land can be allocated to households, but not to communities. Recent changes, in particular since 2004, present opportunities to develop community concepts.

Land ownership is retained by the state, and most forest land is managed by forest state enterprises (FSEs) on behalf of the state. Land of state enterprises, including the forest vegetation, can now be allocated to households under 50-year leases. The land title is called the 'Red Book'. A major criterion for allocating land to a household is its ability to manage the land. The allocation process is slow, and it appears that the most valuable land is retained by the state.

The Communist party is present at all levels of government – national, provincial, district and commune. The village level is not part of the party structure, although village headmen may have a major influence on villagers.

2.5 Forests and biodiversity

According to some estimates, Vietnam has lost 80% of the forest cover that existed at the beginning of the 20th century. According to the last data compiled by the French colonial administration, in 1943, the forest cover was 43–44%. Today, estimates of the area under natural forest, or classified as such, vary from 9 to 12 million ha (33–40%), of which only about 0.7% (roughly 85,000 ha) is classified as primary forest.

Of the estimated 9–12 million ha of land classified as forest, a large proportion is actually covered by bush or grass, or without any vegetation, which does not

classify as forest by any common definition. According to one estimate, Vietnam lost 200,000 ha of forest in the first half of the 1990s.⁴ Forest degradation and deforestation are common throughout the Mekong catchment area (which includes parts of Laos, Cambodia and Thailand), with some 23 million ha degraded.⁵

At present, over one-third of Vietnam is barren or otherwise unused, although much of this land was once forested. The most important causes of deforestation include slash and burn agriculture, the flow of migrants from the crowded deltas to sparsely populated areas, the conversion of land for growing coffee and other cash crops, and the extraction of forest products. Some 2 million people from ethnic minorities depend on shifting cultivation and natural resource exploitation. Shifting cultivation is practised on some 3 million ha of land, while the cultivated land area amounts to only 0.1 ha per person, one of the lowest in the world. Along the coast, meanwhile, shrimp cultivation is expanding rapidly and is threatening the remaining mangrove forests. Traditional fuels, mostly woodfuel, account for 25.3% of total energy consumption (2002), but much of this is probably obtained from trees outside the forests.

The volume of timber extracted from the forests peaked at 2.8 million cubic m³ in 1996 and fell to 2 million m³ in 1999, before rising again to 2.7 million m³ in 2005. Exports of timber and timber products fell, according to official figures, from 780,000 m³ in 1991 to 40,000 m³ in 1994. At present, timber extraction is officially limited to 900,000 m³ per year. In recent years, the value of the forestry sector has grown steadily by 1% per year.

The major share of plantation timber production is destined for export. Yet domestic plantations are unable to meet the demand from the wood processing industry so that much wood is imported. Medium or large-scale plantation enterprises export all their timber to countries where at present there is no demand for products with Forest Stewardship Council (FSC) certification (e.g. Japan). Consequently, Vietnam imports large quantities of certified timber for processing into products such as garden furniture, which are then exported to countries where the demand for certified timber is high.

In principle, Vietnam has a high potential for producing FSC-certified wood products. The forest cover is relatively high and large areas are being reforested. The government is committed to strategies for sustainable and participatory forest management, which is the main requirement for FSC certification. The demand for FSC products is predicted to increase rapidly in the coming years.

Firewood is the most important forest product in terms of volume, at about 15 million tonnes/year, with another 15 million tonnes/year harvested from trees outside the forest. The domestic demand for timber and bamboo is estimated at some 5 million m³/year.

⁴ MoF (1995a), cited in D.A.Gilmour *et al.* (2000) *Rehabilitation of Degraded Forest Ecosystems*. IUCN.

⁵ D.A.Gilmour *et al.* (2000) *Rehabilitation of Degraded Forest Ecosystems*. IUCN.

Reforestation estimates for Vietnam vary widely, from as little as 68,000 ha per year over the period 1994–99, to an average of 236,000 ha per year in the 1990s.⁶ The government's reforestation target is 200,000 ha per year, with a long-term target of 5 million ha. According to national statistics, forest cover increased by about 1.6 million ha in 1999–2005, or about 5% of the national territory. Detailed forest cover statistics over the RTR evaluation period 1999–2005 are presented in chapter 10.

Vietnam is one of the world's richest biogeographic zones, with many different forest types, such as lowland and highland rainforest, freshwater swamp forest, mangrove forest, bog forest and high-altitude coniferous forest. It is estimated that these forests contain more than 12,000 plant species (not all of which have been identified), about 800 bird species, 275 mammals, some 2500 fish species and 180 reptile species. The Vietnamese rhinoceros is among the recent discoveries. The level of endemism is high.

In the mid-1990s Vietnam had 89 protected areas, occupying a total area of more than 1 million ha, which increased to 128 in 2005, covering 2.4 million ha, or 7% of the land area. However, many of these areas are not demarcated on the ground, and few have implemented management plans. Many parks or reserves receive little or no support, and some are probably too small for sustainable conservation. Vietnam is signatory to all key environmental conventions.

2.6 Forest policy framework

The Vietnamese forest policy has evolved in response to broad political changes and global environmental concerns. Initially, forest policy was aimed at increasing industrial and agricultural production, and at settling populations who practised shifting agriculture or moving people from crowded deltas and lowlands to forest land. The result has been severe overexploitation or destruction of forests, given that timber extraction quotas were aimed at satisfying short-term needs rather than maintaining long-term productive capacity.

In the early 1990s, the government introduced a reforestation policy in order to reverse the alarming trend of deforestation and land degradation. Decree 327/CT of 1992 was conceptualised as a way to contract farmers and groups to reforest large areas. Around this time, the UN Food and Agriculture Organization (FAO) sponsored Vietnam to formulate a National Forest Action Plan (NFAP), which emphasised decentralisation, local participation, support to local initiatives and measures to increase incomes from the forests. These policies were later reformed into the 5 Million Hectare Reforestation Programme, expected to run from 1998 to 2010, which aims to achieve a forest cover of 43% (the area last measured in 1943). However, the plantations generally include exotic species such as

⁶ Plant survival rates can be very low, while fires, typhoons and other factors can have major impacts on forest plantations. Depending on the criteria for inclusion in forest plantation statistics, data may vary widely.

eucalyptus and acacia, which raises biodiversity, sustainability and marketing questions.

Given the concerns about deforestation, timber extraction has been curbed and in 1997 some 300 state forest enterprises were shut down. An export ban on logs was imposed in 1992, followed by a ban on timber products a year later (which was lifted in 2001).

The dynamic forest policy reflects the broad political changes that have affected all sectors of the economy, in particular the move from a centrally planned to a market-driven economy, although the process is still far from complete. The subsidies paid to state forest enterprises were cut and many were reformed, slimmed down or otherwise changed. Non-state entities, including private enterprises and individual households have thus been gradually encouraged to participate in the forest sector.

The Vietnamese version of a Poverty Reduction Strategy (PRSP) is the Comprehensive Poverty Reduction and Growth Strategy (CPRGS), which dates from 2001. This is basically a donor framework that was later more or less integrated in the national socio-economic five-year planning framework.

In 2001 the institutional framework for the forestry and biodiversity sector was based on following documents:

- Land law 1988, reformed in 1993, which allows public land in forest estates to be leased for private forestry;
- Law on Protection and Development of Forest Resources (1991); revised in 2004;
- National Forestry Action Plan (NFAP, 1991);
- National Plan for the Environment and Sustainable Development (State Committee for Sciences, with the assistance of UNDP/SIDA/UNEP/IUCN, 1991);
- Biodiversity Action Plan (1985);
- Vietnam National Environmental Action Plan (1995);
- Forestry Development Strategy 2001–2010; and
- Programme 327, later Programme 661: the 5 Million Hectare Reforestation Programme (1998–2010).

This policy framework has recently been reformed through the following:

- National Strategy for Environmental Protection until 2010 and vision towards 2020;
- Law on Environment (2005);
- Biodiversity Action Plan (2006);
- Politburo: Vietnam's Sustainable Development Strategy, Agenda 21 (2004);
- Land Law (2005);
- National Forest Development Strategy 2006–2020; and
- Socio-economic Development Plan 2006–2010.

2.7 Forestry institutional framework

The government institutions most concerned with the forest sector and biodiversity are the ministries of Agriculture and Rural Development (MARD) and of Natural Resources and the Environment (MONRE). The latter has overall responsibility for the environment and biodiversity, including marine and wetland areas. Production and the protection of forests are the responsibility of MARD, which has a large number of specialised organisations concerned with research and monitoring (the Forest Science Institute of Vietnam, FSIV, and the Forest Inventory and Planning Institute, FIPI), education (e.g. vocational training schools), production (enterprises) through to protection (national parks) and extension.

Decentralisation is an important feature in Vietnam, whereby the provinces now carry much of the responsibility for forest management on their territory. Each province has its own tax base, causing considerable disparities between local authority budgets. Provinces near the industrialised areas of Hanoi and Ho Chi Minh City, for instance, have much more leeway to invest in environmental conservation than do poorer provinces in remote areas. The national parks remain under the control of the national authorities.

In the forest (sub)sector, the most important administrative units include:⁷

1. Institutions at national level: MARD and its specialised organisations such as research and education institutes addressing specific needs (agro-ecological zones in particular). Some of these institutions (such as FSIV) have field offices that do not follow the overall administrative structure.
2. Provincial institutions (in particular the Forestry Development sub-Department).
3. District institutions (especially the units for agriculture and rural development, natural resources, including land registry offices, and forest protection units).
4. Commune institutions, including those concerned with agriculture and rural development.
5. State forest enterprises and national park management boards.
6. Households.

3 The Forest Sector Support Programme and the Trust Fund for Forests

3.1 General description

In 1999, donors supported the national forest programme called the 5 Million Hectare Reforestation Programme (5MHRP) to varying degrees. There was little donor harmonisation outside this framework. The Forest Sector Support Programme (FSSP) and the Trust Fund for Forests (TFF) are projects aimed at

⁷ See P. van der Poel *et al.* (1999) *Strengthening the Forestry Management Capacity in Thua Thien-Hue Province with special attention to the Bach Ma-Hai Van Buffer Zone*. SNV.

achieving the objectives of the Netherlands RTR and BBI policies through more coherent and efficient donor support. These multi-donor initiatives, in close collaboration with the government of Vietnam, started with the FSSP in 2002 as an institutional and policy support mechanism, and followed through, two years later, with the Trust Fund. The FSSP can be summarised as:⁸

- an arrangement for continued collaboration on the basis of agreed policies;
- a commitment to the sustainable management of forests and the conservation of biodiversity; and
- a collaboration to maximise effectiveness and efficiency in the use of all resources applied to the sector through the harmonisation of policies and programmes.

As well as the Netherlands, the major contributors to the FFSP and TFF are Finland, Sweden and Switzerland. The government of Vietnam is a minor contributor, and GTZ (Germany) contributes in kind by providing technical assistance (TA).

The current evaluation of these projects is based on the annual external reviews of the FSSP, project documents and reports, government of Vietnam policy documents over the evaluation period, and on interviews with the FSSP secretariat, technical and financial TA and government representatives. Since disbursements from the TFF are recent, the Fund is not evaluated in detail.

3.2 Project descriptions in the Bemos and Proforis financial data

The Netherlands has contributed through seven projects, listed in Table 5, of which the FSSP and TFF can be regarded as the core projects. The first two projects in this list can be regarded as projects that helped to develop the FSSP concept through preparatory activities and capacity building within MARD. The two Bemos are thematically focused on sustainable use and reforestation, and did not include a poverty reduction objective.

Table 5.

| Code | Title | Attribution TRF | TRF expenditures |
|----------|---|-----------------|------------------|
| VN019002 | Trust Fund Partnership Development 5MHRP | 50% | €22,418 |
| VN019004 | Support to MARD's 5 Million Hectare Reforestation Programme, 2001 | 50% | €22,778 |
| VN019006 | Support to the formulation phase of the Forest Sector Support Programme | 50% | €22,645 |
| VN019007 | Review of the Forest Sector Support Programme Draft | 50% | €8,753 |
| VN019009 | Forest Sector Support Programme | 25% | €84,430 |
| 10957 | Livelihoods Study | 20% | €9,000 |
| 9987 | Trust Fund for Forests | 50% | €250,000 |
| TOTAL | | | €420,024 |

⁸ Joint Review of the FSSP, 2006.

The Bemo 'Forest Sector Support Programme' (VN019009) describes the FSSP primarily as an institutional reform and capacity building project, and it did provide the project with a poverty reduction objective. The emphasis is on RTR objective 6, institutional strengthening.

The Bemo 'Livelihoods Study' (Piramide 10957) expects that this project would be aimed at poverty reduction, as a result of the political perspective of the project. It is one of the few projects selected for fieldwork in Vietnam with a political perspective on poverty reduction. The same applies to the multi-donor Trust Fund for Forests (Piramide 9987).

3.3 Inputs

The FFSP commenced effectively in 2002, with external reviews in 2003, 2004 and 2006 and an internal review in 2005. The major inputs provided by the project funds include:

- Funds for the coordination office (CO) to support the Ministry, including full- and part-time international TA, Vietnamese experts and support staff, office infrastructure and operational support, and special events/activities.
- Funds to the Partnership Steering Committee (PSC), the Technical Executive Committee (TEC) and the Provincial Reference Group.
- Funds for the FSSP working groups such as the National Community Forestry Working Group (NCF-WG) and the Harmonisation Implementation Framework (HIF).
- Funds for research such as poverty and the gender studies (co-financed separately).
- Funds for external reviews.

Furthermore, the sector specialist and Vietnamese programme officer at the embassy have provided significant inputs for project inception, establishment and guidance since 2001.

The Netherlands was initially the major donor to the FSSP core funding in financial terms (2002–2003), but later other donors constituted the major source of funding (2004–2005). In all, USD 1,260,944 were committed for 2002–2007, of which USD 350,000 by the Netherlands, USD 18,161 by the government of Vietnam, and by far most of the remainder by three other donors.

3.4 Outputs

The outputs of the FSSP and auxiliary projects can be summarised as follows:⁹

⁹ Joint Review of the Forest Sector Support Programme and Partnership, final report, 24 March 2006.

- A platform of Vietnamese and international partners, which was gradually built up to include a wide range of donors, international NGOs and international financial institutions (IFIs). By 2006 the partnership had more than 52 members;
- Annual work plans as planning tools for the partners;
- An information system, FOMIS, that is expected to assist MARD in monitoring and evaluating the forest sector, and in improving the Ministry's data analysis capacity;
- A forest sector ODA database, which started off as a 'matrix of affiliations' in 2002;
- FSSP website and newsletter;
- A forest sector manual, web-based and printed, distributed to the provinces;
- Studies focusing on forestry, poverty reduction and rural livelihoods, forestry and gender, and donor harmonisation Implementation Framework (HIF);
- Workshops;
- Trust fund management;
- Dialogue with various ministries (MARD, MoNRE, MPI, MoF), OoG, FIPI, Provincial Reference Group, etc., on key policy issues such as the forestry strategy reform process;
- By 31 December 2005 the TFF had disbursed €84,390 (all sources of funding combined, no data on the Netherlands share in this amount), *and* had completed all projects.¹⁰

The key outputs of the FSSP have been policy studies, policy dialogue, publications, databases and new funding mechanisms, which have been shared by a large number of financial and technical partners in the sector. All significant reports and publications are available in both Vietnamese and English, a prerequisite for communication and coordination in the country.

The structure of the FSSP has been modified over time. At some stage, all 25+ partners were involved in decision making. More recently, decisions on fund allocations have been taken by MARD with the participation of other ministries. One donor representative has remained involved in the decision-making process, which since 2003 has been the sector specialist at the Netherlands embassy.

3.5 Outcomes

The outcomes of the FSSP and related projects should be measured in terms of institutional reform, in particular policy reform, and increased funding effectiveness. Forest policy reform in Vietnam from 1999 to 2005 is described in the following.

Since the end of the American/Vietnam war development planning in Vietnam has been highly centralised, following the Communist party model in which five-year development plans are key economic planning tools, approved by the Politburo and the National Assembly. The five-year plan 2001–2005 and its successor, the

¹⁰ FSSP-TFF Annual Report 2005.

plan for 2006–2010, are thus important government development policy documents.

Forestry is regarded as a subsector, and there has been some hesitation in preparing and officially approving a forestry sector policy document. Nevertheless, a national forest policy was defined in 2000, probably under some pressure from international partners, as the Forestry Development Strategy 2001–2010, although it was not approved by the Prime Minister.¹¹ Further, in 1998, the government approved a national 5 Million Hectare Reforestation Programme (5MHRP) to be implemented over the period 1998–2010.

The 5MHRP is a national initiative that may well be perceived as Vietnam's national forest programme (NFP) with full government ownership. Its goal is to plant 2 million ha of forest over 12 years and to regenerate 3 million ha using various measures such as enrichment planting and improved protection against fire, grazing and tree cutting. If realised, this programme should increase the area of forest cover by an additional 15% over 12 years. Together, the Forestry Development Strategy 2001–2010 and the 5MHRP documents provide the policy baseline for the purposes of the RTR evaluation.

The key objectives of the *Forestry Development Strategy 2001–2010* are:

- To increase Vietnam's forest cover to 43–44% of the land area. This objective is inspired by the estimates of forest cover made by the French colonial administration in the 1940s.
- To increase forest product export turnover to USD 2.5 billion, with about 6–8 million people participating in forestry.
- To consolidate state-run units to play a core role in forestry production and services.
- To achieve the national security and defence objective of creating a 'green wall' protecting every inch of the country's land.

In quantitative terms, the aims of the strategy are to create:

- protection forests: 6 million ha, occupying 18.2% of the land area,
- special use forests: 2 million ha, occupying 6.1% of the land area, and
- production forests: 8 million ha, occupying 24.3% of the land area.

The category 'protection forests' includes watershed catchment, coastal protection and other forests with an environmental protection function. 'Special use forests' include forests with high biodiversity, including national parks and forest reserves, while 'production forests' are designated to produce wood. However, grassland and bare land can be found in any of these categories, highly degraded forests can be found in special use forests, tree plantations can be found in protection forests, etc. Degraded forests, grassland or barren land cover many millions of hectares.

¹¹ This document was approved by the Minister of Agriculture and Rural Development. Given the subsectoral nature of the policy, it was not approved by the Prime Minister (P. Williams, CTA FSSP CO)

The designation 'special use forests' means that most forms of use by local people are excluded.

Other aims of the strategy include the 'sedentarisation' and socio-economic development programmes for remote and disadvantaged communes, with positive impacts on livelihoods, particularly in mountainous areas. The sedentarisation programmes involve nearly 2 million ethnic minority people.¹²

The Forestry Development Strategy also provides details of the various forest categories, wood productivity to be achieved, priority species, and the type of plantations to be established by state forest enterprises, which are formally responsible for much of the forest land.

The strategy also reiterates the *5 Million Hectare Programme*, which will be continued with the aim of planting 5 million ha of forest over the period 1998–2010. Protection contracts are an important tool in the 5MHRP, whereby local people are paid to protect the forest (until recently they received €2–3 per hectare per year), and are allowed to harvest minor products such as firewood until the contract is terminated.

The 5MHRP is expected to achieve important ecological, economic and poverty alleviation objectives. Increased forest cover is seen as an environmental objective in itself, which is more or less in conformity with the Millennium Development Goals, which also measure environmental quality in simple percentage forest cover terms. The economic objective is to increase large-scale timber production for industry, as well as to reduce timber imports. The poverty alleviation objective is to be achieved through payments to the rural poor, especially ethnic minorities, under the forest protection contracts. It is also expected that increased forest cover will improve rural livelihoods by providing employment and increased environmental services.

Research shows that under this arrangement the legal benefits from the forest are actually very limited, while illegal exploitation is quite common.¹³ The rural poor tend to gain very little, while middle-income groups are the main beneficiaries of the contracts. The contracts will be terminated once the forests have regenerated, and it has been noted by some that this may lead to illegal exploitation, and to poorly managed forests. While there are few concrete data to support this view, such outcomes would hardly be surprising.

Donors and IFIs have contributed to varying degrees to the 5MHRP and Forestry Development Strategy 2001–2110, including the Netherlands embassy, but in many cases the contributions have been modest and have not been sustained for long. The embassy allocated relatively few funds in the first years of the

¹² 'Sedentarisation' refers to the settlement of nomadic or semi-nomadic populations. In Vietnam, this refers to indigenous peoples who practise shifting cultivation.

¹³ The study *Forestry, Poverty Reduction & Rural Livelihoods in Vietnam* (2006), co-funded by the Netherlands, provides many insights into many of these issues.

programme, but no longer does so. Many international partners felt that the 5MHRP was too little concerned with multiple-use forestry, inclusive management and poverty reduction. In particular, there were concerns about:¹⁴

- whether the massive forest plantations would be of sufficient quality and sufficiently accessible to achieve economic objectives: many are of poor quality and access to markets is a concern so that social objectives (providing employment) may be unrealistic;
- whether poor people would benefit from forestry, since forested areas coincide with areas of deep and persistent poverty;
- whether protected area management is sustainable if virtually all forms of local use are excluded;
- whether local people would benefit if plantation forestry prevails over multiple-use forestry;
- whether farmers will invest in forest land if they do not have secure land rights. Even if they were to obtain rights to forest land, it appears that the best land is usually retained by state enterprises, while only poor land is allocated to farmers;
- whether state enterprises are economically efficient, and the pace of reform is sufficient; and
- the 5MHRP has been monitored at the activity level, but even by 2005 no study or evaluation of the programme at the impact level had been undertaken.

International partners in the forestry sector have made considerable efforts to develop an innovative policy and to assist the government of Vietnam in reforming the 1998/2001 framework. According to the staff of international organisations interviewed by the RTR evaluation mission, the FSSP can be singled out as the key partner in this process, which led to the new strategy initiated by MARD in 2004. This culminated in the preparation and approval (supported by the TFF) of a new National Forestry Development Strategy 2006–2020. The strategy was complemented by another important policy document, the five-year socio-economic development plan 2006–2010, in which the forest component was supported by the TFF. The 5MHRP has been maintained as a national programme, but the nature of this programme has evolved.

The *National Forest Development Strategy 2006–2020 (NFS)* differs from its predecessor in terms of process and of content. In terms of *process*, there has been more significant participation of international and local stakeholders. In 2004, an inter-ministerial team began work on a new National Forest Strategy (NFS, 2006–2020). The team included 30 representatives from departments, institutes, universities and related ministries, as well as the National Assembly, the Ethnic Minorities Council, etc., and was led by the Department of Forestry in MARD.

The FSSP coordination office (CO) provided technical, financial and logistic support for the development of the strategy, with major financial inputs from the Trust Fund for Forests and the FSSP CO Trust Fund. The FAO, through the FAO–

¹⁴ These concerns have been raised by the FSSP CE, the Netherlands embassy sector specialist, and the SNV Hanoi, forestry and poverty study.

Netherlands Partnership Programme, supported consultations with stakeholders in 12 provinces and three regional workshops.

During the preparation of the NSF, various drafts were sent to stakeholders at central, provincial, district and commune levels and to selected enterprises for comment. In 2006, a fourth draft was submitted to MARD for the Minister's approval. Further revisions were made before the strategy was submitted to the Prime Minister, who approved it on 7 February 2007.

In terms of *content*, the overall objective of the NFS is similar to that in the previous version, but it now includes socio-economic and environmental services as well as biodiversity. It describes how to move away from a centrally planned to a market economy with social objectives in the forest sector. Specific objectives have been modified significantly.

The economic objective has been modified in several ways, including through the monetisation of environmental services, which will greatly increase their value in comparison with the wood production value, and sustainable management and certification. The social objectives have been specified in terms of, among others, 'socialisation' (i.e. social forestry), gender issues, specific poverty reduction targets and land tenure changes. The environmental objectives have been modified, among others, through reference to environmental transfers (including of CO₂), emphasising planning and the quality of forests, and reduction of violations of environmental regulations.

Forests in protected areas and other special use forests require review so that those of low biodiversity value are declassified and others, which are of high value but not protected, are classified. Modern conservation approaches will be pursued. Production forests will be diversified to encourage multiple uses, the production of non-timber forest products, agroforestry, etc.

With respect to poverty alleviation, the new policy no longer encourages the sedentarisation of ethnic minorities. Instead, it aims at improved land tenure arrangements for local communities and for poor households in particular, diversification land use such as home gardens and agroforestry, as well community forestry arrangements (which did not exist in Vietnam) and pro-poor financial mechanisms. Responsibility for forest protection will be devolved, to some extent, from state authorities to local communities. The new policy also addresses such themes as research and policy development, which were barely represented in the previous strategy.

While the format in which the new policy is presented is more analytical, more strategic and more clearly based on a hierarchy of objectives, this may only apply to the English version.¹⁵ The Vietnamese version presented to the Communist Party, Politbureau and other government bodies may follow a format that is best

¹⁵ The English translation of the final Vietnamese version is not yet available (January 2007). On 8 March, after the mission, the English version was posted on the FSSP website.

understood at those levels. Nevertheless, major policy reform has been achieved, with a clear move away from a centrally planned forest sector, and towards concern for efficiency, more inclusive governance, benefit sharing particularly with the poor, privatisation, and sustainable biodiversity conservation.

The National Environmental Strategy (2003) provides general policy guidance to the forest sector. Perhaps the most important element for the forest sector is the government's objective to increase forest cover further from 43% by 2010 to 48% of the land area by 2020. This statement was reiterated by the responsible deputy minister to the RTR mission.

Vietnam's version of the PRSP (during the period evaluated), the Comprehensive Poverty Reduction and Growth Strategy (CPRGS, 2002), exists in parallel to other planning tools, such as the ten- and five-year socio-economic development plans. By 2006 the CPRGS had been integrated into the Socio-Economic Development Plan 2006–2010.

Several decrees have been adopted to help implement the new visions for forest sector development. Among the most important is Decree 175, relating to land allocation reform, which stipulates how public land will be allocated to households on the basis of 50-year leases. Another is Decree 200, co-financed by the TFF, which concerns the reform of state forest enterprises. It stipulates that provinces must plan the reform of these enterprises to form either business entities, which will no longer be subsidised, or conservation units for the public good. Finally, part of the land may be allocated to individual households or private enterprises. The implementation modalities have not yet been worked out in detail, however.

The FSSP and the various funds are multi-donor support, in which the contribution of the Netherlands cannot be established very clearly. Yet it is evident from initial financial contributions and from the role of embassy staff in the FSSP decision-making structure, that the Netherlands played the lead role. Initially, the embassy's sector specialist co-chaired the FSSP board with the MARD counterpart, and he continues to play a lead role as the bilateral donor representative in the FSSP technical and executive committees and in the TFF decision-making structure of the government of Vietnam (TFF board of directors, chaired by the deputy minister of ARD).

The FSSP was reported by the embassy in 2001 as the introduction of a sector-wide approach (SWAp), making the forest/environment sector an early adopter of this approach.¹⁶ The RTR mission finds that the FSSP has not achieved sector-wide support, but it has attained a greater degree of harmonisation and alignment than before, and that the outcomes in policy terms are significant.

The FSSP's forestry and poverty reduction study was important in stimulating dialogue. In previous years, the Vietnamese government had more or less expected that the 5MHRP would automatically achieve the set poverty reduction objectives.

¹⁶ RNE Hanoi Annual reports, 1999–2005.

In particular, the poor were expected to benefit from the payments for plantation and protection services they provided for a fixed sum per ha per year. The FSSP financed a poverty and forestry study of considerable size and scope, carried out essentially by Vietnamese research institutes. The study found that the poor have hardly benefited from the 5MHRP, and that middle-income people in the study areas have been the winners.

Although at the time of publication the results of the study were hardly acceptable to many in the administration, given that they contradicted the official party view, it appears that they have influenced policy making over time.¹⁷ There is no doubt that poverty reduction objectives, and approaches to achieve them, are now more prominent and more concise than they were in the previous forest strategy.

Up to 31 December 2005, €840,825 was disbursed from the TFF (Netherlands funds, earmarked and un-earmarked), all within 2005. The disbursements are too recent for an outcome evaluation.

3.6 Impacts

The policy reform process outcomes are quite recent so that the impacts on rainforests and biodiversity could hardly be expected at the time of the evaluation. Furthermore, the FSSP is a nationwide programme, which makes it difficult to establish clear, causal relationships between the programme and indicators such as national forest cover. Many projects and programmes, as well as multi-sector dynamics, affect forest cover in Vietnam. The overall forest dynamics in Vietnam are discussed in section 11.

3.7 Poverty reduction

The 2005 review voiced the concern that there is no evidence of synergy between the FSSP&P and the 5MHRP. The RTR mission notes that the FSSP's Forestry, Poverty Reduction and Livelihoods Study have had significant, positive impacts on Vietnamese decision makers in terms of awareness, and possibly attitudes, towards forestry and poverty issues. The rates paid by the government of Vietnam for forest protection under the 5MHRP have been doubled (from VND 50,000 to 100,000/ha/year) in 2007. This should certainly have a poverty reduction impact, even though the poorest benefit less than middle-income groups in the rural areas. The mission believes that this impact can be attributed partly to the FSSP.¹⁸

3.8 Effectiveness and relevance

The RTR mission notes that the FSSP has effectively addressed reform of the forest policy framework in Vietnam. While the reform process has taken about four years to complete, Vietnamese ownership of the new framework is good. There are clear signs of increased Vietnamese contributions to important RTR and BBI objectives, such as the landscape approach and poverty aspects of forest

¹⁷ Quoted from Paula Williams, FSSP CTA.

¹⁸ The middle-income groups in rural areas are the main beneficiaries of these contracts, according a FSSP study.

conservation.¹⁹ The FSSP concept proved to be relevant and confirms the relevance of the emphasis on national forest planning in the RTR policy.

The external review of the Trust Fund for Forests (TFF) in 2006 found that its prospects as a major funding instrument are not good, given that Vietnam will probably soon become a middle-income country, and assuming that it will no longer qualify for significant development assistance. While the planning process induced by the FSSP has been a success story, the benefits of the TFF remain hypothetical at this point in time.

According to the 2006 review, TFF procedures are inefficient. One of the fears expressed by certain partners is that every donor will seek to 'insert' its 'own projects' in the TFF. Another concern is that the TFF has adopted GTZ procedures transposed onto those of the Vietnamese government. This is not a management simplification, although it is considered necessary in view of the risks involved. It leads to the belief that the transaction costs may not yet have diminished.

The slow decision-making process of the first few years was overhauled in 2006. The new procedures should prevent donors from returning to previous, bilateral funding arrangements. The overhaul should also reduce transaction costs. The new process is outside the scope of the RTR evaluation.

4 Cat Tien National Park Conservation Project

4.1 General description

Cat Tien is one of the 28 national parks in the 126 protected areas in Vietnam.²⁰ It is outstanding with respect to its geographical proximity to Ho Chi Minh City and the fact that it hosts the last Vietnamese rhinos, which are considered a separate subspecies. The park also harbours a significant number of plants and animals that appear on the 'red list' of endangered species.

The project 'Pilot resettlement and rhino conservation at Cat Tien National Park' has the following objective: *to conserve the population of, and rehabilitate the remaining habitat for the key and critically endangered species of Javan rhinoceros (also known as Vietnamese rhino) in Cat Loc part of Cat Tien National Park in connection with the whole tropical rainforest of the park and its full biodiversity.* The project extension also aimed to maintain zero poaching of rhinos throughout the implementation period, as well as to mitigate threats to the species by improving awareness, leading to changes in attitudes and behaviour.

The project extension intended to resettle 49 households in two hamlets, and to provide them with paddy land, upland, residential areas, houses, and location in areas with social services such as electricity, roads, cultural and sports facilities,

¹⁹ For an example of the landscape approach, see section 5.

²⁰ IUCN policy brief. *Building Vietnam's Protected Areas.*

etc. Both the Netherlands and the Vietnamese government were expected to contribute financially.

4.2 Project description in the Bemo and Proforis financial data

The resettlement project is a budget-neutral extension of the Cat Tien National Park Conservation Project (CTNP CP). The latter was approved in 1996 for the amount of NLG 110,400,000 and was implemented between April 1998 and June 2004.

| Code | Title | Attribution TRF | TRF expenditure |
|-------|-----------------------|-----------------|-----------------|
| 12132 | Cat Tien Resettlement | 100% | €373,996 |
| TOTAL | | | €373,996 |

The initial CTNP CP project was redesigned following a supervision mission to the park in January 2002, which recommended the resettlement of remote villages located deep within the park. The Bemo for the pilot resettlement and rhino conservation at Cat Tien National Park states that the primary aim was biodiversity conservation, along the lines of RTR objective 1 (conservation).

The resettlement project is a co-financed activity, funded mostly by the Netherlands according to the Bemo, but funded mostly by the government of Vietnam according to project implementation reports, which note that the operating costs were about VND 18 billion for 49 households, i.e. about €21,000 per household, all costs included (of which about 40% was paid by the Netherlands, and 60% by Vietnam).

The Bemo does mention a poverty reduction objective, with a strategy of providing economic and social infrastructure to achieve this. The social infrastructure includes investments such as housing, a community hall and sports facilities. The economic infrastructure includes agricultural land, transport facilities and electricity. The Bemo also expected that a new WWF proposal will be funded by other donors after termination of funding by the Netherlands, thus maintaining support for rhino conservation and ensuring sustainability in the long term. The following sections concern the entire CTNP conservation project and are not limited to the resettlement component.

4.3 Inputs

The Cat Tien National Park project, including the resettlement extension phase, has been ongoing for about six years. One full-time international adviser has been present in the park for most of the time, while many short-term consultants completed the TA input.

The contribution to the project was provided in the form of infrastructure, in particular park staff and tourist facilities, guard posts and houses. Transport, tools and materials were provided. In terms of capacity building, training and study tours were provided, apart from technical assistance. The buffer zone activities included studies (mostly rapid rural appraisals), an investment in irrigated

agriculture in one village, and activities aimed at reducing the dependency on forest resources, such as the provision of woodfuel stoves.

The project also contributed in the form of resettlement of 49 households, full-time or part-time, inside the park.

The province has prepared for a significant extension of the protected area to the south of the park. The CTNP project contributed to the process through a biodiversity study in 1999, although this was modest (USD 30,000). Extending the protected area is considered important in order to enhance the viability of the park, in particular the populations of large mammals such as elephants. It is also helping to promote the landscape approach to environmental management.

Improving the livelihoods of forest-dependent communities in the buffer zone was supposed to be carried out by CARE Vietnam, which is skilled in matters of community development. However, the contract with CARE was terminated after the first year of the project and no other organisation was brought in to fill the vacuum. The project redesign in 2002 wanted much to be done to improve livelihoods in the buffer zone, but there is no evidence that this happened.

The inputs by government of Vietnam are significant in many ways. The number of guards, paid for by the central government, increased by 160% over the project period. Furthermore, the Park Management Board has been developed with new components such as a tourism department. The CTNP project has also invested in the park's infrastructure, such as paved roads, in order to encourage tourism. The Vietnamese contribution to the resettlement scheme has been significant. With regard to the extension of the protected area, which is an ongoing process, the local government has also made a large financial contribution.

4.4 Outputs

There is no project completion report for the CTNP conservation project, but the outputs are summarised in a 'lessons learned' document prepared towards the end of the project by independent consultants. Key outputs include:

- The capacity and skills of the park guards in forest protection have been strengthened.
- The project has achieved clear boundary re-demarcation in order to arrive at realistic and agreed park boundaries.
- Awareness-raising campaigns among local people and communities have been undertaken, as well as conservation education activities in schools in the buffer zone.
- In a buffer zone village, infrastructure has been established to irrigate 50 ha of paddy.
- Other forms of support, such as wood stoves for villagers, have been provided.
- 39 studies have been carried out, mostly by international consultants but also by Vietnamese experts.²¹

²¹ The mission found that 39 studies were available in the research department of the park's management board.

- Tourist amenities, including a visitor centre, tracks, guided tours, brochures, etc., have improved considerably.

4.5 Outcomes

The project failed to carry out regular M&E to keep track of outputs and outcomes, let alone the impact on conservation and development of the buffer zone. This renders evaluation by the mission difficult although the external 'lessons learned' document provides some indications.

The ecological research funded by the project has improved the research capacity of the park staff, and has almost certainly helped to provide arguments for the international recognition of the park. Of the 39 studies financed by the project (which the CTNP research department made available to the mission), 32 are zoological and two are botanical studies. The park staff consider such ecological research to be useful, particularly in light of the international recognition obtained in recent years.

In terms of park protection, the presence of many more guards has not visibly reduced the number of violations of park regulations, which has remained more or less stable at about 130–150 reported infractions per year. Interpretation of protection data is fraught with uncertainties, such as the nature of the infractions, which may have changed as a result of the project. Some sources note that the gravity of infractions has diminished over time, but reliable data are not available. There is also a possibility that guards may have caught more trespassers than in the past, leading to the assumption that they have become more effective. Yet according to some sources, there is a risk of corruption among the much larger number, yet poorly paid guards. The interpretation of protection outcomes is therefore fraught with uncertainties in the absence of proper monitoring.

There have been several positive events, and it is likely that the project contributed in some way. The first is the extension of the park with official status with what is now the 'northern half' of the park. Towards the end of the project, the park was declared a UNESCO Man and Biosphere Reserve, and soon after it received Ramsar status for the high biodiversity of wetlands located in the park.²²

Yet the lack of monitoring data does not allow unequivocal conclusions about rainforest and biodiversity conservation in the park. The presence of rhinoceros had never been confirmed, but project staff managed to take pictures for the first time. At the time of the RTR mission, however, the rhinoceros had not been spotted for the last one or two years.

The project contributed in very modest ways to the development of the landscape approach to environmental protection and management. During the project cycle, a forest reserve (Vinh Cuu), with an area of 53,000 ha, was created adjacent to the

²² The Ramsar Convention aims to ensure the conservation and sustainable use of the world's most valuable wetlands. Ramsar sites are equivalent to UNESCO's World Heritage sites.

park. This reserve is a fusion of three state forest enterprises (SFEs) and transformation into a special use forest (SUF), or conservation area. This should be appreciated in the larger context of reform, whereby SFEs have to choose between a mainly public function (forest conservation for the public good) or a private function (forestry as a business). It is also important to note that the reservoir downstream provides water for the Tri An hydropower plant, which pays Dong Nai province up to VND 15 billion per year for catchment protection functions.

The project contributed directly through a biodiversity study in Vinh Cuu and it may have contributed through the TA component. Yet the process of enlarging the protected areas is essentially driven by local and central government.

The creation of a large conservation area adjacent to the park, upstream of a major hydropower plant, certainly demonstrates vision in the sense of the landscape approach. The elephant population, for instance, is hardly viable in the restricted area of the park's southern zone. It is not considered feasible to create a single park by moving out the people occupying the zone between the northern and southern sections. The Vinh Cuu protected area appears to be the only feasible option for the creation of a more viable protected area.

According to some sources, the driving force behind the creation of the new reserve, and thus the viability of the park, was the good relationship between the director of the CTNP management board, the chairman of the Provincial People's Committee and decision makers in Hanoi. Other important factors included the high biodiversity of the park and its recognition by UNESCO and Ramsar, the park's proximity to Ho Chi Minh City, and the hydropower plant that provides electricity for the densely populated industrial areas on the coast.

Another factor is the relative wealth of Lam Dong province, thanks to its strong tax base in the industrialised coastal zone, which has probably contributed to the Vietnamese financing for resettlement. Over 2000 households, mostly (former) employees and their families, will need to be resettled in an SFE area adjacent to the new conservation zone. The estimated cost is VND 108 billion, 5–6 times more than the Cat Tien project, and will be entirely financed by the province. It can be assumed that the high cost of resettlement is supported by the strong economy further down in the watershed.

The conservation objectives of the new protected area are taken seriously by the local authorities. Apart from the resettlement, some 5000 ha of cashew plantations, 3000 ha of pulpwood plantations and 7000 ha of agricultural and other non-forested land will be transformed into natural forest. This will require not only the destruction of potentially productive land, but also its transformation into natural forest. Since 2004, about 200 ha of indigenous acacia trees have been planted annually in pulpwood plantations, which will gradually be replaced by natural forest. The costs will be borne by the province.

The quality of tourist attractions has improved. At the time of the RTR mission visit, the number of tourists had increased significantly, from less than 2000 at the start of the project in 1998, to 12,000 tourists per year in 2006. The majority of tourists are Vietnamese, often from Ho Chi Minh City, who may enjoy the site not just for ecotourism but for also general recreation (karaoke, etc.). Foreign tourists provide far more revenues than Vietnamese tourists; visiting schoolchildren cost the park more (for cleaning) than they generate, although it is expected that there are indirect benefits, such as increased awareness. Little information is available on tourism, and the park board does not have a clear vision of tourism management.

4.6 Impact

The objectives of tropical rainforest and biodiversity conservation have been attained at Cat Tien National Park, with a total area of some 32,000 ha with important biodiversity conserved, and another 52,000 ha of buffer zone whose status is improving. It seems that biodiversity has been maintained over the project period although there are no *ex-ante* and *ex-post* monitoring data to substantiate this. Relatively little is known about forest cover and quality, due to the emphasis on fauna biodiversity. The impact tends to be viable due to the local authorities' increasing emphasis on the landscape approach, but the viability of the remaining rhino population is highly uncertain. A WWF proposal for another project has not yet received funding, so that some critical sustainability issues may remain.

The financial viability of the park is uncertain, but the park authorities feel that the costs and benefits will balance out over the next few years. Until 2008, financial viability will not be a constraint due to the remaining funding of various projects and commitments by central government. It remains to be seen what Vietnamese and external resources will be available after that. Tourism is steadily increasing but many visitors are local people who generate limited revenues to the park.

4.7 Poverty reduction

The project put much emphasis on Western knowledge systems, which is, of course, a necessary input to park management and contributed to its international recognition. But the project has not contributed to more inclusive management. The project has paid very little attention to the indigenous peoples living around the park, or their knowledge and use of the park's natural resources in particular. It is also evident that the project has also had little bearing on the livelihoods of people in the buffer zone who moved in more recently, particularly since the end of the American war. According to park staff, some 80% of the indigenous peoples use the park in some way, for NTFPs in particular. Indigenous peoples lived among the rhinos and other rare species in the area long before the park was established.

The national policies for protected areas such as national parks or special use forests (SUFs) aim to exclude local people from management and exploitation (such as tourism), and there are no benefit-sharing arrangements. Project contributions to improve relations between the park and adjacent populations would anyhow have been constrained by the institutional context. Yet there is no

evidence that the project has not attempted to contribute through pilot activities in a meaningful way. The project has supported tourism, but this was aimed at increasing the number of tourists with no significant benefits for people in the buffer zone.

4.8 Effectiveness and relevance

The effectiveness of the ecological research component is limited by the fact that key conservation constraints are mostly about conflicts between conservation and development. The overwhelming weight of ecological research and monitoring has provided park staff with few insights into how to deal with such management issues. These issues are all the more important in the absence of continued funding. While the Bemo presumed that the sustainability of the CTNP project would be facilitated by future funding from other donors, such funding has not been forthcoming since the project terminated.

There is little information available about the effectiveness of livelihoods support, apart from the resettled families. The resettlement scheme was fully funded by the governments of Vietnam and the Netherlands, but its implementation was subject to World Bank regulations. According to the Vietnamese regulations, many of the Kinh households (the majority ethnic group in Vietnam) who had been farming illegally and did not live permanently in the park, should not have been paid to abandon their fields or provided with housing. Full compensation should have been limited to the ethnic minority households who have a long history of settlement in the area.

According to Vietnamese regulations, the resettlement cost per unit is much lower (about 75%) than the amount offered by the CTNP project. Government officials point to the resettlement of over 2000 households in the adjacent Vinh Cuu area, which will be fully paid by the provincial government. Some local officials believe there is also a risk that people will be attracted to Cat Tien in anticipation of high resettlement payments in the future.

The cooperation with other financial and technical partners is poorly explored in project documents. The key partner was the World Bank-managed Forest Protection and Rural Development Project (FPRDP) in the Cat Tien buffer zone. The two projects existed at around the same time and could have been expected to be highly complementary. But communication and coordination between the CTNP CP and FPRDP was particularly poor and conservation–development issues were hardly explored.

In terms of project relevance, the issues of conservation and development are probably essential. FPRDP monitoring data demonstrate greatly increased immigration to the Cat Tien buffer zone over the project cycle, with a 50% population increase in four years. If true, this could compromise the broader conservation–development efforts of both these and other projects. Neither FPRDP nor CTNP CP documents explored the issue of immigration in the buffer zone, even though it is of overwhelming importance to conservation–development management.

It is perhaps not surprising that the improved infrastructure (roads, electricity, community buildings, etc.) has encouraged migration into the Cat Tien buffer zone, despite formal promises by local government not to allow such a population increase. It does raise questions about the relevance of investments in conservation combined with this kind of socio-economic development in the buffer zone. In the case of these two projects, the absence of research, debate and collaboration on this issue is striking.

At a larger landscape scale, neither the FPRDP nor CTNP CP has developed a vision of long-term conservation *vis-à-vis* population dynamics, agricultural development and urbanisation. There is no vision or conservation strategy for Cat Tien at the level of the Mekong delta, the major source of migrants, and of Ho Chi Minh City and adjacent industrial zones, which also attract migrants, where the demands for conservation and recreation are growing, and where the capacity of public finance for conservation is expanding. This raises some doubts about the relevance of project interventions over the long term.

5 ForHue project

5.1 General description

The full title of the ForHue project, 'Strengthening forest management capacity in Thua Thien Hue (TTH) province', is also the project goal (long-term objective) in the logframe. ForHue is situated in central Vietnam with project sites in the Central Highlands, not far from Bach Ma national park. The Central Highlands is among the regions with the highest incidence of poverty in Vietnam. This four-year project (2000–2004) is relatively modest in financial terms, and falls entirely within the RTR evaluation time frame, from approval, start, finish to final evaluation. It is the only project selected for the RTR field evaluation that does so. The contracted agency for the project is SNV (a co-financing organisation), while the Vietnamese institution responsible for the project is the Department of Agriculture and Rural Development (DARD through its offices at provincial level, and in the districts and communes. State forest enterprises in the province form another counterpart organisation.

5.2 Project description in the Bemo and Proforis financial data

The ForHue project consists of two contracts:

| Code | Title | Attribution TRF | TRF expenditures |
|----------|---|-----------------|------------------|
| VN017701 | Support project formulation SNV Hue | 75% | €4,778 |
| VN016402 | Management capacity in Thua Tien Hue Province | 100% | €484,828 |
| TOTAL | | | €489,606 |

The project has two sources of financing. According to the project document and evaluation, the total budget is USD 714,462, of which USD 217,522 for one

international advisor financed by SNV, and USD 496,940 for operating costs supported through the embassy.

The project Bemo emphasises the institutional capacity building objectives (RTR 6) followed by sustainable use (RTR 3), reforestation (RTR 5) and conservation (RTR 1). The Bemo does not mention a poverty reduction objective, in contrast with the project document, which states the development objective as '*contribution to an improved living standard of the population in the province*'. The Bemo for the formulation of the project, on the contrary, has been provided with a poverty reduction score.

The project Bemo emphasises capacity development and technical assistance, corresponding to the three immediate project objectives, all concerned with forest management capacity development. The budget is primarily for international and local TA. The project document implicitly assumes that capacity development, primarily in the Forestry sub-Department, will lead to improved incomes from forest products. It does not explain how this will be achieved. It notes that the sustainability of the contribution by the project to the Forestry sub-Department depends on the extent to which this input can be internalised by the Department. The project strategy relies heavily on training, as reflected in the budget.

5.3 Inputs

The main inputs provided included one external technical assistant (TA), two Vietnamese technical staff, support staff, operating expenses, training courses, workshops and other capacity-building activities, and short-term TA. The project worked mostly in two districts Thua Tien Hue province (Nam Dong and Phu Loc) and particularly in 10 communes, with two state forest enterprises (Khe Tre and Nam Dong) and the provincial DARD forestry office. Capacity building, training, methodology development, and participation have been key project activities.

5.4 Outputs

The project outputs were presented in the completion report of 2004.²³ Among the capacity development outputs mentioned were:

- Together with provincial authorities, the process of implementing regulation 178 concerning land allocation was reviewed.
- District advisory boards on participatory land use planning and land allocation were established and formally approved.
- New coordination mechanisms were established at district level.
- Regular newsletters informing about the project objectives and activities were issued.
- 60 commune-level forestry extension workers were trained (no information about the duration of training).

In terms of pilot field activities aimed at improving land management, the outputs include:

- *Acuilaria crassna* seedlings were established on 1 ha.

²³ SNV (2005) *Evaluation of Collaborative Forest Management*. Final Report.

- A pilot project to develop barren land using agroforestry systems was established on 4 ha, involving eight farmers.
- A workshop on nursery establishment, seed treatment and tree raising was organised for staff of one of the SFEs and key farmers in the pilot communes.
- Contracts were signed with different stakeholders to establish trials for forest management, focusing on natural regeneration, agroforestry models and non-timber forest products.

The final evaluation notes that provincial level forest sector planning was expected from the project, although DARD was not willing to engage in the process.²⁴ The RTR evaluation mission observed that the current Forestry sub-Department director in the province has little awareness about the project, which was completed about two years ago.

The project logframe was changed following the mid-term review. The expected results specified in the project document were considered too broad, so the priorities were reoriented. The emphasis on capacity building was changed somewhat, from provincial to district and commune levels, and land tenure security was seen as a prerequisite for sustainable land use management. In the course of implementation, much more emphasis was therefore given to land titling in a participatory manner. This appeared to be efficient at the level of districts and communes, but not at the provincial level.

The key outputs of the project were the review and reorganisation of land titling procedures in a more participatory manner, along with the capacity building required to implement these procedures in the pilot communes. In view of the absence of guidelines in the Vietnamese allocation regulations, the project developed, with local district authorities, some tools to ensure participation of the villagers. In the first step of the process, the villagers discuss the resource, and the eligibility criteria for households, and make a choice, possibly through a vote. In subsequent steps, the commune and the district authorities confirm the choice and verify that this will not lead to conflicts. The maps and other paperwork are then produced, which result in the Red Book (i.e. 50-year lease).

The project also supported SFE reform in the new legal framework for public good and private business entities. The evaluation report notes that the project was unable to advance much, and the project team confirmed this to the RTR evaluation mission. But the project did engage in a joint venture with the World Bank on a national SFE reform study, which resulted in a World Bank publication.²⁵ This is a solid piece of work with potential policy impact since it addresses key institutional issues in the SFE reform process.

²⁴ SNV (2004) *External Evaluation of the First Phase of the Project 'Strengthening Forest Management Capacity in Thua Thien Hue Province'*.

²⁵ A. Ogle (2005) *State Forest Enterprise Reform in Vietnam: Review of Policy and Implementation Framework for Decree 200*. World Bank Technical Note.

5.5 Outcomes

The project has not monitored outcomes and impacts. The final evaluation commended the project in terms of stakeholder appreciation (farmers, forestry agents, commune leaders, etc.) and it assessed project advancement, expressed as a percentage of completion.

The project was of the opinion that ensuring long-term land tenure by rural households and other stakeholders (SFEs) was a precondition for the development of forestry management options. Therefore, contracts for land development were only signed with (groups of) households after the process of allocating forest land to households was finalised.

The final evaluation emphasises that the allocation of state (SFE) land to households should be considered the project's main achievement. By 2004, about 4400 ha had been allocated to 1157 households through a participatory planning process. It does not explain the context in which this achievement should be assessed, e.g. how much land remains to be allocated. The RTR mission appreciates the value of secure land titles, symbolised by the Red Book (lease title), for improved forest land management.

Much remains to be done in order to fully understand outcomes and impacts at this level. For instance, there is little information about the quality of land that has been allocated. According to the Forest Sector Support Programme (FSSP) poverty study, the quality of land allocated is often poor so that poverty alleviation impacts are moderate or minor. The ForHue project documents provide little information about who gains most from land allocation – the poor, rich or middle-income groups. This is important information that should be delivered by a pilot project. The FSSP poverty study found that the impact of land allocation on poverty reduction has been very modest because the quality of the land allocated was generally poor.

The final evaluation report recommended that the project invest in a more comprehensive, varied agroforestry package. The outcomes of this project component appear to be very limited. The project also promoted indigenous tree planting, but many indigenous tree species are very slow growing with a rotation period of 50 years or even longer. Farmers may grow and plant some indigenous trees, but it is not very likely that they will do so to any significant extent without financial incentives, given the high levels of poverty in the area.

The mission was not able to observe outcomes from the project SFE reform activities, which are difficult to measure in any case. Land tenure issues are clearly a major concern to farmers in the project area, and SFE reform is a closely related matter.

5.6 Impacts

The project evaluation report notes that the key achievement of the ForHue project has been land use planning and land allocation, and the RTR evaluation mission agrees with this finding. Among the communities visited by the mission, land and resource ownership were the key concerns.

For a pilot project such as ForHue, upscaling is a key impact issue but there is no information about the extent to which this has happened. According to a study by the Asian Development Bank, only 1% of forested land in the Central Highlands has been allocated to households.²⁶

5.7 Poverty reduction

The project has probably contributed to poverty reduction through secure land titles for rural people, but there are no monitoring data to confirm that the rural poor have benefited materially.

5.8 Effectiveness and relevance

The project has contributed to harmonisation among interested sector partners in the province through a provincial coordination initiative. But neither the project document nor the final evaluation report attempted to determine whether there was any synergy between the project and other development organisations, such as Helvetas and the World Bank, which have also experimented with land allocation.²⁷

While the final evaluation notes that the project's main achievement has been the development of a methodology for land allocation, various other donors such as Helvetas and the World Bank (FPRDP) claim this as their achievement. If the development of a methodology for land allocation as a pilot activity is not coordinated with similar activities of other cooperation partners, it is unlikely to be effective.

In terms of relevance, the ForHue project as a pilot activity for SFE land allocation to farmers has proved to be valid. Co-publication of some project results with the World Bank has contributed to the relevance of the project, because the results are shared at the national level and may inspire national programmes.

However, the agroforestry component appears to have been of little relevance. The agroforestry techniques promoted, such as establishing tree nurseries, production and planting of commercial species such as pulpwood and fruit tree species, were already well known to farmers before the project started. The economics of the agroforestry techniques promoted were barely addressed, and may well have been irrelevant to the target group.

²⁶ J.H. Mir (2006) *Forestry and Poverty Reduction: What guides ADB work in Vietnam?* FSSP Newsletter, Vol. 16, p.3.

²⁷ The FSSP poverty study cites a Helvetas-funded project, and not ForHue, as one of the initiatives that developed participatory land use allocation.

6 Tropenbos International (TBI) Vietnam

6.1 General description

Tropenbos International (TBI) is one of the two implementing organisations receiving both worldwide and bilateral funding from the Netherlands for tropical rainforests in Vietnam (the other is IUCN) selected for the RTR evaluation. The TBI project is relatively recent with many activities having started only in 2004. TBI had to pull out of countries such as Cameroon, where it had a long experience, and began its support to Vietnam only fairly recently, when it became a programme country to receive Netherlands ODA.

The objective of TBI in Vietnam is 'to contribute to the development of policies, techniques and methods for conservation and sustainable utilisation of tropical forest resources in Vietnam and to strengthen its professional and institutional capacity and cooperation'. TBI's focus is on the Central Highlands, and various beneficiary institutions throughout the country.

A final project evaluation was carried out in August 2005, while the overall TBI worldwide programme had a mid-term evaluation in 2004. The two evaluations provided important inputs for the RTR evaluation, which also included discussions with the TBI Vietnam office, and with four beneficiary institutions: the Forestry Faculty in Hué, the Bach Ma National Park Board, as well as the Forest Science Institute of Vietnam and the Forest Inventory and Planning Institute (both in Hanoi). The RTR evaluation mission also visited one TBI research site.

6.2 Project description in the Bemos

TBI's Tropenbos programmes 2000–2004 and 2001–2005 are about a restricted core funding modality on three continents. According to the Bemos, the Tropenbos programme objectives focused on strengthening national research institutions and the capacity of national researchers, and on advancing knowledge of tropical rainforests (RTR objective 9). Conservation and sustainable use were secondary aims (RTR objective 3). The project was also expected to contribute to the regulatory framework (RTR objective 6), and to contribute to, but not primarily to address poverty reduction.

| Code | Title | Attribution TRF | TRF Expenditures |
|----------|---|-----------------|------------------|
| WW026805 | Tropenbos Programme 2000–2004, Phase IV | 100% | €1,452,096 |
| WW026807 | Tropenbos Research Programme 2001–2005 | 100% | €8,970,688 |
| WW173762 | Tropenbos Associate Experts Programme | 50% | €606,759 |
| 2135 | Forest Research Scholarships | 50% | €75,000 |

The worldwide core funding, and the selection of Vietnam as a new programme country of the Netherlands, led to a TBI project document prepared in 2003, which specified three objectives: capacity building (PhD, MSc, other), research (field

research, case studies) and policy development (forest research strategy support through the Forest Science Institute of Vietnam, FSIV). The project budget was €1,200,000 for four years.

The bilateral National Forest Research Scholarships project (2135) is a fund that contributes to the long-term training component of the worldwide funded project. The project finances Vietnamese staff to attend courses in the Netherlands. The project description in the Bemo is similar in many ways to that of the worldwide project, but with greater emphasis on research and institutional strengthening. Unlike the worldwide project, the scholarship project is not expected to contribute to poverty alleviation.

The Forest Research Scholarships fund has provided funding for a junior communications TA, in particular to improve the information flow between researchers and users of information.

6.3 Inputs

The total budget for the project was €1,763,000, of which €1,200,000 was provided by TBI Vietnam, €247,000 by TBI head office, €40,000 by ITC and €27,000 by the government of Vietnam.²⁸ In the following, the activities supported through this combined funding are referred to as the 'TBI Vietnam project'.

The budget for the education and training component was €260,000 from the worldwide project, plus €150,000 from the bilateral scholarship fund for training (MSc and PhD) Vietnamese staff in the Netherlands, and for fieldwork by Dutch MSc and PhD students. The budget was also used to finance short courses and guest lectures.

The research component budget was €437,000, which was used to fund eight research projects in the Thua Thien Hue area.

The project management unit accounted for €937,100, in particular for Vietnamese staff, long- and short-term TA and operating expenses. This included €207,000 for the junior communications expert. The project management unit provided inputs to the education, training and research components, but also to workshops and various activities in the process of formulating the national forest research strategy.

6.4 Outputs

The outputs of the capacity-building component included the following:²⁹

²⁸ Essentially, import tax reduction for a vehicle.

²⁹ TBI Vietnam (2002) *Programme for Research and Development in Support of the Conservation and Wise Utilisation of Tropical Forests in Vietnam*, Project document. External evaluation of the first phase of the TBI Vietnam programme. Final report, August 2005.

Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

- Two Vietnamese students received scholarships to study for an MSc in the Netherlands (2002–2004). One scholarship was supported by TBI Vietnam funds, and the other by ITC.
- Four additional Vietnamese students were supported by TBI Vietnam funds through the Forest Scholarship project to study for an MSc in the Netherlands (2003–2005).
- Preparatory training (English/research skills) for students going to the Netherlands.
- Facilitation of the work of four Dutch MSc students to implement their field research at TBI Vietnam sites.
- Facilitation of the work of three PhD students, two Vietnamese and one Dutch, from Utrecht University,
- Training provided for 424 staff in 13 courses on nine topics.
- Nine guest lectures organised for audiences totalling around 200 people .

The research outputs were the following:

Following a call for research proposals, some 60 proposals were received, in total applying for 10 times the available TBI Vietnam budget. A scientific commission selected a shortlist of 17 proposals, based on various criteria, which were then combined into seven group proposals. All proposals were finalised in late 2003 or early 2004, after which the research commenced. The research project titles were as follows:

- Linking forest information to decision making (INFOLINK)
- Geo-information for buffer zone management (GEOCOBUF)
- Sustainable agroforestry systems for Bach Ma National Park and buffer zone
- Generating and disseminating knowledge on conservation and use of Vietnamese tree species
- Evaluation, conservation and sustainable utilisation of rattan species
- Forest policy assessment at the Khe Tre state forest enterprise
- Function of the forest watershed and its relation with river flow
- Ecological mechanisms of secondary succession

In the course of project implementation, research and project management activities were centred on Thua Thien Hue province in the Central Highlands, near Hue, while PhD and MSc capacity building mostly benefited Hanoi-based institutions. Short-term training was provided for a wide range of organisations. TBI Vietnam played a role in facilitating meetings and workshops in order to contribute to the draft national research strategy.

Finally, the communications component provided information to Vietnamese institutions and abroad. TBI Vietnam research publications and other information were made available on the TBI Vietnam website, and in the library in Hue. Since mid-2006 communication has slowed down. The TBI Vietnam website has not been updated for some time, and it cannot be maintained by TBI Vietnam because it does not have access.

6.5 Outcomes

Project monitoring at the outcome level has been very limited. The research started in about 2004, so it is quite early to assess the uptake by managers, policy makers and others. Nevertheless, at the time of the RTR field visits the Vietnamese MSc and PhD students had finished their studies and had returned to their organisations. The short courses were completed some time ago. The project has not monitored the extent to which trainees have contributed to capacity building and institutional strengthening.

The final evaluation of the TBI Vietnam project included interviews with a significant number of participants in the capacity-building component, so that some information is available:

- Capacity building through MSc and PhD courses is highly appreciated by the students concerned. They find the combination of doing research in Vietnam and receiving theoretical education in the Netherlands very useful.
- The combination of research and capacity building was also considered very relevant.
- Many of the trainees appreciated the quality of the short courses.
- Those who attended the guest lectures appreciated the quality of the lectures.
- Various international organisations (such as WWF) commended the quality of the TBI Vietnam research.

However, the final evaluation report notes that the project did not assess the current capacity of beneficiary institutions such as the Forest Science Institute of Vietnam (FSIV) and the Forest Inventory and Planning Institute (FIPI), and did not properly identify the need for international support to address new policy directions and priorities. While it can be reasonably expected that the performance of the MSc and PhD trainees has improved in some ways, it is unclear how they have contributed to these institutions.

The RTR mission observed outcome of the training provided by TBI Vietnam to the staff of the Bach Ma National Park. The GPS and GIS training has been useful in that certain Bach Ma staff were able to demonstrate the park's GIS system, for which TBI had provided training and some equipment. It is likely that these capabilities will contribute to better management of the park in the long term. Training on proposal writing has contributed to the success of at least one researcher whose proposal to install a biogas plant is being funded by a German agency, although this may have been influenced by the German TA in the park.

The Bach Ma park staff also show somewhat better capacities to engage in dialogue with buffer zone populations than those at Cat Tien park. There is a community development unit in the park, and active communication between park staff and local people. It is hard to demonstrate the role of TBI Vietnam, however, because the German Development Organisation (DED) provides a fulltime TA to this unit.

TBI has provided support for the formulation of a research strategy for Vietnam, which is a component of the new national forest strategy. Co-funding of

workshops and other preparatory activities has led to greater stakeholder participation in the formulation process. Although the TBI contribution is appreciated (e.g. by FSIV directors) it is not possible to single out specific TBI contributions at the outcome level.

6.6 Impacts

The project aims include capacity building, enhanced knowledge and improved policy. The impacts of the project in these terms are difficult to measure under the best of circumstances. The project is relatively modest in financial terms, its outputs are quite recent and TBI Vietnam has done little to measure outcomes. Therefore there is no basis for an impact evaluation.

6.7 Poverty reduction

In the core funding document, poverty reduction is mentioned as a TBI development objective but not as a programme objective. The extent to which TBI Vietnam has helped to reduce poverty was not explored in the final project evaluation, although the report mentions that it was too early to measure outcomes and impacts.

6.8 Effectiveness and relevance

The project documents, including the final evaluation report, provide very little information on the overall support to the forest research sub-sector. For example, TBI Vietnam is one of seven donors (or technical partners) to the Hue Forestry Faculty, one of 12 to FIPI and one of 12 to FSIV.³⁰ But there is no analysis of the overall institutional constraints and support provided, with inherent risks of poor harmonisation and reduced effectiveness of TBI support.

A very brief analysis of FSIV and FIPI by the RTR mission showed that:

- FIPI has about 320 staff, half of whom have university degrees, including 10 PhDs (from abroad), 50 MScs of which about 17 from abroad and to which TBI contributed three MScs. FIPI is the host of TBI Vietnam, and is one of the main beneficiaries of TBI in terms of capacity building.
- FIPI staff include some graduates in the human sciences, particularly economics. But most of them studied at Chinese and Russian universities, which provided training that is not very useful in a market economy. TBI contributed with remote sensing (RS)/GIS training.
- Sweden, Germany, Thailand and India have trained FIPI staff on RS/GIS technologies. TBI contributed to this through three MSc courses.
- The Forest Science Institute of Vietnam, another key beneficiary, employs about 300 researchers, including 25 PhDs in technical disciplines (ecology, genetics, silviculture, etc.). The institute has 97 MSc staff, about 90% in technical subjects and 10% in economics or accounting. None of the PhD or MSc trained staff have been trained in the social or political sciences.³¹

³⁰ Information obtained by the RTR evaluation mission from the three institutes.

³¹ The full list of FIPI PhD and MSc staff is available from the RTR mission.

- Over the next five years, five PhD staff will retire, but 25 staff are currently on PhD courses abroad, so that the net human capacity will increase from 25 to 45 PhDs. TBI has contributed by funding two of these anticipated PhDs.

This brief summary demonstrates that the effect of TBI's long-term training on the performance of the institutes is likely to be modest, at least in terms of numbers. The type of training provided by TBI may not be what is needed most in these Vietnamese institutions. Given that a range of technical capacities were already present in these institutes, different kinds of capacity building could possibly have been more effective.

FIPI's mission is to monitor Vietnam's forest cover. The RTR mission observed that FIPI lacks the capacity to provide systematic data on changes in forest cover. For several years of the RTR evaluation period (1999–2005) forest statistics are missing and the institute was unable to find them.³² The RTR mission concludes that the kind capacity building provided by TBI does not necessarily contribute to solving priority institutional constraints that prevent FIPI fulfilling its mission.

In the view of the FSIV directors interviewed by the RTR mission, research funding is a more important constraint than research capacity (*'we have more capacity than funding in order to carry out research'*). It can be concluded that TBI's contribution to FIPI and FSIV has been useful, but very limited in scope. It has also been modest in terms of the numbers of MSc and PhDs added, and possibly in disciplinary terms, in that seriously under-represented disciplines (social, political and economic sciences) have not been visibly strengthened.

TBI has placed little emphasis on social and politico-economic issues that are often essential to advancement. The worldwide TBI evaluation report singles out these issues as one of the most important matters to be addressed in the overall programme.³³ Such issues are under-represented in both the long-term training and the research supported by TBI Vietnam. Its effective contribution to the national research policy is likely to be limited for the same reasons.

In the research component, the project did place some emphasis on biotechnical research. The RTR mission visited two field sites, which address basic ecological issues. It is uncertain whether these will have much effect in the absence of more strategic problem solving such as that required to deal with potential conflicts between conservation (Bach Ma National Park) and poverty reduction of adjacent populations.

³² The Vietnamese member of the RTR mission attempted to find the requested data at FIPI for up to 5 weeks after the end of the mission, without success: 'no one in FIPI understands why the data are missing'.

³³ P. van Ginneken *et al.* (2004) *Report of the mid-term review Tropenbos International Programme 2001–2005*: '...the emphasis has been on research in the biophysical aspects of tropical forestry, much less or not at all on aspects in the sphere of the political economy...' Although in the report the finding is considered particularly relevant for the older TBI programme, the RTR mission notes that it is also relevant to the present TBI Vietnam programme.

The TBI Vietnam final evaluation report notes that the quality of the draft research strategy is modest, and that TBI should have attempted to enhance it. TBI Vietnam is effectively a rather small project that can only hope to influence the national policy framework if it takes a strategic position. So far, this has not been achieved.

This does not affect the relevance of the project concept. The Vietnamese institutions concerned do require considerable strengthening in order to cope with a rapidly changing context, in which the market economy and more open society are transforming relationships. The kinds of institutional capacities required are different from what they used to be, and external support can greatly facilitate such changes.

The RTR objective of institutional strengthening, and research capacity building in particular, remains equally relevant, but the kind of institutional support provided should be attuned to the broad issues that shape the forest sub-sector.

7 Non-timber Forest Products Project

7.1 General description

Among the projects selected for the RTR evaluation, the NTFP is one of the oldest forest sector projects financed by the Netherlands, together with the Cat Tien National Park conservation project. Among the projects selected, it is the only one with a second phase. The experience of the project goes back about eight years with field sites north and south of Hanoi.

The overall project objective is 'to strengthen the capacity of research and management institutions in Vietnam for supporting the ecologically sustainable and equitable use of NTFPs that contribute to: biodiversity conservation; improved livelihoods of poor people resident in and around forest areas; and national economic development'. It has six specific project objectives and 16 expected results. The project concept should be appreciated in the context of the previous national forestry strategy, which was biased towards plantation forestry and protected areas and paid little attention to multiple-use forestry.

Both project phases have been administered by the IUCN Vietnam, and the national implementation organisation, a department of the Forest Science Institute of Vietnam charged with non-timber forest product research.

The RTR evaluation is based on document research, interviews at the IUCN Hanoi office and discussions with beneficiary organisations. An intended visit to one field site was cancelled.

7.2 Project description in the Bemo

The precursor to the NTFP project phase I (VN007701), managed by IUCN Vietnam, with a budget of €1,520,626, was started before 1999. The final

evaluation of this project is within the RTR evaluation period (VN020901-3, for NLG 10,759). The second phase of the project was then prepared by IUCN. The project budget for this phase was very much expanded, to €7,448,624, of which the Netherlands contributed €6,689,340, for implementation over the period 2002–2007. The government of Vietnam was expected to contribute €759,340, partly in kind (10%).

| Code | Title | Attribution TRF | TRF Expenditures |
|----------|--------------------------------------|-----------------|------------------|
| VN007702 | Non-Timber Forest Products, Phase II | 25% | €591,584 |
| 12238 | Mid-term review of NTFP-II | 100% | €24,743 |
| 13219 | Re-design of NTFP-II | 100% | €30,453 |
| TOTAL | | | €646,780 |

The second phase, unlike its predecessor, was attributed less than 50% to RTR objectives, and for that reason it was initially not included in the projects selected for the RTR evaluation. The present sector specialist at the embassy felt that the attribution should have been at least 50%. The project was therefore included in the selection for field research. It should also be noted that the mid-term review and the redesign of NTFP-II were given an attribution of 100% to RTR objectives. The total expenditure shown above could be adjusted upwards significantly if the TRF attribution percentage were increased.

In the Bemo, the NTFP-II project was expected to develop capacity, methodology and promote improved policy, with an emphasis on RTR objective 3 (planning, sustainable exploitation).

IUCN's Regional Forest Programme was expected to ensure international networking and provide technical backstopping. Although the Bemo for phase II identified project management as one of three risks, it was felt that the necessary experience had been gained in phase I to reduce this risk to an acceptable level.

7.3 Inputs

The inputs provided include:

- four international advisors on long-term contracts;
- short-term international advisors;
- more than 30 staff, some permanent staff at the NTFP Research Centre, but the majority employed on project contracts;
- two regional offices;
- technical assistance and coordination services by contracted organisations: the national NGOs CRES and EcoEco, as well as a field station for the NTFP Research Centre and a state forest enterprise;
- two small grants schemes for scientific research on NTFPs and for NTFP action learning initiatives: one research fund (RF) and one action learning fund (ALF); and
- IUCN management and backstopping support.

IUCN Vietnam is responsible to the donor, while the FSIV is the official representative of the side of government of Vietnam. Up to mid-2005, more than halfway through the project cycle, the project had used less than 30% of the total budget contributed by the Netherlands embassy.

7.4 Outputs

The first phase of the project (1998–2002) produced a number of technical reports with an emphasis on research and development activities at the two field sites. The NTFP Research Centre of MARD received assistance and information on NTFPs was made available in print and online.

The second phase of the project produced the following outputs by mid-2005:³⁴

- surveys and appraisals at the field sites, including some market research outputs;
- the development of models (or field trials) at six field sites;
- mini-libraries at village level;
- a number of brochures;
- the project website was upgraded and fully operational in early July 2005;
- a training strategy was developed at the end of 2004;
- 17 training courses or study tours were organised for project and NTFP Research Centre staff and others, such as TBI Vietnam;
- the library of the NTFP Research Centre increased with the acquisition of 30 new publications;
- development of a Vietnam NTFP resource book;
- NTFP network setup and regularly operated;
- contribution to the national NTFP strategy;
- partly as a result of project interventions, an action plan for the NTFP sub-sector is being developed;
- two funds to promote NTFP initiatives by other organisations produced seven and 12 sub-projects, respectively;
- organisation of meetings, workshops, reviews, etc.;
- construction of a meeting hall at the Hanoi office and an experimental research station in Hoanh Bo, Quang Ninh;
- a marketing strategy was prepared by an international consultant, but it was regarded unsuitable for Vietnamese conditions and was shelved; and
- cooperation with universities on NTFP curriculum development.

While the project did engage in an economic study, this was very limited in scope.³⁵

7.5 Outcomes

The mid-term review notes that in general, project monitoring and evaluation is not properly functioning in NTFP-II. The evaluation of project outcomes is

³⁴ NTFP mid-term review, July 2005.

³⁵ The project's key market research product is based on a field survey that last about two weeks, which is very little for a project of this size.

therefore hardly possible in any detail. Some information is provided in the review and other project documents, which mention certain outcomes, such as:³⁶

1. At the field sites, nurseries have been established and have produced seedlings that have been planted. Beekeeping, rattan and mushroom cultivation models, ginger plantation and gecko breeding, amongst others, have been developed at the field sites.
2. For one of the two project regions, the mid-term review summarised the outcomes in quantitative terms as follows:
 - 232 households are involved in one or more activities (broom making, cultivation of barren land, nursery establishment, and various others);
 - 140,000 rattan seedlings produced; and
 - 19.5 ha planted (various crops)
3. Most new and upcoming projects and programmes refer to results from NTFP I or II projects in the formulation of their own NTFP support. Many but not all of the organisations met by the RTR evaluation mission are aware of the NTFP project and of the fact that information is being disseminated.
4. A national NTFP strategy exists and an action plan is being developed. In an interview with the RTR mission, FSIV directors suggested that the project contribution is appreciated. The RTR mission finds that the strategy is conceptually confused and not focused on priorities. This particular outcome, to the extent that it is an NTFP outcome, is therefore of limited value.

7.6 Impacts

The project's environmental impacts have not been measured and so cannot be reported. The immediate NTFP project impacts are outside the forest. While the increased availability of NTFPs outside the forest may lead to reduced pressure on those inside the forest, modest achievements at output level lead to the conclusion that such impacts are probably minor.

7.7 Poverty reduction

There is no information about the project's impact on poverty reduction apart from reports that the project activities are appreciated by respondents in supported villages.³⁷ There has been no independent evaluation of outputs, impacts and poverty alleviation. The mid-term review was essentially about organisation and management constraints within NTFP-II. The conclusions of the Forestry & Poverty Reduction study suggest that the support to NTFPs (possibly excluding woodfuel) has had a rather limited impact on poverty reduction.

7.8 Effectiveness and relevance

In terms of effectiveness, the NTFP suffered from very serious conceptual and management constraints during phase II. The scaling up of the first project phase, in the absence of a thorough evaluation and sound conceptual development for the second phase, proved to be an error.³⁸

³⁶ NTFP Sub-Sector Support Project, Phase II. Mid-term review, final report, 25 July 2005

³⁷ J. Raintree et al. (date?). *NTFP Impact Assessment Report*.

³⁸ The phase I evaluation budget was just under €5000 for a phase II budget of €6,689,340, which is a disproportionately small investment in project preparation.

The project review notes that the project had found it difficult to balance conservation and development interests. It did not address forest management but production systems outside the forest.³⁹ The NTFP is essentially an agroforestry project. Although agroforestry can be highly relevant in reducing pressure on remaining natural forest, and is specifically mentioned by the RTR/BBI policy in this context, it should be viewed in the context of broad rural development rather than forest institutions.

The National Forest Development Strategy 2006–2020 does mention woodfuel, but only in passing.⁴⁰ Yet woodfuel is the most important NTFP and a traditional fuel that accounts for 25.3% of total energy consumption in Vietnam.⁴¹ Woodfuel is the major source of energy for the rural poor, but the project did not address energy sector perspectives.⁴² The NTFP has not been effective in providing the guidance necessary to the national forest policy process.

In terms of relevance, it is now realised that non-timber forest products generally play a very modest role in the rural economy. An important share of NTFP income is attributed to woodfuel, but in many documents this is excluded as a NTFP. While non-timber forest products remain relevant in some areas, the key issues are often social and political. The project concept should therefore be considered relevant only to the extent that it responds to broad, intersectoral concerns.

8 Worldwide and regional support

Support provided in the category 'Worldwide' and 'Regional Asia' that benefits Vietnam includes earmarked support with detailed descriptions of the project inputs and outputs. In other cases support is provided in the form of core funding of some kind, which does not permit evaluation of specific inputs and outputs, let alone outcomes.

In some cases, the evaluation team was able to interview staff of the organisations concerned at various levels: worldwide, regional and/or the Vietnam offices. In other cases, no information was available other than in the Bemos in the Ministry of Foreign Affairs. Project documents detailing funding provided by the Netherlands were available for only two of the projects.

³⁹ This is not unique for the NTFP project, but probably systematic for NTFP's. Another example is provided by K. Hilfiker and R. Luthlu (2006) *Livelihoods Assessment through Market Assessment and Sustainable Development of NTFPs in the Northern Uplands of Vietnam*, NTFP Newsletter Vol. 16, p.4.

⁴⁰ Firewood, 'charcoal' and 'energy' are each mentioned once in the 53-page document.

⁴¹ Economist Intelligence Report.

⁴² Fossil fuels are often inaccessible to the poor. The climate debate has reinforced economic trends in favour of woodfuel development.

Only two of the nine organisations mentioned above – Tropenbos International (TBI) and the FAO–Netherlands Partnership – were able to provide the RTR mission with any documents tracking Netherlands funding to Vietnam. The restricted core funding provided by the Netherlands to IUCN in the period 2000–2003 was evaluated during visits to IUCN headquarters in Switzerland, the regional office in Bangkok and the country office in Vietnam. The information on funding provided to the other organisations was limited to the Bemos, which contained highly variable amounts of information and few geographical specifications.

8.1 TBI

The evaluation of Tropenbos International (TBI) is presented in chapter 7.

8.2 IUCN

The IUCN in Gland, Switzerland, had a framework agreement in 2001 for support of NLG 23 million (WW027107/WW027108, about €10 million), including an important share for the forest sector (SFR 4,587,660), but with very little information about the intended use of funds. These funds have been used primarily to develop IUCN's high profile in this sector. In the 1990s, the IUCN was not an important actor in international forest management and conservation.⁴³ IUCN's forest programme was project based, finding opportunities here and there, without a coherent strategy and the necessary expertise in the regions. This situation changed with the inputs provided by DGIS, which led to significant funding in the seven regions (as far as the IUCN forestry programme is concerned), in the form of restricted core funding.

The restricted funding implied that thematic areas were defined and budget figures determined, but that the IUCN had the necessary discretion for fund allocation within these limits. In the next framework agreement, after 2004, funding was entirely unrestricted, and other donors contributed significantly.

The framework agreement 2001–2004 permitted an input estimated at SFR 180,000 per year in the Asia region (Bangkok office), with a shift in 2004 towards somewhat less funding for Asia and more for Africa. To an important extent, these funds were used to pay the salaries of regional forest officers and their operating costs, with the aim of putting in place solid regional programmes.

As a result, after the initial funding period (2004), IUCN had established solid regional forest programmes and IUCN as a global organisation had become an important actor in the sector, helping to set the global forest agenda. At present, IUCN's forest programme budget is in the order of SFR 15–18 million/year (about €10 million), some of which is unrestricted and most is restricted (projects). Water and forestry are now IUCN's two major programmes.

The IUCN Vietnam country office has undergone major changes in personnel so

⁴³ S. Maginnis and S. Rietbergen, IUCN, Gland, Switzerland.

that the evaluation mission was unable to carry forward the analysis from Switzerland through to the Bangkok regional office to Vietnam. The good performance of the NTFP-I project up to 2002 was followed by the weak performance of the NTFP-II project, both managed by IUCN Vietnam. It is not possible to draw significant conclusions regarding the outcome of Netherlands worldwide funding in 2001–2004 in relation to IUCN outputs and outcomes in Vietnam. It appears that, in the case of NTFP, the regional IUCN office probably contributed to the first phase, but was not able to assist significantly in conceptual development during the second phase.

8.3 FAO–Netherlands Partnership project

The FAO–Netherlands Partnership project (WW173901, for €11,867,054) set aside a budget of USD 500,000 for Vietnam over the period 2005–2007, of which 60% was TA related. The project was intended to be instrumental in improving stakeholder participation in the preparation of the National Forest Strategy. In 2005, it financed workshops in 12 provinces in order to achieve this, and two Vietnamese researchers produced reports that were presented at an Asia regional workshop.⁴⁴ However, the reports are available only in English, which as several people interviewed by the RTR mission noted, is not useful for the Vietnamese institutions that should benefit from this kind of output.⁴⁵ The RTR mission was unable to obtain feedback or reports on the workshops, either from the FAO office in Hanoi or from the FAO regional office in Bangkok, which manages the project. No project activities were executed in 2006.

8.4 Plant Resources of South-East Asia (PROSEA) project

The PROSEA project in South-East Asia produced a large number of botanical publications and reference books (RA001212, for €44,500, is the evaluation of projects dating from before 1999). In the latter part of the Netherlands funding, the information was expected to be made available in electronic form. Upon enquiry, it appeared that the PROSEA series is available in hardcopy form at all of the institutes visited by the RTR mission: the Ecology and Biological Resources Institute (IEBR), FSIV, FIPI, the Vietnam Forestry University (VFU), the Biology faculty of Hanoi National University, and international NGOs such as WWF, IUCN and Fauna and Flora International (FFI).

The interviewees at these institutes reported that they found the PROSEA series useful for highly specialised users (scientists). The series is expensive and is not available in electronic form in Vietnam, as far as the interviewees were aware. But the major constraint is that the publications are not available only in English, and not in Vietnamese.

8.5 World Resources Institute (WRI) project

This project ('Bijdrage WRI 2002–2004', WW050905, for €9,181,281) involves support to the World Resources Institute (WRI), initiated in 1993, including the forest sector but without specifying expected outputs. During interviews,

⁴⁴ One on land tenure and the other on forest service reform.

⁴⁵ In particular, one of the studies was about 'reinventing the forest service'.

representatives of Forest Inventory and Planning Institute (FIPI) said they had no knowledge of WRI data on rainforest cover of Vietnam (Global Forest Watch). Yet they would be interested to receive information in order to compare with the FIPI forest database, which is also based on remote sensing techniques. The RTR mission notes that the WRI project has not been useful for FIPI, the key stakeholder in Vietnam for monitoring forest cover.

8.6 Other projects (INBAR, CIFOR and ICRAF)

The projects are WW125002, 'INBAR-II' for €2,772,681; and WW19002/19003 'CGIAR Contribution 2001–2005' for €49,140,000, which includes contributions to two CGIAR institutes, the World Agroforestry Center (ICRAF) and the Center for International Forestry Research (CIFOR). From interviews it appeared that the FSIV sometimes receives electronic information from the International Network for Bamboo and Rattan (INBAR). Both CIFOR and ICRAF have research programmes in Vietnam. The FSIV notes that CIFOR's research is more useful for their purposes than that by ICRAF. It should be noted that ICRAF's partner in Vietnam is the agricultural research institute of MARD. The role of ICRAF in supporting agroforestry in Vietnam should therefore be reviewed with the agricultural research institute, which was not possible for the RTR mission.

9 Summary and conclusions

9.1 Objectives and methodology of the study

The Netherlands government's policy on tropical rainforests (RTR) dates from 1991. It aims at '*promoting the conservation of the tropical rainforest by realising a balanced and sustainable land and forest use, to end the present, rapid progress of deforestation and the encroachment and degradation of the environment*'. It is expected that that €68 million per year will be spent on forests, of which at least one-third will be for tropical rainforests (100% ODA).

The present study is part of an evaluation of the RTR policy over the period 1999–2005. The overall objective of the evaluation is to understand the relevance, efficiency and effectiveness of ODA inputs for the preservation of the tropical rainforest in Vietnam, and for poverty reduction.

In preparation for the evaluation, the mission carried out a desk study in the Netherlands, which included screening the Ministry of Foreign Affairs forest project database (Proforis), followed by study of the Ministry's internal project appraisal memoranda (Bemos). The Proforis database provided a list of projects in Vietnam where at least 50% of expenditures could be attributed to tropical rainforests, and were approved between January 1999 and December 2005.

The expenditures on bilateral projects in the Proforis list over the period 1999–2005 was €6,062,283, of which €2,005,406 for projects included in the field research. Due to the large distances involved, the sites selected for field visits had to be limited to four major projects.

Proforis also provided a separate list of worldwide and regional Asia programmes, generally administered by the Ministry of Foreign Affairs, some of which were selected for further study in Vietnam. The final list of selected projects did not include projects financed through other organisations (such as SNV, Nuffic, etc.).

9.2 Forest sector context of Vietnam

Vietnam in its present shape was not forged until the end of the 18th century. Soon after, it came under colonialist pressure and by the mid-19th century the whole country was brought under French rule. The challenge to colonial rule coalesced in the communist movement, led by Ho Chi Minh, which defeated the colonial army in 1956 at Dien Bien Phu. In the 1960s, the conflict between north and south turned into what is called in Vietnam the American war, with 500,000 US troops by 1968. Five years later, the US decided to withdraw its troops, and in 1975 the 30-year independence war came to an end.

In 1978, Vietnam ousted the Khmer regime of Cambodia, in response to aggression. Along with the harsh treatment of ethnic Chinese ('Boat People'), this led to another political dispute and one year later, to war with China. Vietnam's recent history is therefore marked by military resistance on its soil to major powers. Forests played a role in military strategy and it is not surprising to note that, until recently, the national forestry objectives included creating 'a green wall to defend every inch of the national territory'.

In 1986, the Communist party made a historic commitment to economic reform. The one-party state has been maintained, but evidence of division and pluralism has emerged. The pace of economic reform quickened rapidly and in 2007, Vietnam has become a member of the World Trade Organisation.

In 2004, the population of Vietnam was 82 million, occupying an area of 330,363 km². Most people are rural (74%), concentrated in the two major rice-growing deltas. Some 18% of the population belong to ethnic minorities, particularly those in the Highlands and forests. Various gender-related statistics demonstrate that the role of women in Vietnam is relatively progressive.

The Vietnamese economy is doing very well. Poverty decreased from 58% in 1993 to 24% in 2004. Economic dynamics and privatisation have led to concerns about inequality and new forms of poverty, particularly in rural areas, where poverty rates are three times higher than elsewhere. Corruption is widespread in Vietnam.

Economic policy maintains state enterprises but not without reform. This is significant for the forest sector where much of the forest land is managed by state forest enterprises (SFEs). The level of development grants over the period 2000 – 2004 has remained stable at about USD 2 billion, or 4.5% of GDP (2003). It is expected that Vietnam will become a middle-income country by about 2012. Vietnam is still an agrarian society, but although the value of this sector grew by 4% per year, the share of the agricultural sector in the economy almost halved over

the period 1991–2005. All the same, Vietnam has become one of the world's major agricultural exporters, in particular of rice and coffee.

The national and provincial administrations play key role in the administrative structure. Provinces have been given increasingly greater responsibilities, including their own tax base. Districts are administrative units within the provinces, and communes within districts. The village is the lowest level of administration, which consists of households as the legal units.

Land ownership is retained by the state, and most forest land is managed by forest state enterprises on behalf of the state. Protected areas such as special use forests are owned by the national or provincial governments, depending on their status. Land of state enterprises, including the forest vegetation, can now be allocated to households under 50-year leases.

Vietnam is one of the world's richest biogeographic zones, with the Vietnamese rhinoceros as one of the recent discoveries. Vietnam may have lost as much as 80% of the forest cover that existed at the beginning of the 20th century. Estimates of the area classified as natural forest vary from 9 to 12 million ha (33–40%), but of this, only about 0.7% is classified as primary forest and much is not under forest cover.

In the early 1990s, according to one estimate, Vietnam lost 200,000 ha of forest. Conversion for cash crops, and slash and burn cultivation are some of the reasons. Traditional fuel, mostly woodfuel, accounts for 25.3% of total energy consumption (2002). But forest-based extraction fell, according to official figures, from 780,000 m³ in 1991 to 40,000 m³ in 1994 due to the emerging pro-forest policies.

At present, the volume of timber that can be commercially extracted from forests is officially limited to 900,000 m³. The major share of plantation timber is destined for export, mostly to countries where Forest Stewardship Council (FSC)-certified products are not demanded. Vietnam imports large quantities of certified timber for processing and export to countries where the demand for certified timber products is high.

Reforestation estimates vary widely, from as little as 68,000 ha replanted per year in 1994–99, to an average of 236,000 ha per year in the 1990s. The government reforestation target is 200,000 ha per year. In the mid-1990s Vietnam had 89 protected areas covering a total of more than 1 million ha, rising to 128 protected areas, covering 7% of the country, by 2005. However, many of these protected areas have not been demarcated on the ground, few have implemented management plans, and many parks or reserves receive little or no support.

Forest policy in the 1980s aimed at increasing industrial and agricultural production, and moving populations from the deltas to forest land. The result was severe overexploitation and destruction of forests, which led to a reforestation policy in the 1990s in order to reverse the alarming trend. This culminated in the 5

Million Hectare Reforestation Programme, which is expected to run from 1998 to 2010, and aims to achieve a forest cover of 43%.

In institutional terms, the Ministry of Agriculture and Rural Development (MARD) plays a major role in forest management. Its specialised organisations vary from research and monitoring (FSIV, FIPI), education (e.g. vocational training schools), production (enterprises) and protection (national parks). All of these have been supported to some extent by the Netherlands. The provinces carry an increasing share of the responsibility for forest management on their territory.

9.3 Inputs

The financial inputs provided through bilateral projects, according to the Proforis database, amounted to €6.1 million over the period 1999–2005. The Proforis accounts system underestimates the inputs provided to achieve the objectives of the RTR policy in the case of Vietnam. One reason is that personnel changes at the embassy during the period evaluated led to unrealistically low estimates of inputs that could be attributed to tropical rainforest during an interim period of about 15 months.

Another reason is that co-financing organisations such as SNV and Nuffic have made significant contributions in Vietnam. In the case of the ForHue project, for example, the bilateral funding counted by the Proforis database should be increased by 44% in order to account for the TA provided by SNV. In the case of the forestry vocational training school phase II, the project was administered by Nuffic. As a result, these contributions of Netherlands ODA to tropical rainforests were not recorded in Proforis.

The inputs of the Netherlands embassy in terms of personnel has been significant, particularly for the Forest Sector Support Programme (FSSP), the donor and technical partner coordination mechanism. The contributions of worldwide and regional programmes funded by the Netherlands to the RTR objectives in Vietnam cannot be expressed in financial terms, with the exception of TBI and FAO.

The government of Vietnam is providing an increasingly important share of funding in the country's tropical rainforests. In the case of resettlement in and near the Cat Tien National Park, the Vietnamese contribution (national and provincial government budgets) will probably be 15 times that of the Netherlands.

The overall conclusion is that inputs provided by Vietnam are much more significant than those reported in the Proforis database, which is used to inform the Netherlands parliament.

9.4 Outputs

Inputs and outputs cannot always be linked. The FSSP, for example, is clearly a multi-partner initiative in which the responsibility of the Vietnamese government is increasing, yet the partnership has also been a major output of the assistance provided by the Netherlands. The programme has brought together 24 Vietnamese agencies and 28 international partners and has led to the establishment of common

funding mechanisms, in particular the Trust Fund for Forests (TFF). Another example is the World Bank's Poverty Reduction Support Credit (PRSC) facility, which accounts for about half of the expenditures on tropical rainforest, but such funding by the Netherlands is difficult to trace. However, the projects included in the field research are essentially funded by the Netherlands, so that inputs and outputs can be linked.

The outputs of the selected projects that were studied in some detail by the evaluation mission include:

- improved infrastructure at Cat Tien National Park and in the buffer zone, and in Hanoi;
- computer hardware and software provided to national park authorities and other government offices;
- capacity building through long- and short-term TA provided to MARD and DARD, to national park staff, local authorities, district and commune staff, research organisations, universities and others;
- PhD and MSc training for seven Vietnamese staff members, who have now returned to their organisations;
- numerous short courses for project staff, local government staff and farmers have been provided (precise monitoring data are not available for some projects);
- study tours;
- 39 studies carried out at Cat Tien National Park, eight studies in the Central Highlands, and research on non-timber forest products (NTFPs);
- workshops and meetings of various kinds;
- the provision of significant external support to the development of a new national forest strategy and some of its components (research, NTFPs), in terms of both process (participation) and content;
- publications such as newsletters and other materials disseminated in print, by email and online.

The RTR mission concludes that support by the Netherlands has led to widely varied outputs. The exact level of outputs cannot not be aggregated due to insufficient monitoring or reporting by some projects. It has been impossible to determine the level of outputs provided by seven of the nine worldwide or regional Asia funded projects selected for research. This is partly due to the fact that most financial inputs are provided in the form of core funding.

9.5 Outcomes

The Forest Sector Support Programme and partnership has led to intensive consultations and levels of flexibility and innovation that have inspired the government of Vietnam to reform the national forest strategy. The results include a much greater focus than before on poverty, land tenure, gender, non-timber forest products, research and privatisation of production forestry. The outcome is a reformed National Forest Strategy, approved in February 2007 by the Prime Minister, shared by both the government of Vietnam and international partners, in line with RTR objective 9.

Some of the field projects have also supported policy reform in various ways, such as the SNV–World Bank study on state forest enterprise reform. Various projects contributed to the National Forest Strategy, and to the research and NTFP components of this strategy in particular.

Conservation outcomes (RTR objective 1) have been recorded in Cat Tien, where the status of the park has improved significantly. The quality of amenities, and number of tourists, have improved. But the project has contributed very little to the landscape approach and to management of conservation–development links around the park.

Rainforest management outcomes (RTR objective 3) have been achieved in the buffer zones (NTFP project, SNV, TBI). These include secure land tenure achieved on about 4400 ha by farmers in the Central Highlands and the production of a wide range of rainforest products outside the forest.

Capacity building (RTR objectives 6 and 7) has been achieved within MARD, the key ministry, in research centres, universities, national park management boards and forest services through long- and short-term training and technical assistance. More capable staff are operational in their organisations to the satisfaction of their superiors. At a modest scale, capacity has been strengthened at the village level.

Various research outcomes (RTR objective 9) have been achieved by the Cat Tien National Park Conservation Project (CTNP CP), TBI and the NTFP project. The CTNP CP's ecological research almost certainly contributed to the international recognition of the park (UNESCO Man and Biosphere and Ramsar status). TBI research outcomes have not been measured and are considered early, but the products are generally available. The NTFP project produced few research products relative to its size, but they are also generally available.

New sector funding mechanisms were established during the period under review, such as the World Bank-managed PRSC facility and the multi-donor funding mechanism, the Trust Fund for Forests. Although the PRSC disbursed €3–5 million per year in 2004 and 2005, the forest sector outcomes of the facility are uncertain. Disbursements from the TFF began only in 2005, and evaluation reports are not available, so that it is not yet possible to establish outcomes.

The contribution in Vietnam to sustainable timber trade (RTR objective 4) is probably minor, in particular because the level of legal logging in natural forest appears to be minimal. Forest encroachment for agricultural expansion and illegal hunting are more important threats to biodiversity.

9.6 Impacts

The generally accepted, major indicator of impact in the forest sector is forest cover. It is one of the very few environmental indicators in the Millennium Development Goals. It is also one of the indicators of the RTR, and the key indicator of Vietnam's 5MHRP. The forest cover statistics of the Forest Inventory and Planning Institute (FIPI) are prepared annually, based on remote sensing data (since 2000) and permanent sample plots of which 20% are measured annually, on a five-year cycle (see table 6).⁴⁶

The data suggest that Vietnam's forest cover increased rapidly, at a rate of about +15% over six years (the evaluation period). This compares to the loss of 1.4% over the period 1990–1995.⁴⁷ The extent of protected areas has increased from 7% of the country in 2000 to 9% in 2003, with a total of 126 areas.⁴⁸ This meets the recommendation of 6–10% made by international conservation organisations. The objective is 11.6% of the territory under protected area status by 2010.

Natural forest exploitation has been seriously restricted since the 1990s, with logging bans for certain years. At the same time, Vietnam has become a major importer of certified wood. FSC Vietnam reports that there is considerable potential for certified wood production in Vietnam, as yet unexploited.⁴⁹

Nevertheless, the government of Vietnam reports that the quality of various categories of forests is declining and at risk of further degradation.⁵⁰ While RTR objectives have been met in terms of forest cover, they have probably not been met in biodiversity terms. Forest policy objectives are quantitative in terms of area and wood stocks (ha of forest, ha of protected areas, m³ of wood/ha) but not in biodiversity terms (species diversity and population viability, for instance).

⁴⁶ Data provided by FIPI.

⁴⁷ D.A.Gilmour *et al.* (2000) *Rehabilitation of Degraded Forest Ecosystems*. IUCN.

⁴⁸ Socialist Republic of Vietnam (2005) *Vietnam achieving the Millennium Development Goals*.

⁴⁹ Overview of FSC certification in Vietnam (without further details, 4 pages); National standard for sustainable forest management. Draft 9b. Vietnam FSC Standard.

⁵⁰ Socialist Republic of Vietnam (2005) *Vietnam achieving the Millennium Development Goals*. August 2005

Table 6. Forest cover changes in Vietnam, 1999–2005.

| FIPI categories | 1999 (ha) | 2005 (ha) | Difference 1999–2005 (ha) |
|---|----------------------|----------------------|--------------------------------------|
| Natural areas of Vietnam (ha) | 32,879,649 | 33,019,611 | |
| I. Forested land | 10,995,060 | 12,616,700 | +1,622,640 |
| <i>A. Natural forest</i> | 9,470,737 | 10,283,173 | +812,436 |
| 1. Timber forest | 7,553,208 | 8,113,580 | |
| 2. Bamboo forest | 799,715 | 783,667 | |
| 3. Mixed forest | 698,769 | 684,958 | |
| 4. Mangrove | 70,684 | 63,263 | |
| 5. Limestone forest | 348,360 | 637,705 | |
| <i>B. Plantation forest</i> | 1,524,323 | 2,333,526 | +809, 202 |
| 1. Forest having volume | 594,084 | 825,485 | |
| 2. Forest not having volume | 800,912 | 1,209,882 | |
| 3. Bamboo | 55,103 | 86,911 | |
| 4. Commercial forest | 74,224 | 211,247 | |
| II. Barren land and limestone areas without forest | 8,366,201 | 6,411,990 | -1,954,211 |
| 1. Ia (grasses) | 3,389,823 | 1,968,270 | |
| 2. Ib (brush, fragmented bamboo) | 2,526,101 | 2,071,766 | |
| 3. Ic (regenerated timber) | 2,035,137 | 1,790,788 | |
| 4. Limestone without forest | 415,140 | 344,576 | |
| 5. Sandy, swamp | | 236,591 | |
| III. Other land | 13,518,388 | 13,990,922 | |

Source: FIPI.

Considerable risks for biodiversity persist due to illegal hunting and the generally poor relationship between conservation authorities and populations in the buffer zones. The new forest sector policy will probably provide a better institutional environment for protection and sustainable use, but much needs to be done to make these policies work.

But even in quantitative terms, the appreciation of impact is subject to some uncertainties. It is not certain that the increase in forest cover in Vietnam is primarily the result of the forest sector policy. Some case studies have found that the increase in forest cover is the result of agricultural sector dynamics, major drivers being new agricultural technologies, and the improved availability of inputs and access to market outlets. Other policies, such as those concerned with market liberalisation, industrial development and population, certainly influence forest dynamics, even though they are rarely included in research.

The overall conclusion of the RTR mission is that the Netherlands support to the forest sector of Vietnam is positive at the impact level, measured in terms of forest cover. Yet it is not possible to determine the exact contribution in either quantitative or qualitative terms. The numerous international partners, the increasingly important role of Vietnamese institutions and intersectoral complexities make it impossible to single out this contribution.

9.7 Poverty reduction

Poverty alleviation is happening rapidly in Vietnam, which is one of the fastest growing economies in the world. According to international standards, poverty decreased from 58% in 1993 to 24% in 2004.⁵¹ Yet social differences are very important and possibly increasing. Poverty is persistent in rural areas, where poverty rates are three times those in towns, and they remain particularly high in remote forested areas such as the Central Highlands, and among ethnic minority groups.

Middle-income groups have benefited from forestry much more than low- and high-income groups in rural areas. But NTFPs and environmental transfers (forest protection payments by government) have generally made a very modest contribution to poverty reduction. Secure land tenure arrangements through land allocated to households is in principle important for poverty reduction, but the area of land is small and its quality tends to be poor.

The RTR mission found that the poverty reduction theme, reflected in the conservation–development debate, is usually mentioned in the project documents reviewed. However, when it comes to project outputs, poverty reduction is given little prominence in three of the six projects included in the field research. At the levels of outcome and impact, the mission can draw no firm conclusions in the absence of poverty reduction monitoring data for most projects.

The forest policy support provided by the Netherlands has probably contributed directly to poverty reduction. This was achieved by a better understanding of forestry and poverty issues by government of Vietnam officials, and this can reasonably be linked to the recent increase in financial payments for environmental services under the forest protection contracts.⁵²

The Cat Tien National Park conservation project (CTNP CP) contributed to poverty reduction by providing generous resettlement support for 49 families, but it did not address major conservation–development issues. The SNV project contributed through land titling, which is expected to have some immediate

⁵¹ Hua Duc Nhi (2006) *Forestry and Poverty in Vietnam: Government Policies and Priorities*. FSSP Newsletter Vol. 16, p.1.

⁵² Decision 210/2006, dated 12 September 2006, by Prime Minister for upcoming national forestry sector programmes, particularly forest protection activities, the rate/fee for forest protection will be increased from VND 50,000 (as the 5MHRP) to VND 100,000/ha. In February 2007 MARD proposed to the Prime Minister to apply this rate (VND 100,000/ha) instead of the current VND 50,000/ha also to the 5MHRP. Some provinces have already implemented Decree 210/2006 from their own budgets.

impacts on poverty reduction, with more significant effects in the long term. The poverty reduction impacts of the TBI research, of the agroforestry support by SNV, and of the NTFP project, have not been measured.

9.8 Effectiveness

Most of the projects have difficulty presenting the lessons learned. This affects the presentation of effectiveness, but the key elements are:

- Strategic use of resources to develop national institutions and policies (particularly by the FSSP and related projects) has enabled effective support by the Netherlands to the national regulatory framework.
- Conservation projects and project components (particularly the CTNP CP), have effectively addressed conservation *per se*, but in isolation from the complex, yet crucial conservation–development linkages. The CTNP CP has poorly developed its own development component and has not collaborated well with a major development project in the buffer zone (also supported by the Netherlands).
- In terms of sustainable use, improved land registration procedures have effectively contributed to the security required for long-term land management in the buffer zones (SNV). But more effort at mainstreaming poverty reduction is necessary to achieve significant impacts in the long run. The joint SNV–World Bank study of state forest enterprises is an example of a joint venture with the scope of mainstreaming.
- Reforestation and agroforestry components (SNV, TBI and NTFP projects) have generally not been effective because they did not sufficiently consider the economics and other broad issues of land use change.
- Capacity building has been effective to varying degrees. The CTNP CP has effectively developed a tourism department in the Cat Tien National Park even though the department lacks a clear vision. TBI has developed some capacities in some key institutes but, like most other projects, thorough institutional diagnoses were not done prior to capacity development efforts. In most projects, capacity building has been insufficiently strategic and therefore not effective.
- It is early to assess the effectiveness of research in the case of TBI, but the research communication component was executed before there was much to communicate. The NTFP project has produced relatively few research products, but they have been well communicated. The market research publications of the project are valuable, but most of them are based on brief fieldwork. TBI, CTNP CP and NTFP emphasised biotechnical research, but paid insufficient attention to socio-economic and political aspects, thus rendering it much less effective on poverty reduction than it would have been if their research agendas had been more broadly based.

In the assessment of project effectiveness, the key themes are as follows:

Harmonisation

Exchange, collaboration, common funding and other harmonisation tools have been pursued at national level through the FSSP process. The FSSP partnership has undertaken major studies that have contributed to the assessment of the

5MHRP, and have ensured economies of scale in policy dialogue, translation, publications, analytical work, etc. Common funding has been achieved through the TFF.

The mission observes that the effectiveness of assistance provided through the FSSP has been good, and that the Trust Fund for Forests has only recently become operational (since 2005). Effective disbursement mechanisms with a proven track record were not in place in 2005, but the policy environment is much more favourable now than it used to be, and the capacity of MARD has improved. The Netherlands has been the major supporter of the FSSP, initially in financial terms, and throughout the programme in terms of human resources support from the embassy.

Much needs to be done to improve harmonisation at provincial level and, with the increased emphasis on the landscape approach, at inter-provincial level. In one case, the World Bank's Forest Protection and Rural Development Project (FPRDP), the buffer zone project completion report in Cat Tien does not mention the WWF project in the park. Yet the WWF project does mention the buffer zone project, but mostly as a constraint, and does not attempt to analyse or draw lessons learned at the conservation–development interface.⁵³

In Thua Thien Hue province, attempts have been made to improve donor harmonisation. SNV and TBI have collaborated with many other partners in order to share information and improve coordination. But even in this case, key project documents and reviews are little concerned with the inputs provided by other development organisations working in the same area and the same sector. The coordination role of the provincial administration is weak and little support has been provided to reinforce it.

Policy dialogue

The FSSP process has allowed the redefinition of forest policy by engaging in sensitive analyses and taking a firm position where necessary. Yet the process was sufficiently locally owned so that the new forest policy is genuinely Vietnamese, and is actually being implemented.⁵⁴ The RTR objectives 6 and 7 (strengthening the institutional and political contexts) have been successfully pursued. This is not the case for some component strategies such as research and NTFPs, which lacked clarity and focus. Policy dialogue cannot be effective if the supporting organisations (in this case TBI Vietnam and IUCN Vietnam) are not sufficiently robust, and if they do not harmonise their support with that of other sector partners.

Building on existing capacity

Capacity building is an important objective of the Netherlands ODA to Vietnam, and of RTR objectives 6 and 9 in particular. Most projects put a great deal of effort

⁵³ With the exception of the external lessons learned mission in December 2003. The CTNP CP did not produce a completion report.

⁵⁴ Such as increased transfers for environmental protection contracts since early 2007.

into capacity building. Various project documents mention the need for institutional diagnosis prior to capacity development, but in practice this has not always happened. In the case of the capacity building assistance provided by TBI Vietnam, the project did not take sufficient account of the institutional constraints of the Vietnamese beneficiary organisations and so did not give priority to solving them.

In the case of the NTFP project, poor initial diagnosis led to a poor project concept. The second phase was scaled up in financial terms without a proper evaluation of the first phase. Without a sound concept for the second phase, and compounded by management constraints, its effectiveness was poor.

While capacity building has been achieved in various ways, its effectiveness has been low in most of the projects evaluated.

Pilot activities to inform policy

More robust policies and programmes (RTR objectives 6 and 7) and a sector programme approach (BBI objective) require effective pilots to test and refine implementation mechanisms. The SNV land titling and SFE reform project shows that small projects can contribute effectively at higher levels and thus inform national policy and programmes. But in this case, more effort should have been made to engage with relevant partners, in order to turn participatory land titling into a national affair. In another case, the Cat Tien project provided some relevant experiences for the 126 protected areas in Vietnam, but it has not produced so much a project completion report.

Strategic focus

The RTR and BBI policy objectives are ambitious, so that implementation requires strategic focus to make most of limited means. Various projects would have benefited from a more strategic focus. While agro-ecological research can be useful, socio-political constraints are generally dominant in Vietnam, as in the case of the conservation–development conflict. TBI's research and capacity building would have been more effective if it had addressed socio-political challenges in the forest sector. Similarly, the NTFP project focused on a wide range of minor (agro)forestry products without recognising woodfuel as a key issue in forestry and energy. The CTNP CP put considerable effort into conservation but did not advance in the conservation–development dilemma. The Forest Sector Support Programme (FSSP) and related projects, on the other hand, adopted a highly strategic focus.

9.9 Relevance

The Vietnamese policy of massive reforestation and the creation of protected areas covering up to almost half of the country, goes beyond even the RTR policy objectives. However, the policy may well have a negative impact on poverty reduction if rural people are excluded from benefiting directly. It is not clear why

Vietnam, with its very high population density, should be massively covered in forest.⁵⁵

At the conceptual level of the rainforest conservation–rural development debate, the RTR mission notes that, in spite of the significant progress made by the new forest sector policy, broader perspectives still need to be worked out. It remains to be seen whether forest and conservation policies are harmonised with policies related, but economically much more important sectors.⁵⁶ For a realistic and sustainable rainforest and biodiversity policy, the mission notes that it is important to understand the implications of the overall development policy context, such as:

- the consequences for rural development of the long-term objective of covering half of the country with forest;
- population, migration and agricultural policies in the overpopulated deltas, from where many people migrate to buffer zones and other more or less natural areas;
- energy sector provisions for the rural poor and the future woodfuel balance, given the global dynamics of the energy sector; and
- urban and industrial policies that attract industry, migrants and increase the demand for environmental services. They create, ultimately, a tax base and advocacy for environmental protection (e.g. Cat Tien National Park).

The support provided by the Netherlands ODA has been relevant to the extent that it has responded to broader issues. The FSSP process did so by opening up the plantation and protection forestry policy, and by insisting on linking forestry and poverty. Various other projects contributed in some ways. But still broader perspectives on conservation and development are probably required in order to achieve a viable forest sector, sustainable biodiversity and poverty reduction in Vietnam. For this purpose, in 2006 the Netherlands embassy promoted new initiatives, in particular the Bioversity International project.

9.10 RTR policy effectiveness in Vietnam

The cause–effect relationships between the RTR policy and the Netherlands ODA in Vietnam cannot be demonstrated unequivocally. The RTR policy document is not explicitly referred to in project preparation and management reports. The project appraisal memoranda (Bemos) do not mention it, nor do the project documents and evaluations. The same applies to the BBI policy.

There is no forest policy document for the Netherlands ODA in Vietnam, apart from an early draft that has not been formalised. The only formal planning documents available for forest sector support over the period 1999–2005 are the embassy's annual plans, which contain a section on the environmental sector. The RTR and BBI policies do not figure in those annual plans, which are very short documents. The key policy concern voiced in the environmental sections of the annual plans 2000–2005 is the need to evolve to sector-wide support.

⁵⁵ The area of farmland per household in Vietnam is one of the lowest in the world.

⁵⁶ The new forest sector strategy 2006–2020 is not visibly harmonised with other sector policies, which are barely mentioned.

This does not mean that the major ideas formulated in the RTR policy are not internalised by those responsible for preparing or managing projects. It is evident in the Bemos and project documents that many key RTR policy concerns are also key project concerns. The RTR policy issues have thus been implicitly effective to varying degrees.

Two policy issues are conspicuously absent in the Vietnam case study: (a) the lack of collaboration with projects and developments that are harmful to the rainforest, and (b) the tropical timber trade. With respect to harmful initiatives, the ToR were not designed to study the entire range of development cooperation relations between Vietnam and the Netherlands, so that there is no basis for evaluation.

With respect to the tropical timber trade, Vietnam is a significant importer of certified timber, rather than a producer and exporter. The tropical timber trade diagnosis of the RTR is not properly applicable in the case of Vietnam, and neither is the respective policy objective.

It is evident that the global RTR policy does not apply in all of the nine policy lines to the Vietnamese context. It is also clear that the RTR policy has a sectoral bias, with consistent pro-rainforest objectives. If they are taken too far, however, balanced environmental conservation and socio-economic development may not be achieved. A stronger intersectoral approach is required both for the relevance of the RTR policy, and for the viability of the Vietnamese forest sector.

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Annex 1 Terms of reference for the RTR evaluation

1 Summary

The Netherlands government's policy on tropical rainforests (RTR) came into effect in 1991 and is still the basis for the Netherlands foreign policy on forests and forestry. The RTR includes policy lines on domestic and international/ multilateral level and within the framework of development cooperation. Also the RTR implies an ODA commitment of €68 million per year for forests, of which at least one third will be spent on activities targeting tropical rainforests.

This evaluation is focused on assessing the relevance, the effectiveness and the efficiency of the Dutch expenditures between 1999 and 2005 targeting tropical rainforests within the framework of development cooperation, including its impact on poverty reduction.

The evaluation will include country studies in Vietnam, Ghana and Colombia, and will assess bilaterally financed activities, as well as the coordination and coherence of tropical rainforest activities executed in these countries within the framework of worldwide or regional programmes to which the Netherlands has contributed financially.

2 Justification for the evaluation

In 2002 the Netherlands Minister for Development Cooperation announced in a letter to Parliament that: 'In two or three years time I will ask the Policy and Operations Evaluation Department to evaluate the adjusted policy on tropical rainforests and its results to the fullest extent.' Even without this commitment the expenditure within the framework of the Policy on Tropical Rainforests would have justified an evaluation by the Policy and Operations Evaluation Department (IOB) around this time:

- the minimum yearly Dutch ODA expenditure for forests is €68 million, of which at least one third is targeted on tropical rainforests, and;
- the last external evaluation took place in 2000.

3 The framework of the Dutch Government's Policy on Tropical Rainforests (RTR)

3.1 History of the development of the RTR

Influential reports like *The Limits to Growth* of the Club of Rome of 1972 and the Brundlandt report *Our Common Future* of 1987 contributed to the awareness and the acceptance of the concept of sustainability in development thinking. By the end of the 1980s there was a growing awareness within the Netherlands and internationally that tropical rainforests were being threatened by increasing local human populations and large-scale exploitation to satisfy the ever-growing demand for forest products elsewhere in the world. Also the effects of industrialisation on forests was made visible by acid rain. Finally, there were growing concerns about the (negative) effects of these developments on the global climate.

Internationally this led in 1985 to the establishment of the Tropical Forestry Action Plan by the FAO and the founding of the International Tropical Timber

Organisation. The European Community adopted a resolution in 1990 on the importance of the conservation of tropical forests.

Around the same time in the Netherlands environmental NGOs exerted rising pressure on the government to make a bigger effort to conserve tropical rainforests. Until then, Dutch development policy had focused on dry forests in the Sahel region to combat desertification and to provide woodfuel. The policy document *A world of difference* (1990) explicitly made a link between poverty and environmental problems. A policy paper on tropical rainforests was announced, because '*the problematic nature relating to tropical rainforests is very complex and therefore demands a coordinated and coherent government policy*'.

The Dutch Government's Policy paper on Tropical Rainforests (RTR) was presented to parliament in 1991 by the Secretary of State for Agriculture, Nature Conservation and Fisheries and the Minister for Development Cooperation, also on behalf of the Minister of Housing, Spatial Planning and the Environment and the Secretary of State for Economic Affairs. At a later stage the Minister of Transport, Public Works and Water Management shared responsibility for implementing the RTR. The RTR is still the basis of the Dutch foreign policy on forests and forestry. This was confirmed in the forest sections of the Programme International Nature Management 1996–2000, and the International Policy Programme on Biodiversity (BBI) 2002–2006.

The RTR was strengthened by important international conferences in Rio (1992), Kyoto (1997) and Johannesburg (2002) on biodiversity, climate and sustainable development.

The last evaluation of the RTR policy took place in 2000. The evaluation report was not approved, as not all the conclusions were supported by the findings.

3.2 Contents of the RTR

The main objective of the RTR is '*to promote the conservation of the tropical rainforest by realising a balanced and sustainable land and forest use, to end the present, rapid process of deforestation and the encroachment and degradation of the environment.*'

To realise this objective the RTR specifies policy lines for the Netherlands on the domestic and the international/multilateral level and within the framework of development cooperation.

The main objective and the name of the RTR suggests that the policy concerns only tropical rainforests. However, the policy is concerned with all forest types with a rich biological diversity. This is also reflected in the ODA commitment in the RTR of €68 million per year on forests, of which at least one third will be targeted on tropical rainforests.

3.2.1 Policy lines of the RTR

The policy lines are formulated as follows:

1. Active protection of surviving virgin rainforest
2. In principle, no collaboration with projects and developments that are harmful or potentially harmful to the rainforest
3. Encouraging planned land use and land management along with sustainable agriculture and forestry
4. The tropical timber trade: controlled harvesting; encouraging the formulation and implementation of long-term planned timber production

5. National and international encouragement of afforestation and reforestation projects
6. strengthening institutions and legislation; empowering local populations
7. strengthening the political and social base in tropical nations
8. Improving economic relations and relieving the debt burden
9. Increasing scope for national and international rainforest policy by strengthening research and institutions

In 2002 there was only one significant change in these policy lines: for 'rainforest' one should read now 'all forests with rich biological diversity'.

3.2.2 Policy targets

The RTR policy and the forest section of the later International Policy Programme on Biodiversity (BBI) set a number of targets:

- At least 25% of the world's forest area will be protected nature reserves (NB. No target date was set.)
- At least 25% of the timber on the Dutch market will be demonstrably sustainably harvested in 2005
- Yearly net growth of forested area of 12 million ha from 2000 onwards
- In 2010 globally binding agreements on the protection and sustainable use of forests will be drawn up.

As the Netherlands is also committed to the Millennium Development Goals (MDGs), it is worthwhile to mention indicator 25 of target 9 of MDG 7 on the environment: 'Proportion of land covered by forest'.

In the year 2000 the proportions of the areas covered by forest in sub-Saharan Africa, Latin America and Southeast Asia were 27.1%, 47.8% and 48.6%, respectively. The Dutch foreign policy budget for 2006 stated that the Dutch government hoped to see no further decline in these percentages in 2015.

3.2.3 Policy programme

The forest section of the International Policy Programme on Biodiversity (BBI) contains, in addition to the aforementioned targets, eight programme items for the period 2002–2006:

- The Netherlands advocates the integration of forest programmes in poverty reduction strategies;
- Within the WTO and other frameworks, the Netherlands will commit itself to measures that promote stimulate sustainable forest management and discourage trade in illegally harvested wood;
- The Netherlands will integrate conservation and sustainable use of forests in its overall development cooperation policy and will promote this integration within multilateral organisations, banks and national governments;
- The Netherlands will stimulate and initiate action on the development of systems for setting the value of and compensating for presently non-marketable functions of the forest;
- The Netherlands encourages the use of national forest plans in the implementation of forest policy;
- The Netherlands will promote rural development in line with the sector-wide approach for agroforestry;
- The Netherlands supports certification at home and in other countries as an instrument to promote sustainable forest management and the use of wood and other forest products from sustainable sources;
- The Netherlands will promote the use of sustainably produced wood at home.

It is significant that the forest policy in these items is explicitly linked to poverty reduction and that in none of these programme items tropical rainforests figure as a separate subject.

3.3 Organisation and implementation

The RTR is a common responsibility of the ministries of Agriculture, Foreign Affairs, Environment, Economic Affairs and Transport and Water Management. With respect to the content, the Ministry of Agriculture, Nature Conservation and Food Quality has the lead. The Ministry of Foreign Affairs, i.c. the Minister for Development Cooperation, is primarily responsible for the ODA part of the RTR. As the RTR has three dimensions, i.e. domestic, international/multilateral and development cooperation, which contain overlapping responsibilities, the implementation of the RTR demands interdepartmental consultations and a clear division of roles.

3.3.1 Consultative structure

Different consultative structures under different names have existed in the past 15 years, their existence being justified by the policy issue at hand. At present, the most active consultative structure is occupied with the EU's Law Enforcement, Governance and Trade (FLEGT) initiative. In addition to the aforementioned ministries also Customs, the Internal Revenue Service and the Justice Department participate in these consultations.

However, the interdepartmental consultations do not comprise the decision-making process on the financing of development cooperation interventions within the framework of the RTR. These decisions are mainly taken within the Ministry of Foreign Affairs and the Netherlands embassies.

3.3.2 Division of roles

The description of the division of roles is based on interviews with relevant civil servants and institutions.

Domestic policy

The domestic RTR policy is a consequence of the international ambition of the Netherlands to promote sustainable forest management and to end as soon as possible the harvesting of virgin forests, and thereby ensuring a long-term future for the production and export of tropical hardwood.

In 1994 a private member's bill was put before Parliament on the promotion of the import of sustainable produced timber by means of certification. In 2002 the Senate agreed that the proposed bill should be amended, as the European Commission had objected to the proposal in its present form. In 2005 the amended proposal was put before Parliament and has not yet been discussed.

Meanwhile an assessment directive for certification is in the making, which might be approved by Parliament before the proposed bill. If that is the case, then the bill will be withdrawn.

Multilateral/International

The Ministry of Agriculture, Nature Conservation and Food Quality is responsible for the contents of the RTR and reports to Parliament on the progress. In this role it also is delegation leader to international conferences (UNEP, UNFF, FAO, ITTO, IFAD) on subjects covered by the RTR.

Development cooperation

As mentioned above, the bulk of the ODA funds for the RTR, €68 million/year, are within the budget of the Ministry of Foreign Affairs, which reports to Parliament on the expenditure of these funds. Since 1997 the administration of a large part of these ODA funds has been delegated to the Netherlands embassies in developing countries.

Other ministries do not seem to have a significant say in the expenditure of ODA funds for the RTR. Only the Ministry of Agriculture, Nature Conservation and Food Quality has a separate allocation of €2.5 million/year, for which it can submit proposals to Ministry of Foreign Affairs for financing.

Dutch funding of bilateral projects within the framework of the RTR is limited to those developing countries selected for support in the environmental sector. The list of selected countries has been revised several times in the past 15 years. In 1999 the sector-wide approach was introduced in Dutch development cooperation, which changed the way of decision making for all bilateral funding.

3.4 Expenditure of ODA

As stated above, there is a yearly commitment of €68 million within the framework of the RTR, of which at least one third (€23 million) on tropical rainforests. This commitment is not linked to one budget line, but spread over several. Also budgets of individual projects can be partly attributed to the RTR in general and/or to tropical rainforest in particular. To check if this commitment has been fulfilled a registration system has been set up to calculate annual expenditures on forests in general and on tropical rainforests in particular. The description, dimensions and CRS codes of every activity is checked for possible attribution to the RTR. For example: for the year 2004, 4200 activities have been checked on possible attribution. A first sifting produced 382 activities in roughly 50 countries. Of these 382 activities, 76 could be attributed 100% to the RTR and accounted for 71% of the expenditure. The other 306 could be partly attributed, which could mean 5% or 75%, or any percentage in between.

NB. This registration system does not take into account the activities implemented by the so-called co-financing organisations, Dutch NGOs that are active in development cooperation. They receive private contributions, but also roughly €0.5 billion from the Netherlands ODA budget. With these funds they implement projects in health and education, but also in environment, including (rain)forests. This implies that an unknown, but maybe considerable amount of Dutch ODA is spend on (rain)forests in addition to the above-mentioned budget.

Tropical rainforests

In the years 2002, 2003 and 2004 €48 million, €33.2 million and €36.6 million were spent on tropical rainforests, respectively.

The greater part has been spent on projects and programmes in Latin America (on average €15 million/year). The contributions to worldwide programmes come in second and amount to €10 million/year. The RTR expenditure in Asia declined from

€10 million in 2002 to €5 million in 2004. That is still higher than the €4 million spent in on projects in sub-Saharan Africa.

3.5 Scope of the evaluation

Not only does the RTR address problems of a complex nature, the way in which it is implemented also has its complexity. It involves five ministries, and many instruments such as international consultations, Dutch legislation, many subsidies and funding of hundreds of projects, and it has ambitious local and global objectives. Therefore, with regard to content, and for practical reasons, choices had to be made for this evaluation.

As mentioned before three arenas of implementation of the RTR can be distinguished: domestic, international/multilateral and in the framework of development cooperation. As the last arena involves the bulk of the RTR funds, and as accountability is one of the two main reasons for this evaluation, learning lessons being the other, the evaluation of ODA expenditures is an obvious choice. The fact that the last evaluation was six years ago, and that this expenditure is the responsibility of one rather than five ministries, makes it even more attractive.

The two other arenas are characterised by the involvement of many players and few tangible means and actions. Anyway, if international treaties are expected to realise tangible objectives, then this realisation will in most cases be financed with ODA funds, as tropical rainforests are mainly to be found in ODA eligible countries.

For these reasons the choice was made to limit this evaluation to the expenditure of ODA funds within the framework of the RTR. This still meant a quite large geographical scope (over 50 countries). By limiting the evaluation to only those expenditures for tropical rainforest activities the geographical scope was brought down to roughly 20 countries.

Not only the hoped for beneficial impact on tropical rainforests will be examined, also the effect on poverty will be within the scope of this evaluation, as all the funds are ODA. The RTR policy paper emphasises the necessity of the participation of the local population to make conservation efforts and sustainable management of forests a long-term success. The International Policy Programme on Biodiversity (BBI) 2002–2006 states the objective of integrating forest programmes in poverty reduction strategies without specifying how this can come about. Measurement of the actual outcomes and impacts on poverty reduction through rainforest activities will have to be limited to analysing already available relevant research, decentralised evaluation reports and impact studies.

From interviews with Dutch stakeholders it appeared that there was a particular interest to learn from this evaluation about the effectiveness of the capacity building within the framework of the RTR.

4 Design of the evaluation

4.1 Objectives

The overall objective of the evaluation is to get an understanding of the relevance, efficiency and effectiveness of the ODA inputs for the conservation of tropical rainforests. The coordination and coherence of these inputs with the efforts in the international/ multilateral and domestic arena will also be examined.

An analysis of the RTR will also be part of this evaluation in order to obtain an understanding of the considerations which led to the formulation of the RTR.

4.2 Central questions

The description and analysis of the RTR will cover the whole policy, including the ambitions at international/multilateral and domestic levels, and supplemented with the policy items laid down in the International Policy Programme on Biodiversity 2002–2006. These ambitions and intentions will be looked at against the background of the efforts of the international community to protect and/or sustainably manage forests.

In the description and analysis of the RTR attention will be paid to the following questions:

- How is the intended coordination and coherence of the implementation of the RTR pursued?
- How is the RTR linked to the policy of the international community on forests in general and tropical rainforests in particular?

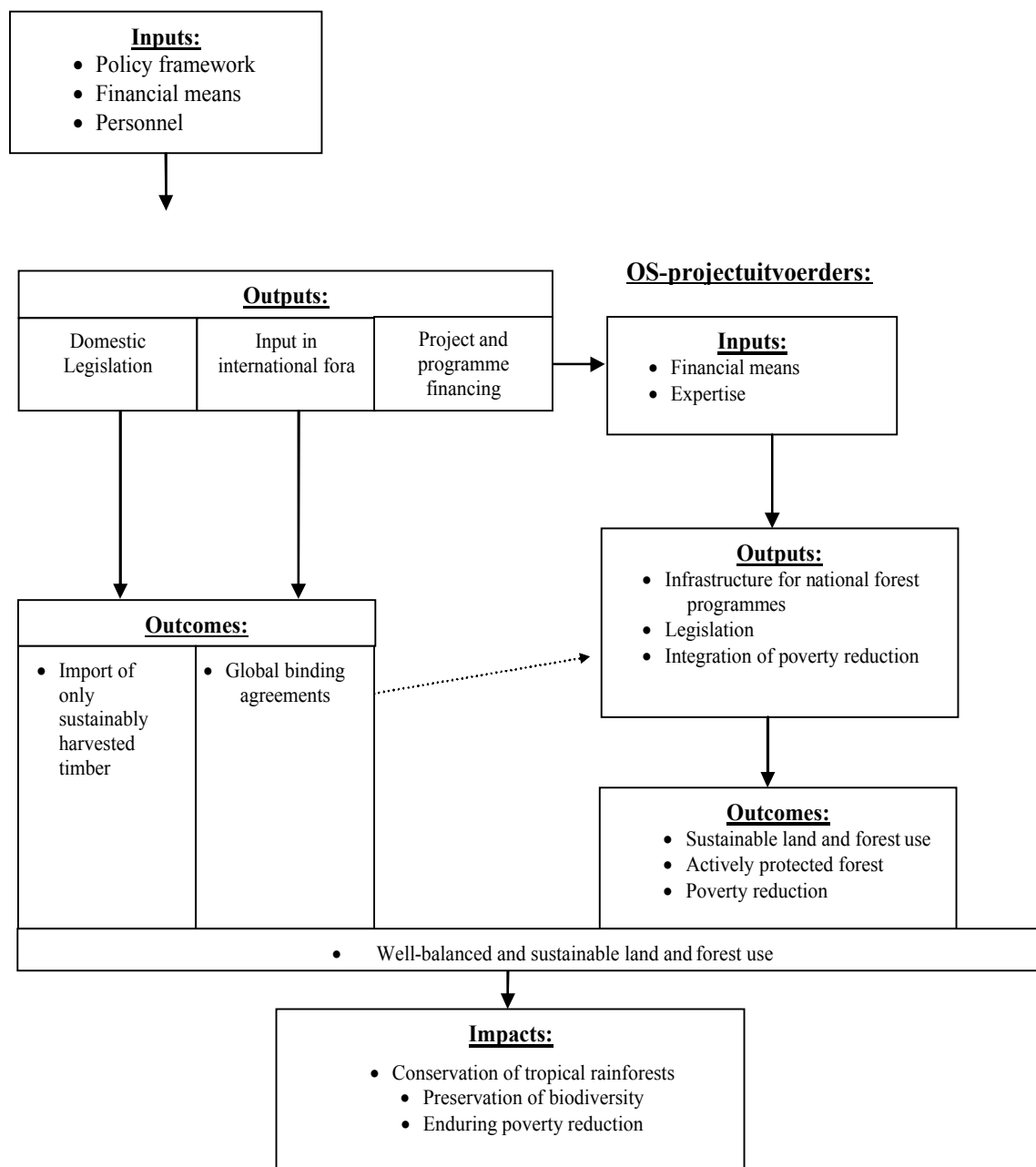
Figure 1 gives a schematic representation of inputs, outputs, outcomes and impacts. This evaluation is focused on assessing whether and, if so, how the inputs have contributed to the conservation of tropical rainforests and their biodiversity, and to poverty reduction.

National forest programmes (NFPs) are the basis for Dutch development cooperation on forest issues. NFPs is a generic term for a broad range of approaches to policy, planning and implementation in which integration with poverty reduction is a main consideration. Therefore, questions on the relevance and effectiveness should be linked to NFPs as the basis of the policy.

1. What was the relevance of the RTR and the activities financed within its framework?
 - How did the objectives of the RTR address the problems in the receiving countries?
 - Are the RTR and its projects coherent with the policies of the receiving countries, including the NFPs, and how?
2. How effective have the RTR inputs been for the conservation of the tropical rainforest?
 - To what extent has the RTR contributed by means of developing and implementing NFPs towards sustainable land and forest use and active protection of tropical rainforests?
 - Has the status of tropical rainforests been monitored in the receiving countries in general, and in the project areas in particular and, if so, what can be concluded in respect to the conservation of the tropical rainforest, the preservation of its biodiversity and the contribution the RTR has made to these developments?
3. What can be said about the efficiency of the RTR inputs for the conservation of the tropical rainforest?
 - What role has efficiency played in the decision making process on the inputs?
 - What can be said about the efficiency of the projects in relation to costs versus outputs, and the timeliness of the delivery of the planned outputs?

Figure 1: Reconstruction of the policy theory Dutch government's policy on tropical rainforests

Ministries involved: Agriculture, Foreign Affairs, Environment, Economic Affairs, Transport and Water Management



4. What was the role of poverty reduction in the RTR and its implementation?
 - To what extent was poverty reduction integrated in the NFPs supported by RTR inputs?
 - What role did social economic dimensions play in the design and the monitoring of RTR projects?
 - How have NFPs been integrated in poverty reduction strategies such as the PRSPs?
 - Did NFPs have an impact on social economic development, and, if so, in what way?

4.3 Delimitation of the evaluation

4.3.1 Research period

The research will be limited to the period 1999–2005, taking into consideration financial contributions approved since 1 January 1999. A total of 387 activities were financed over this period, with a financial volume of €144,873,649. If the financial contributions are limited to those activities of which at least 5% can be allocated to the RTR, this gives 199 activities with a total amount of €113,873,863.

4.3.2 Geographical delimitation

Given that the evaluation is aimed at the tropical rainforest, the key areas are the Amazon, the Congo basin and Southeast Asia. Almost all projects with at least 50% aimed at tropical rainforests are situated in these three regions, in a total of 20 countries.

Detailed studies of projects will be undertaken in a sample of countries in order to evaluate their efficiency, efficacy and policy relevance. The selection is based on geographical location of the countries in key rainforest areas, with particular attention to the level of RTR expenditures. Furthermore, the choice is based on concentration countries of Dutch development assistance, so that recommendations may contribute to future assistance. The selection does not take into account the share of worldwide programmes that contribute to RTR objectives, given that these contributions cannot often be identified with particular countries.

The above mentioned selection criteria have led to the selection of the following countries:

- Colombia (€19.8 million)
- Ghana (€1.9 million)
- Vietnam (€6.0 million)

Through this sample, 24% of the RTR expenditure over the period 1999–2005 will be studied in detail. Together with the worldwide programmes (€24 million) that will be included in the research, 45% of the overall financial contribution over the period will be analysed, which is considered sufficient for an appreciation of their efficiency, efficacy and relevancy.

In these three countries, 73 activities or projects which contribute to the RTR have been executed. Among these projects, 46 meet the criteria for inclusion in the research (at least 50% contribution to the RTR). It is felt that projects that contribute less than 50% to the RTR objectives should be excluded from the research given that it will be difficult to estimate their outcomes and impacts in RTR terms.

4.4 Research methods and resources

The evaluation will consist of:

1. A description and analysis of the RTR policy, together with the forest section of the International Policy Programme on Biodiversity (BBI);
2. Identification and assessment of the efficiency, efficacy and relevancy of the ODA with respect to the tropical rainforest part of the RTR/BBI.

The first part of the evaluation will be done through a desk study and through interviews with resource persons in the ministries, international agencies, NGOs and research institutions concerned. The second part aims at a description and assessment of inputs, outputs, outcomes and, to the extent possible, impacts. An evaluation matrix has been prepared that provides indicators and relationships for

each level of the evaluation. The conceptual framework is based on the OECD/DAC 2002 'Glossary of key terms in evaluation and results-based management'.

4.5 Design

A description of the country-specific context will be prepared in order to understand the inputs and outputs, and also to appreciate the role of external factors that may have influenced outcomes and impacts. This description will be aimed at the overall development in the sample country with respect to the tropical rainforest. The extent and the nature of the forest as well as tendencies will be included in the description, along with national institutions, policies and infrastructure important to the rainforest. The way in which sustainable management evolves through certification and protection, and changes in biodiversity will be incorporated. This description will be limited by the availability of information.

The possible synergy between the activities of bilateral projects and worldwide programmes will then be analysed for these countries. The consistency between activities financed by the Netherlands and national strategies will be analysed, but also between strategies of the Netherlands and those of other major financial partners. At this level, the following questions will be asked in interviews in the Netherlands and in the countries concerned:

- Has there been debate and cooperation in matters of forest policies and programmes involving all key stakeholders (national institutions, Netherlands embassy, other partners)?
- Has there been debate and cooperation between bilateral and multilateral partners with respect to the national (rain)forest policy? How did this influence donor policy on matters concerning the tropical rainforest?
- What are the relations or interactions between bilateral activities and those financed through worldwide programmes?

The following questions will be important for the analysis of the design and execution of projects:

- Did the outputs contribute to the development and execution of national forest programmes?
- Have socio-economic considerations been taken into account in the project design?
- How has monitoring been undertaken?
- How have projects and programmes been executed, in relation to their design?

Given the RTR and BBI policies and the existing database, it appears that Dutch-funded activities aimed at the tropical rainforest have used the following strategies:

- Capacity development
- Research
- Technical assistance
- Training and education
- Participation

4.5.1 Inputs

A desk study will be undertaken in order to determine inputs and outputs of the approximately 50 projects in the three sample countries, and of the components of worldwide programmes that contribute significantly to the RTR objectives. The Proforis database will be the starting point for the characterisation of activities, especially in terms of the nine above mentioned policy lines of the RTR. The database will be extended to include information about the availability of external project evaluations and other valuable data for the RTR evaluation.

Activities will be clustered around core projects that account for the large majority of funds, given that activities such as 'project formulation' or 'review' may be counted as separate activities in the selection of 77 projects. This will help to select a limited number of projects (and programmes) for detailed document analysis and, finally, for the field research. The Ministry's internal project appraisal memoranda (Bemos) provide most of the information at the first stage, followed by project documents and external reviews at a later stage.

4.5.2 Outputs

Selected projects and programmes will be analysed on the basis of project documents and external reviews in order to measure outputs. Although documents are available in the Netherlands with respect to worldwide programmes, they are only available in the three selected countries for those projects and programmes administered by the embassies. An important part of this work will therefore be done in the three countries.

4.5.3 Assessment of outcomes

The expected outcomes include sustainable forest utilisation, conservation of high-value forests and poverty reduction. It is expected by the RTR that an effective national forest policy respects these three objectives.

Based on the established outputs, outcomes and their viability in the three sample countries will be evaluated through the following questions:

- How has capacity development been used? (tools: publication and appreciation of research capacity, training by trainers, professional profiles of those who have benefited from training, appreciation by directors, clients and users, etc.)
- How has forest planning been reinforced? (tools: participation by local and higher level stakeholders, and their assessment of the planning process, participation of key decision-making institutions, incorporation of national forest plans in higher-level national planning tools, and the share of external financial contributions that fit in the national plans, etc.)
- How have the legal and tax frameworks improved (tools: participation and other qualities in the reform processes, general knowledge of new laws and regulations, efficacy of fiscal tools, etc.)
- How have activities contributed to poverty reduction? (tools: the nature of poverty reduction or the scope of research and training activities, effective participation by all relevant stakeholders in planning and monitoring, etc.)
- How has technical assistance contributed to these themes?

The key evaluation activities are data analysis, document analysis, interviews and stakeholder meetings. Annex I presents a detailed matrix of research questions and tools which address the indicators.

4.5.4 Measuring and assessing of impact

The appreciation of outcomes will help to evaluate the impact of the RTR activities undertaken bilaterally or through worldwide programmes. To the extent that information is available, the evolution of the tropical rainforest in quantitative and qualitative terms, over the period 1999–2005, will be described. The degree of poverty reduction may be described and analysed for certain areas and certain periods. To the extent possible, the relationship between ODA in and around specific tropical rainforest zones, and the forest conservation and sustainable use as well as poverty reduction, will be established. The following questions will be of particular importance:

Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

- Has the tropical rainforest been conserved, or its degradation reduced, and is forest utilisation sustainable? (tools: national inventories, other forest statistics, GIS information, existing comparative studies with/without ODA, local cartographic/GIS evidence, impact studies, corruption statistics and studies, statistics on trade and certification, etc.)
- Has poverty been reduced in the context of RTR activities? (tools: impact studies, PRSP monitoring reports, comparative studies).

4.6 Organisation of the evaluation

The evaluation will be carried out by a team led by Jan van Raamsdonk, IOB inspector, together with Marjol van den Linden, research assistant, and Paul Kerkhof, the principal consultant. National consultants will be identified for research in each of the three sample countries, and they will carry out research before and during the major phase of fieldwork.

The description and analysis of the RTR and preparation of the synthesis report will be done by the IOB inspector. The consultant will prepare a research plan at the start of the assignment, and will carry out the desk study of projects in the three selected countries and of the contributions of worldwide programmes. Two of the country studies (Vietnam and Colombia) will be carried out by the consultant, and the third study (Ghana) by the IOB team. Vietnam will be the first field study, followed by Ghana and Colombia. The results of the first field study may lead to some methodological adjustment for the subsequent studies.

Two IOB inspectors will contribute throughout the evaluation process. A reference group has been established to review and contribute to the evaluation at various stages, consisting of representatives of key ministries, research institutions and NGOs in the Netherlands.

4.7 Reporting

The following reports will be produced during the evaluation process:

- A literature study
- A detailed research plan and programme
- A mid-term report describing and analysing the RTR policy
- Three case study reports, one for each of the selected countries
- A mid-term report on the contribution of worldwide programmes
- Concept of the final report

4.8 Planning of activities

| | |
|---|------------------------|
| Recruitment of the principal consultant | October 2006 |
| Literature study | October-November 2006 |
| Description and analysis of the RTR | November 2006 |
| Desk study | November-December 2006 |
| Field research Vietnam | December 2006 |
| Field research Ghana | January 2007 |
| Field research Colombia | February 2007 |
| Concept final report | March-April 2007 |
| Final report | May 2007 |
| Report printed | June 2007 |

Matrix of research questions for the RTR evaluation

| Research question | Indicator | Methods, sources | Explanatory notes |
|---|---|---|--|
| Output | | | |
| 1. Which institutional development: planners, researchers, managers, knowledge, law, etc. | 1. Number of people whose capacity has been developed, per category | 1.1 Available reports | 1.1 Available reports are reports made available to the immediate partners, those (co)financed by the Ministry. These reports will answer an important part of the research questions. The following table presents methods or tools for further information collection. |
| | 1.2. How has new capacity been used | 1.2 Available reports and organigrams (which express reinforcement) 1.3 Publication of research results (in the case of researchers) 1.4 Number of people trained (for trainers) 1.5 Key role in planning processes (planners) 1.6 Professional profile 1.7 Interviews users/clients/directors | 1.3 The efficacy of research is related to the nature of the research (is it aimed at or related to RTR objectives?) and publication, including peer reviewed publication. This can be established for a sample of researchers supported by RTR related funding. 1.4 The nature of training (RTR related) and the number of people trained provides insights in the efficacy of this element of capacity development 1.5 Training of planners may have contributed to an increased profile in planning processes 1.6 This concerns professionals in the TRF which have had long term training (such as PhD students) and who are have been working for some time in the country. A short career description may provide insights in efficacy of the training provided in the RTR context. 1.7 Users may be NGOs or community leaders who have played a role in improved forest planning processes; private sector field technicians may be clients of training courses provided by trainers whose capacity has been reinforced ; directors may be a useful source of information on the performance of researchers or planners in their organisation. These are examples of how interviews may contribute to better understanding of efficacy. |
| | 1.3 Which research has been carried out | 1.3 As in 1.2 and 1.3 above | 1.3 As in 1.2 and 1.3 above |

Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

| | | | |
|--|---|--|--|
| | <p>1.4 Number of national forest programmes</p> | <p>1.4.1 Available reports 1.4.2 Number of plans 1.4.3 Participation stakeholders (number, categories) 1.4.4 Participation cross-cutting ministries (decision makers) 1.4.5 Degree to which forest plans have been represented at higher level planning (PRSP, rural development plan, etc.)</p> | <p>1.4.3 Improved planning involves stakeholders and ensures that their concerns are taken into account (<i>'did they take us seriously?'</i>). At the local level, evaluation field research will include stakeholder meetings for the most important groups: indigenous peoples, immigrants, commercial groups, local government, etc. The composition evidently depends on local conditions. Meetings may be organised in which key issues can be presented and debated among groups with, in some cases, opposing interests (<i>'forum contradictoire'</i>). This may lead to lively exchanges and useful insights for verification of analysis in available documents. 1.4.4 Sector planning may or may not be done in relative isolation of cross-cutting ministries such as the Ministry of Economy/Finance, Prime Ministers Office, or the Ministry of Development Planning. What is the comprehension and position of those concerned in these ministries, have they participated to some degree in the NFP planning process, do they share the vision? Document analysis on the quality of the planning process and interviews will contribute to answer this research question. 1.4.5 Analysis of higher level planning papers, particularly those produced since the (first) NFP, provides insights as to how forest planning is incorporated in higher level planning. An improved institutional framework may be an outcome of proper linkages between NFPs and PRSPs.</p> |
| | <p>1.5 Laws improved, tax laws improved</p> | <p>1.5.1 Available reports 1.5.2 Comparison old/new laws 1.5.3 Quality of law reform process 1.5.4 General knowledge of new laws 1.5.5 Application: legal monitoring, tax collection reports</p> | <p>1.5.2 Existing documents may well provide this sort of information. If not, it will require additional work of the national evaluation consultants. 1.5.3 Is law reform essentially a paper exercise or has it ensured broad participation? Existing analyses may have to be complemented with interviews in order to understand the nature of the law reform process. 1.5.4 The degree to which new laws are known, can be taken on in the fieldwork. Existing reports may provide sufficient information. 1.5.5 An improved legal and/or fiscal framework which is applied for some time: what are the available statistics on application, sanctions, absolute and relative amounts of tax collected, etc.</p> |
| <p>2. Integration poverty reduction policies</p> | <p>2. What research, planning, training, participation in matters of socio-economic development</p> | <p>2.1 Available reports 2.2 Analysis of NFPs 2.3 Participation of relevant socio-economic groups 2.4 Share of socio-economic research, training, etc. in the overall project/programme</p> | <p>2.2 Poverty reduction objectives and strategies may be expressed in the NFPs. The priorities for investment which are an outcome of the plan (in an annex or in a separate NFP paper) may allow to appreciate poverty reduction concerns in a quantitative manner. 2.3 Degree to which socio-economic stakeholders (incl. NGOs, CBOs) feel involved and have been involved in TRF initiatives funded by the Netherlands. 2.4 What part of the research, training, etc. funded by the Netherlands is devoted to poverty reduction? An inventory of reports and publications may contribute to answer this question.</p> |

| Outcome | | | |
|--|--|--|--|
| 1. Sustainable land and forest utilisation | 1. Execution of NFPs (or similar planning tools) | 1.1 Available reports 1.2 Number of financial partners 1.3 Level of finance of plans and programmes (1999-2005) 1.4 Share of the national budget in NFP (1999-2005) 1.5 Respect of monitoring, and update of plans | 1.2 The number of financial partners which contribute to the execution of the NFP as compared to the total number of institutions which finance the TRF. 1.3 The same question, in financial terms. What is the financial contribution to the NFPs (including the national budget) as compared to the overall contribution to the TRF? 1.4 Contribution of the national budget to the NFPs in absolute and relative terms, and trends over the period 1999–2005. 1.5 Is the NFP a static product, is it dynamic? Is it monitored by national and local institutions? |
| 2. Active protection of high value tropical forest | 2. Percentage protected areas | 2.1 Available reports 2.2 National land use, park and forest statistics, GIS, cartography 2.3 Local GIS/cartography | 2.2 The national statistics are generally available for overall land use, forests and parks, although they may not be up to date. These statistics will be collected (a recent analysis may have been done and provide all the information which is required for the RTR evaluation). The period 1999–2005 is of particular interest. By default, any year between 1991 and 1999 may serve as a base year. It is unlikely that this type of information covers exactly the RTR evaluation period. 2.3 In many projects GPS and cartographic tools have been used over the period 1999–2005 in order to monitor changes in forest and land use. This will contribute to better understand rainforest conservation and sustainable use at the impact level on a local scale (case studies). |
| 3. Poverty reduction | 3. Focus on PRSP's, on poverty reduction | 3.1 Available reports 3.2 Analysis PRSP's 3.3 PRSP monitoring reports 3.4 Comparative studies 'with/without' financing | 3.2 If poverty reduction has been properly incorporated in the NFPs this should be reflected in the PRSP's, which can be verified through document analysis. 3.3 Same, for PRSP monitoring reports: has poverty been reduced in regions of TRF? How does it compare to poverty reduction in non TRF regions (zones)? 3.4 Analysis may be available in existing documents, impact analyses, and PRSP monitoring reports may contribute to this kind of analysis (see 3.3 above). |

Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government’s Policy on Tropical Rainforests

| Impact | | | | | |
|---|--|--|--|--|--|
| 1. Conservation and sustainable use of TRF and biodiversity | 1. Surface area TRF, diversity of plant and animal species | 1.1 Available reports 1.2 Impact studies 1.3 National forest inventories 1.4 Comparative studies ‘with/without’ financing 1.5 Inventories biodiversity 1.6 GIS information 1.7 Information on corruption (general) 1.8 Information on corruption in forest sector | 1.3 As in Outcome 2.2, above 1.4 Forest inventories in comparable areas with/without investment in the TRF may be useful for an assessment at impact level, however, in practice this is rarely done. In areas where several financial partners contribute to similar objectives, the impact of the financial contribution provided by the Netherlands may be expressed as a percentage of the overall input. 1.5 Although they are often available at a very limited scale they will contribute to an appreciation of impact of the RTR related financial contribution. 1.6 See 1.3, 1.4 and 1.5, above. 1.7 Corruption may be a key issue when it comes to impact level. Trends in overall corruption may be traced through existing monitoring systems, e.g. that of Transparency International. Detailed information about corruption in the sector may be obtained from more specific sources e.g. local NGOs. Important events such as conflicts may contribute to understand corruption and the fight against corruption, and they may be included in the evaluation. | | |
| 2. Sustainable poverty reduction | 2. Sustainable socio-economic development | 2.1 Available reports 2.2 Impact studies 2.3 PRSP monitoring reports 2.4 Comparative studies ‘with/without’ financing | 2.3 See Outcome 3.3, along with macro-economic statistics and specific statistics of the TRF sector and timber trade. 2.4 See Outcome 3.4 above | | |

Annex 2 List of persons interviewed

| # | Name | Function | Institution/location |
|-----|---------------------------|--|---|
| 1. | Mr. Ben Zech | First Secretary Forestry | RNE Hanoi |
| 2. | Ms. Pham Minh Uyen | Program Officer Forestry | RNE Hanoi |
| 3. | Mr. Hua Duc Nhi | Vice Minister | Ministry of Agriculture and Rural Development (MARD) |
| 4. | Mr. Nguyen Ngoc Binh | Director | Department of Forestry, MARD |
| 5. | Mr. Nguyen Huu Dung | Vice Director | Forest Protection Department, MARD |
| 6. | Mrs. Ha Thi Thanh Van | Officer | International Cooperation Department, MARD |
| 7. | Mr. Dinh Duc Thinh | Office Chairman | Five million hectare programme, MARD |
| 8. | Mr. Tran The Lien | Vice head of conservation Unit | Forest Protection Department, MARD |
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Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

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Vietnam: A Country Study within the Framework of the Evaluation of the Netherlands Government's Policy on Tropical Rainforests

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