



# VIETNAM

Mapping REDD+ Finance Flows 2009-2012

2013



# VIETNAM

## Mapping REDD+ Finance Flows 2009-2012

*Nguyen thi Xuan Huong, Dang Viet Quang*

## Acknowledgements

---

REDDX Expenditures Tracking Assignment in Vietnam was done by an independent consultant team through support from Forest Trends and Vietnam Administration of Forestry. We would like to thank Forest Trends for technical support and guidance in developing REDDX in Vietnam, particularly Marigold Norman, Jessica Breitfeller, Christine Lanser and To Xuan Phuc, as well as Michael Jenkins for his guidance and support. Special thanks goes to Dr. Nguyen Ba Ngai - Deputy Director of Vietnam Forestry Administration for his advices and support. In addition, we would like to thank the individuals working in the following organizations, who have contributed their time to provide the information and data presented in this report:

Vietnam Administration of Forestry (VNFOREST), Vietnam Forest Protection and Development Fund (VNFF), UN-REDD Vietnam, United Nation Development Program (UNDP), World Agroforestry Center (ICRAFT), Winrock International, World Wide Fund for Nature (WWF), Netherlands Development Organization (SNV), Center for International Forestry Research (CIFOR), Center of Research and Development in Upland Areas (CERDA), The Center for People and Forests (RECOFTC), Transparency International, Centre for Sustainable Rural Development (CRD), Center for Sustainable Development in Mountainous Areas (CSDM), Fauna and Flora International (FFI), Research Center for Forest Ecology and Environment (RCFEE), Japanese International Development Agency (JICA), Center for Natural Resources and Environmental Studies (CRES), Tropenbos International (TBI), People and Nature Reconciliation (PanNature), and Hanoi University of Agriculture (HUA)

The report was completed with financial support from the Ministry of Environment, Nature Conservation and Nuclear Safety of the Federal Republic of Germany (BMU), the Skoll Foundation and Forest Trends. However, the point of view expressed in this report is that of the authors, and does not necessarily reflect the opinions of donors and the employing organizations of the authors.

Cover and graphics produced by Visilio design in coordination with Forest Trends.



## Executive Summary

---

Responding to climate change is a major task in many countries around the world and Reducing Emissions from Deforestation and Forest Degradation (REDD+) has become an important initiative to accomplish this task. In 2009, Vietnam was one of nine countries selected to pilot the UN-REDD Programme and was also one of the first countries to have an approved Readiness Plan Idea Note (R-PIN) funded by the World Bank's Forest Carbon Partnership Facility (FCPF).

In Vietnam, many REDD+ projects have been implemented since 2009, but the financial information concerning these projects has not been well-documented. Forest Trends has collaborated with in-country partners as well as the Vietnam Administration of Forestry (VNFFOREST) to undertake a study on REDD+ financial flows to answer the following questions:

- How much funding has been committed for REDD+ projects?
- Which institutions have funded REDD+ projects in Vietnam?
- Which agencies and organizations have received and managed these funds?
- Which activities have been implemented by REDD+ projects?
- Are REDD+ projects being implemented appropriately and oriented to the targets of the national actions on REDD+ in Vietnam?

## Findings

Since 2009, US\$72.4 million has been committed to support REDD+ activities, with 45% of the finance coming from donor governments, 54% from multilateral institutions and the remaining 1% from the European Union (EU). In the period of 2009-2012, US\$14.902 million (approximately 21%) was disbursed. This funding has supported the implementation of 32 REDD+ projects in Vietnam. Of these, 12 projects have been completed, and 20 are still underway..

The UN- REDD Vietnam program and the United States Agency for International Development (USAID) are the two largest donors of REDD+ funding in Vietnam. The UN-REDD Programme, funded by Norway (through the Multi-Partner Trust Fund), accounts for over US\$34.7 million of REDD+ financing. UN-REDD Phase 1 projects were implemented from 2009 to 2012 and Phase 2 projects began in 2012 and will continue through 2015. USAID provided US\$13 million in REDD+ financing for The Forest and Delta Program which started in 2011 and is scheduled to continue through the end of 2017. Japan and Germany have also committed significant amounts to Vietnam. The Japanese International Development Agency (JICA) committed US\$8.1 million and the German Federal Ministry of Environment, Nature Conservation & Nuclear Safety (BMU) committed US\$5.8 million. In addition to the funding committed through UN-REDD Vietnam, the Norwegian Government has also provided approximately US\$1.76 million in direct grants to organizations in Vietnam, bringing total Norwegian REDD+ funding to Vietnam to US\$36.46 million.

Major recipients of REDD+ finance in Vietnam are multilateral implementing agencies, international institutions and the Government of Vietnam. Multilateral implementing agencies received approximately US\$35 million from the UN-REDD Program, with UNDP receiving the majority of funds (US\$15.8 million), followed by FAO (US\$14.5 million) and UNEP (US\$4.5 million). Winrock International (WI) and the Netherlands Development Organization (SNV Vietnam) received the largest commitments among the international institutions at US\$13 million and US\$8.9 million respectively. The National government only received 16.4% (US\$11.9 million) of the total commitments and the remaining 1.6% (US\$1.134 million) went to domestic organizations.

The disbursement of finance varies, with low rates overall caused mostly by projects that were not approved until 2012 with some funds scheduled to be disbursed through the end of 2017. Multilateral implementing agencies had a disbursement rate of 11.7% with most of this finance coming from Phase One since UN-REDD didn't start Phase Two until 2012. Disbursement rates for international institutions (17.3% of total commitments) ranged from 16% to 100% (e.g. NORDECO and ICRAF respectively). The largest recipient in this group, WI, had a disbursement rate of only 2.3%, because the project started in 2012. SNV, with nine projects, has an average disbursement rate of 25.2%. The Government of Vietnam, receiving two grants from JICA, has secured 47.7% of its total funding commitments through disbursements.

Vietnamese academic and non-governmental institutions have had 73.2% of their funding commitments disbursed to them, the result of many early grants and a small grant (for CRES and PanNature) in 2012.

REDD+ activities in Vietnam follow the framework of the national action program on REDD+ approved by Vietnam's Prime Minister in 2012<sup>1</sup>. The majority of REDD+ projects currently focus on stakeholder engagement (94%), institutional strengthening (78%), policy analysis and advocacy (66%), and measuring, reporting and verification (MRV) (47%). These activities are intended to promote participation and prepare the conditions for implementation of REDD+ in the next few years. Some projects also provide direct support for forest plantation development and sustainable forest management.

Overall, the total committed funds for REDD+ projects in Vietnam has increased over the last four years reaching US\$72.4 million (an estimated 1,520 billion VND) and 32 REDD+ projects have been implemented in 20 provinces across the country (Appendix 0). With over 79% of the funds yet to be disbursed, these activities will continue to prepare Vietnam for the implementation of REDD+ in the period of 2015 to 2020.

---

<sup>1</sup> The National Action Program on REDD+ was approved by the Prime Minister in Decision 799/QĐ-TTĐ on June 27th, 2012.

# Table of Contents

---

<b>Executive Summary</b> .....	<b>i</b>
Findings .....	i
<b>Introduction</b> .....	<b>1</b>
<b>Methodology</b> .....	<b>2</b>
Data Collection .....	2
Data Analysis.....	2
<b>National Context</b> .....	<b>3</b>
Forests and Land Use in Vietnam .....	3
Challenges in Reducing Deforestation .....	5
Management and Efforts to Prepare for REDD+ .....	5
<b>Findings: International Funding Sources</b> .....	<b>7</b>
Overview.....	7
Government.....	10
Multilateral Institutions .....	11
European Union (EU) .....	12
Government of Vietnam.....	13
Multilateral Implementing Agencies .....	14
International Institutions.....	14
Vietnamese Institutions.....	15
<b>Activities of REDD+ Projects in Vietnam</b> .....	<b>17</b>
<b>Domestic Funding Sources</b> .....	<b>18</b>
<b>Recommendations</b> .....	<b>21</b>
Avoid Overlap in Project Activities .....	21
Capturing Finance Flows to Second and Third Recipients .....	21
<b>Conclusions</b> .....	<b>22</b>
<b>Bibliography</b> .....	<b>23</b>
<b>Appendix</b> .....	<b>24</b>
1. Provinces with REDD+ Projects in 2013.....	24
2. Payments for Environmental Services by Province, 2012 .....	25
Questionnaire for REDD+ Projects.....	27
Additional Figures.....	33





## Acronyms

---

BDS	Benefit Distribution System
BMU	German Federal Ministry of Environment, Nature Conservation & Nuclear Safety
CERDA	Center for research and development in upland areas
CIFOR	Center for International Forestry Research
CRES	Center for Natural Resources and Environmental Studies
CSDM	Center for Sustainable Development in Mountainous areas
DEFRA	UK Department for Environment, Food & Rural Affairs
EU	European Union
FAO	Food and Agriculture Organization
FCPF	Forest Carbon Partnership Facility
FFI	Fauna and Flora International
FLEGT	Forest Law Enforcement, Governance and Trade
FORMIN	Ministry for Foreign Affairs of Finland
GDP	Gross Domestic Product
GEF	Global Environment Facility
GoV	Government of Vietnam
HUA	Hanoi University of Agriculture
ICRAF	World Agro-forestry Centre
IDLO	International Development Law Organization
IGES	Institute for Global Environmental Strategies
IFAD	International Fund for Agricultural Development
JICA	Japanese International Development Agency
MPTF	Multi- Partner Trust Fund
MRV	Measurement, Reporting, and Verification
NGO	Non- Governmental Organization
MARD	Ministry of Agriculture and Rural development
NORAD	Norwegian Agency for Development Cooperation
NORDECO	Nordic Agency for Development and Ecology
NTP-RCC	National Target Program to Respond to Climate Change
PanNature	People and Nature Reconciliation
PFES	Payment for Forest Environmental Services
RCFEE	Research Center for Forest Ecology and Environment
RECOFTC	Center for People and Forests
REDD+	Reducing Emissions from Deforestation and Forest Degradation
R-PIN	Readiness Plan Idea Note
RELS/FRLs	Reference Emission Levels/Forestry Reference Levels
SNV	Netherlands Development Organization
SRD	Sustainable Rural Development
STWG	Sub-Technical Working Group
TBI	Tropenbos International
TI	Transparency International
UNDP	United Nations Development Programme
UNEP	United Nations Environmental Programme

UN-REDD	United Nations REDD Programme
USAID	United State Agency for International Development
VNFOREST	Vietnam Administration of Forestry
VNFF	Vietnam Forest Protection and Development Fund
VRO	Vietnam national REDD+ Office
WB	World Bank
WWF	World Wildlife Fund
WI	Winrock International

# Glossary and Common Reported Terms

---

## General and Financial Terms

**REDD+:** REDD+ is defined by the UNFCCC as “reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries”. The details behind the “+” are not yet defined, such as eligibility of activities, requirements on land type, species, etc. Thus, some questions remain regarding how exactly the plus will work.

**REDD+ finance:** A working definition of “REDD+ finance” remains heavily debated within the international policy context. For the sake of this project and to promote consistency with other REDD+ tracking initiatives and broader international approaches to REDD+, it was agreed that REDD+ finance will include:

1. **International REDD+ Finance:** Any international financial transfers earmarked to support REDD+ mechanisms or initiatives, as currently defined by the UNFCCC, that are developed with the aim of reducing net GHG emissions from the forestry sector.
2. **National REDD+ Finance:** Monies earmarked and spent for any activities or actions that fall within the scope of the REDD+ definition found within an individual country’s approved REDD Readiness Preparation Proposal or other existing country REDD+ strategy.

**Pledge:** Pledges of REDD+ finance are often made as announcements of support from donor governments with no legal or formal indication that this funding will be released, no terms for how this might be spent, and whether this will be fully spent on REDD+ activities. Some donors pledge an amount and actually end up committing less. We are not specifically tracking pledges, but if known, they are recorded to compare with amounts actually committed.

**Commitment:** REDD+ defines “commitment” as a formal indication from a donor that they will fund REDD+ activities in a country. This “commitment” will be backed up by a legal or formal agreement specifying the total amount of funding for the recipient, a timeline for activities and a schedule for when finance will be spent. (This is not to be confused with a “pledge”).

**Disbursement:** A “disbursement” in the context of the REDD+ initiative is the transfer of funds from a donor to a recipient or from a recipient to an additional recipient in the funding chain.

## Institutions

**Donor government agency:** A federal agency or ministry in the donor country. Examples of donor government agencies are GIZ (Germany), KfW (Germany), JICA (Japan), DEFRA (UK), and FORMIN (Finland). Donor governments are increasingly in both the developed and the developing world and are increasingly transferring funds outside traditional bilateral funding mechanisms (from a donor government to a recipient government).

**Multilateral financing institution:** International organizations that are comprised of members from many countries. Examples include the World Bank, UN-REDD, UNDP, UNEP, FAO and IFAD. The UN-REDD Programme builds on the convening role and technical expertise of its three participating UN organizations: the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP).

**International NGO/Academic institution:** International NGOs/academia includes international, non-governmental organizations (NGOs) such as environmental organizations *and/or* independent academic institutions with headquarters outside the recipient country. In general, academic institutions that are fully funded by governments, such as national universities and research centers are grouped under “donor governments”. Many international institutions receive donor

funding for REDD+ activities to be implemented at the international, regional and/or national level. Their finance is typically spent in the following ways:

- At headquarters on their own staff and operations supportive of donor and/or recipient country objectives;
- At regional or national offices on their own staff and operations supportive of donor and/or recipient country objectives;
- Passed on to other international organizations through sub-grants, or consultancies to implement activities (and who may, in turn, pass on to additional organizations);
- Passed on to other national organizations through sub-grants or consultancies to implement activities (and who may, in turn, pass on to additional organizations);
- Passed on directly to local communities or households for payments for environmental services.

**Local NGO/Academic institution:** Civil society organizations and academic institutions based in the REDD+ recipient country.

## REDD+ Activities and Projects

**Stakeholder engagement:** Funding aimed at improving participation of non-governmental stakeholders through the design, implementation, and/or monitoring phases of REDD+, and/or funding that promotes media outreach.

**Rights and tenure:** Funding directed at addressing issues of rights and tenure – including clarifying land, property and carbon rights.

**MRV and reference levels:** Funding aimed at improving the monitoring, reporting and/or verification of REDD+, including changes in forest cover, forest degradation, biodiversity, or social and governance levels. Funding to define or implement reference levels to measure emissions, co-benefits and governance in country.

**Safeguards:** Funding aimed at identifying barriers to forest conservation and enabling social and environmental benefits.

**Policy and law development:** Funding aimed at promoting research, advocacy and outreach to policymakers including policy and law analysis, policy development, REDD strategy development & advocacy.

**Institutional strengthening:** Funding aimed at developing in-country public institutions, ministries, staffing capacity and resources for REDD+.

**Forest Carbon Project Design:** Funding aimed at developing project design documents (PDDs) and validation activities. This includes credited projects that go to the market and those that want REDD+ payments.

**Improved forest and land management:** Funding supporting protected areas, sustainable forest management, and reforestation management activities – including enforcement and compliance.

**Carbon offsets or performance based payments:** Funding aimed at carbon offsets, direct payments, actual benefits sharing, and actual payments such as incentive and performance-based payments.

**Others:** Funding aimed at REDD+ activities that do not fall within the broad categories listed. For example, funding that is listed as technical support.

## Introduction

---

Over US\$7.3 billion has been pledged to support REDD+ Readiness in Vietnam in the run up to 2015. However, information remains limited on how much of this finance is actually flowing to national level initiatives, the types of REDD+ activities supported and the organizations managing and actually implementing REDD+ on the ground.

To address these gaps, Forest Trends developed REDDX, a REDD+ Expenditures Tracking initiative, in 2011 to follow REDD+ finance from donors to in-country recipients and ultimately REDD+ projects and activities on the ground to determine:

- Actual commitments and disbursements of REDD+ finance;
- Timelines between when funds are committed and actually disbursed;
- The types of organizations receiving and implementing REDD+ activities;
- Activities supported by the current financial commitments.

Through this initiative, REDDX seeks to improve transparency around REDD+ financing mechanisms and ultimately provide information that will help governments and other REDD+ stakeholders better assess gaps and needs against national REDD+ strategies.

Vietnam is one of fourteen tropical forest countries participating in REDDX (the other REDDX countries currently include Brazil, Colombia, Guyana, Mexico, Ecuador and Peru in Latin and South America, the Democratic Republic of Congo, Ethiopia, Ghana, Liberia and Tanzania in Africa and Indonesia and Papua New Guinea in Asia-Pacific). Emerging results and trends across the fourteen countries demonstrate that REDD+ financial commitments have slowly, yet steadily increased since 2009. Most commitments are multi-year grants with long disbursement schedules. By the end of 2012, 32% of REDD+ committed funds tracked had been released to first recipients or implementing organizations<sup>2</sup>. The majority of REDD+ finance continues to be committed by donor country governments and multilateral financing institutions, but private foundations have also played a significant role particularly in the early years of the REDD+ process.

REDD+ financing results for REDDX countries are published through Forest Trends' REDDX website and report series available at [reddx.forest-trends.org](http://reddx.forest-trends.org).

This report specifically focuses on the national results for Vietnam. In Vietnam, almost all REDD+ projects were launched after 2009 and numerous REDD+ projects are still underway. Nevertheless, the financial information of these projects such as donors, recipients, commitments, disbursements, and the implementation of the funds over time has not been fully documented and systematically integrated. Accurate documentation will help policy makers and donors to make appropriate strategies for the Vietnam REDD+ Program in the future.

Forest Trends has collaborated with national consultants with support from the Vietnam Administration of Forestry (VNFOREST) to undertake the study on REDD+ expenditures to answer the following questions:

- How much funding has been committed for REDD+ projects?
- Which institutions have funded REDD+ projects in Vietnam?
- Which agencies and organizations have received and managed these funds?
- What types of activities have been implemented by REDD+ projects?
- Are REDD+ projects being implemented appropriately and are they oriented to support the targets outlined in Vietnam's REDD+ National Action Programme?

---

<sup>2</sup> Based on REDDX results tracked in seven countries (Brazil, Colombia, Ecuador, Ghana, Liberia, Tanzania, and Vietnam).

# Methodology

---

## Data Collection

This study was conducted through collaboration between Forest Trends (FT) and the Vietnam Administration of Forestry (VNFOREST). Both institutions collaborated to develop the research proposal, questionnaires, a list of organizations implementing REDD+ related projects and to make a detailed plan for the survey execution. After receiving administrative support from VNFOREST, the research team collected the data using questionnaires and face-to-face interviews, as well as publically available information from documents and websites.

Most of the information was gathered through interviews and questionnaires directly from the recipients of REDD+ projects in Vietnam (Appendix 0). The information was summarized and then sent back to the interviewees for feedback. The collected information includes: donors, recipients, commitments and disbursements from 2009-2012, the duration of each project and project activities.

## Data Analysis

The data analysis combined from both qualitative and quantitative methods. Quantitative methods were mainly used to compare and analyze the data and to observe the fluctuation of financial flows. Qualitative methods mainly focused on causes and factors that affect the fluctuation of financial flows.

Donor and recipient agencies are divided into sectors to analyze the data. In particular, donors were divided into 3 groups: governments, multilateral donors (such as the World Bank, IFAD) and the community of various countries such as EU. Recipient agencies include international organizations, including government agencies and other organizations, as well as agencies of Vietnam such as Vietnamese Non-Governmental Organizations, universities, institutes and research centers.

Additionally, this study examines the activities which REDD+ projects are currently focusing on. The activities for this assessment were categorized into the groups given by the opinions of experienced experts from international organizations which are described in the section on REDD+ activities.



## National Context

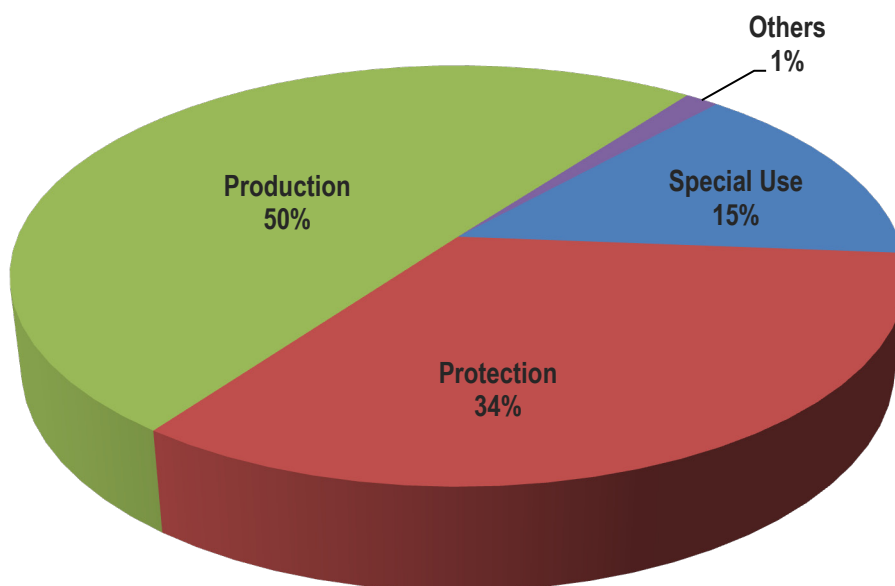
---

### Forests and Land Use in Vietnam

Covering 33.1 million hectares, the land in Vietnam has been classified into agriculture, non-agriculture and un-used land, according to the Land Law of 2003<sup>3</sup>. The agricultural land consists of forestland, agriculture cultivation and aquaculture production. Forestland covers 16.24 million hectares and is inhabited by 25 million people.

In 1943, Vietnam had 14.3 million hectares of natural forests which covered 43% of the country. These forests had been considerably degraded during 1943-1983 resulting in the decline of forest cover to 27% in 1990. Since 1990, the forest areas gradually increased due to forest plantation and natural afforestation reaching 39.5% in 2010 (IGES, 2012). In 2012, Vietnam had 13.8 million hectares of forests mainly categorized into special use forest (2.02 Million hectares), protection forest (4.68 Million hectares) and production forest (6.96 Million hectares) (Figure 1).

Figure 1. Classifications of Forests in Vietnam, 2012



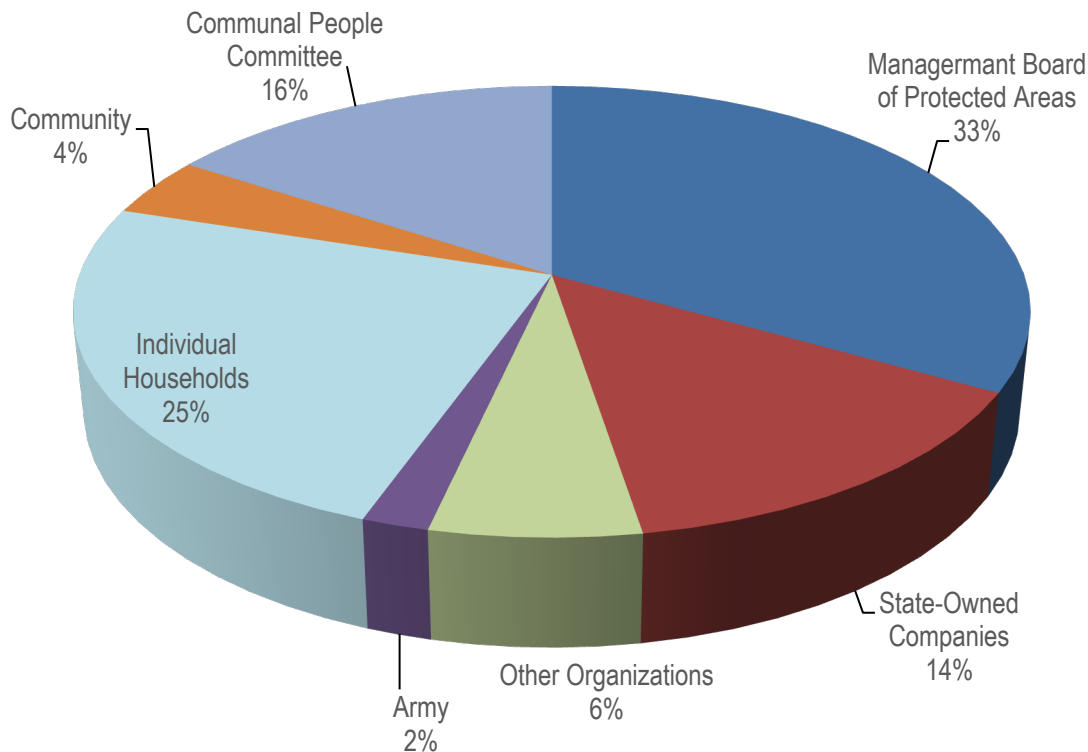
Source: Adapted from MARD, 2013.

The forests in Vietnam are managed by the Ministry of Agriculture and Rural Development (MARD) and have been allocated to various groups of users. As of December 31<sup>st</sup> 2012, MARD allocated forest ownership to six groups of managers. Four groups within the government manage and protect 69% of the forest areas. This includes management boards of protected forests (33%), state owned companies (14%), communal peoples' committees (16%) and local communities (4%). Two groups within the private sector manage the remaining 31%. The private sector is comprised primarily of individual households (25%) and other organizations (6%) (Figure 2).

---

<sup>3</sup> The Land Law was approved by The National Assembly of Socialist Republic of Vietnam in November 26<sup>th</sup> 2003.

**Figure 2. Types Forest Owners in Vietnam**



Source: Adapted from MARD, 2013

Although the forest cover has increased since 1990, the quality and biodiversity of natural forests has been further degraded with deforestation occurring in many places. In 2007, the Government of Vietnam thereby promulgated the strategy for development of the forestry sector through 2020 focusing on both socio-economic and sustainable environmental development with the commitment of the targets below (GoV, 2007):

- The forest cover expanded to 47% in 2020
- GDP contributed by forestry sector to reach 2-3% in 2020
- Sustainably manage all three types of forests, with the specific goal of protecting 8.4 million hectares of production forest
- Generate more jobs and increase income to reduce the poor households living in the forest areas
- Increase the laborers in the forestry sector by 50%, prioritizing minority peoples, poor households and women in remote areas
- Increase domestic timber production to 20-24 million m<sup>3</sup> per year
- Increase forest product exports to US\$7.8 billion per year
- Minimize the violations related to forest resources and reduce the agricultural cultivation on sloping land

To achieve these targets, the national strategy designed six programs with specific objectives, proposed budgets and separate appointed ministries. These programs include:

- Sustainable forest management and development program
- Forest protection, biodiversity conservation and development of environmental service
- Spatial planning program for forestland and forest areas

- Forest product processing and trade program
- Research, education, training, and forest extension program
- Innovation program of institutions, policies, planning and monitoring in the forestry sector

## Challenges in Reducing Deforestation

Although the Ministry of Agriculture and Rural Development in Vietnam implemented many programs to protect the remaining forests and to recover the deforested areas<sup>4</sup>, after 1990, the quality of natural forest remained low. Within the period of 6 years (1999 to 2005) the natural forests which were classified as rich forest had decreased by 10.2%, and medium forest had been reduced by 13.4%. During that same time, plantation forest cover increased 50.8% (FCPF, 2008). During this period Vietnam lost 51% of its remaining primary forests with the remaining areas located in remote places with poor access due to poor road networks and steep mountains. The forest cover increase was, therefore, mainly due to reforestation and afforestation (FCPF, 2008).

The deforestation and forest degradation in Vietnam has been directly caused by agricultural expansion, mining minerals, infrastructure development, illegal logging, poor communities living in and near the forests and high market demand of natural precious timbers (IGES, 2008). The implicit reasons of these causes and effects are the loopholes in and weak enforcement of forest policies (IDLO, 2011). The unclear policies could not prevent the conversion of forests to perennials including rubber, coffee and cashew. The loopholes in strategies of rubber plantations on the poor natural forests<sup>5</sup> and of hydropower development have destroyed a large area of natural forests. Recognizing these problems, the Government of Vietnam represented by MARD and the National Assembly is presently amending the Land Law and Forest Development & Protection Law for better enforcement to improve the forest status in Vietnam.

## Management and Efforts to Prepare for REDD+

Since Vietnam is recognized as the one of the top five countries most affected by climate change, the Prime Minister of Vietnam approved the National Target Program to Respond to Climate Change (NTP-RCC) in which REDD is the key component to reduce greenhouse gas emissions and increase the forest cover to 47% in 2020. Vietnam thereby became actively involved in the international community to pilot REDD+. The R-PIN of Vietnam was approved by FCPF in 2008 and Vietnam became a member of the UN-REDD Programme in 2009. Vietnam was one of nine countries selected to pilot the UN-REDD Programme and became one of the first countries to have an approved “Readiness Plan Idea Note” (R-PIN) proposal funded by the FCPF of the World Bank (<http://www.vietnam-REDD.org>).

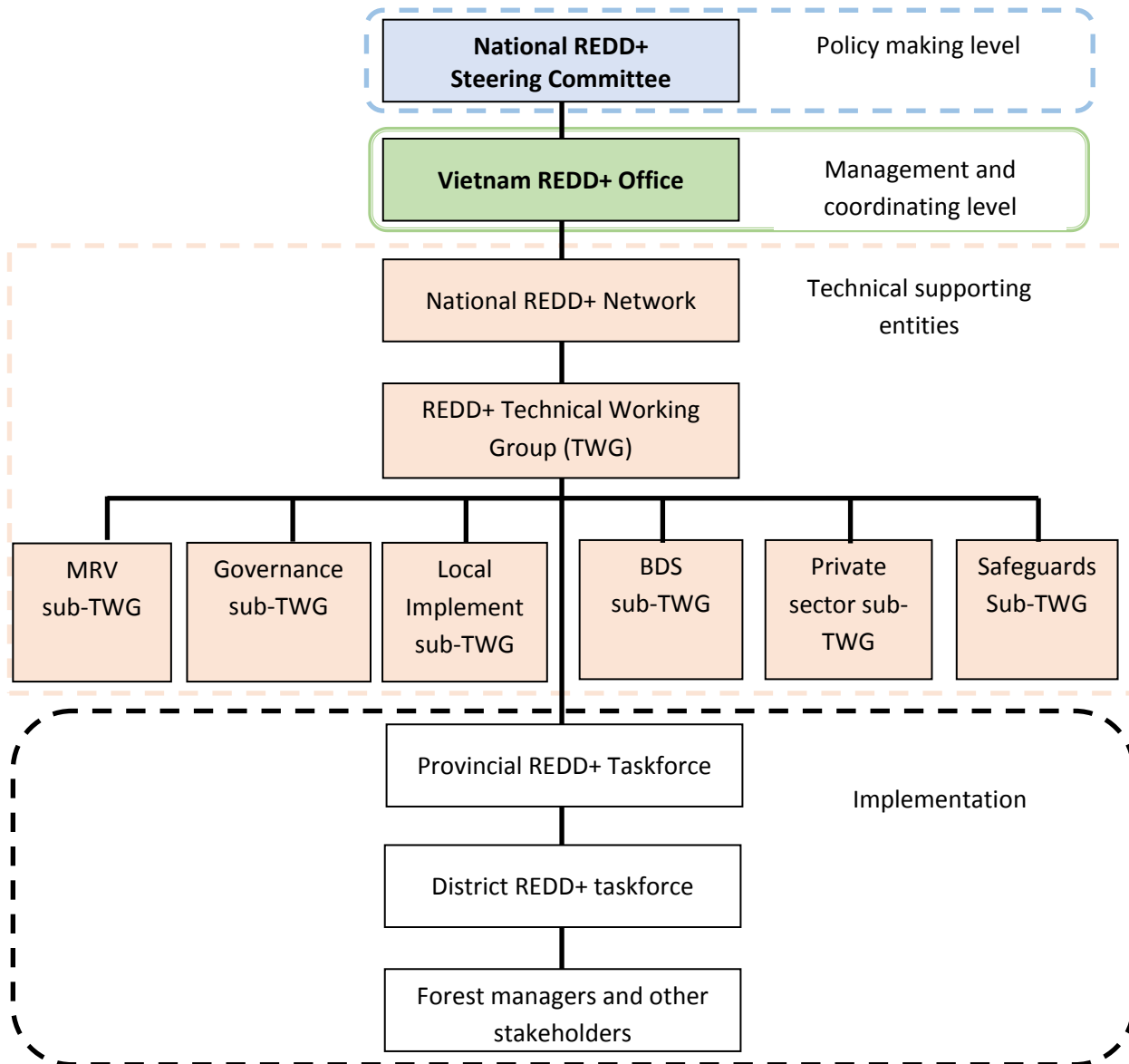
In 2010, the national REDD+ network and Sub-Technical Working Groups (STWGs) were established under the decision of MARD. The National REDD+ Network is directly supervising and coordinating the National Action Plans of the REDD+ Program with support from the STWGs. These REDD+ STWGs are specialized on (i) REDD+ governance, (ii) Measurement, Reporting and Verification (MRV), (iii) Benefit distribution system (BDS), (iv) Safeguards, (v) Local Implementation of REDD+ and (vi) Private sector engagement. In 2012, the Vietnam REDD+ Steering Committee and the Vietnam REDD+ Office were set up to institutionalize, manage and coordinate the REDD+ activities which will be implemented by various task forces in provinces, districts and local communities (Figure 3).

---

<sup>4</sup> E.g., re-greening barren hills and mountains from 1993-1997 - Program 327; Five Million Hectares Reforestation Program from 1998-2010- Program 661

<sup>5</sup> This is defined as the forests that is impossible to be recovered with good growth rate (more than 2m<sup>3</sup>/ha/year), low volume of timber (40-50m<sup>3</sup>/ha), the diameter of timber is lower than 1.3 m with density from 700-800 trees/ha etc (MARD, 2013b)

Figure 3. Institutional Structure of REDD+ Implementation in Vietnam



Source: FCPF, 2012; Nguyen Vinh Quang and Nguyen Viet Dung, 2014

On June 27<sup>th</sup> 2012, the Prime Minister of Vietnam approved the National Action Program on "Reducing emissions from deforestation and forest degradation, sustainable forest management, forest conservation and improving forest carbon stocks" (REDD+) for the period of 2011-2020 (Decision 799/QD-TTg), which emphasizes that Vietnam considers the implementation of REDD+ as a key task in the national strategy on climate change. The National Action Program on REDD+ in Vietnam is as follows:

**2011-2015**

- Building capacity and improving the legal system for implementation of REDD+ in Vietnam, which focuses on training, communication, technical skills, administration systems, central and local coordination, building a proper mechanism for collaboration among ministries; piloting monitoring systems, resolving complaints;
- Surveying, collecting data and establishing reference emission levels for monitoring and evaluation of REDD+ activities;
- Building MRV system (Measurement, Reporting and Verification system)

- Developing financial management mechanism of REDD+ program;
- Implementation of REDD+ pilot projects;
- Improving the regional cooperation and sharing the experiences of REDD+ and enforcement of forest law, governance and trade (FLEGT) implementation with neighboring countries;
- Reviewing and summarizing the lessons learned from national REDD+ pilots and international practices to consolidate the National REDD+ Action Program for the implementation in the next phase at the national scale.

## 2016-2020

- Continue to improve coordination mechanisms, management and implementation of REDD+ program on a national scale;
- Continue to develop and complete the system of legal documents on REDD+ in line with international practices and Vietnamese law;
- Continue to raise awareness and capacity of people participating in implementation of REDD+ activities;
  - Revise and finalize the Reference Emission Levels/Forestry Reference Levels (RELs/FRLs) for both provincial and national scale in line with the new regulations of UNFCCC. Improve the REDD+ information system comprised of MRV, safeguards, policies, and technical information at both national and local scales in line with national conditions and international regulations;
- Improve the financial management mechanisms and policies of results-based payments at local scale;
- Improve monitoring system and policies to resolve complaints in implementation of the program;
- Continue to improve the regional collaboration and sharing experiences of REDD+ implementation, and improve the capacity of forest law enforcement, governance and trade.

Additionally, the Vietnam Forest Protection and Development Fund (VNFF) is being established which might include a REDD+ fund for carbon payment. Currently, the mechanism of Payment for Forest Ecological Services (PFES) focusing on water service is being implemented through VNFF in 19 provinces. If this mechanism achieves success and reveals a good monitoring system, it can be implemented for REDD+ payments in Vietnam.

## Findings: International Funding Sources

### Overview

Within the period from 2009 to 2012, 32 REDD+ projects received grants from international organizations. Of these, 12 projects were completed and 20 projects are still ongoing (Table 1).

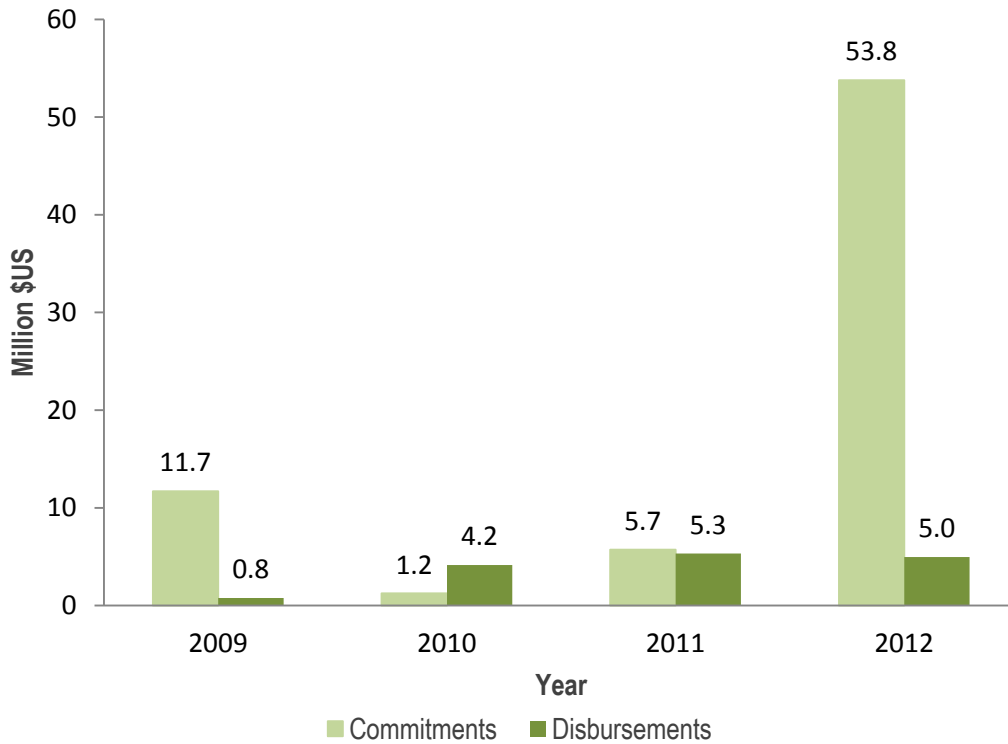
Table 1. Number of REDD+ Projects/programs in Vietnam, 2009-2012

Donors	Active Projects	Completed Projects	Total
Donor Governments	14	8	22
Multilateral Institution	4	3	7
European Union (EU)	2	1	3
<b>Total</b>	<b>20</b>	<b>12</b>	<b>32</b>

Source: Survey data in 2013

The annual committed funds for REDD+ projects in Vietnam has increased significantly since 2009. In 2009, committed finance for REDD+ projects in Vietnam totaled US\$11.7 million. Smaller amounts of US\$4.2 and US\$5.7 were committed in 2010 and 2011 respectively. In 2012, US\$53.8 million was committed (Figure 4).

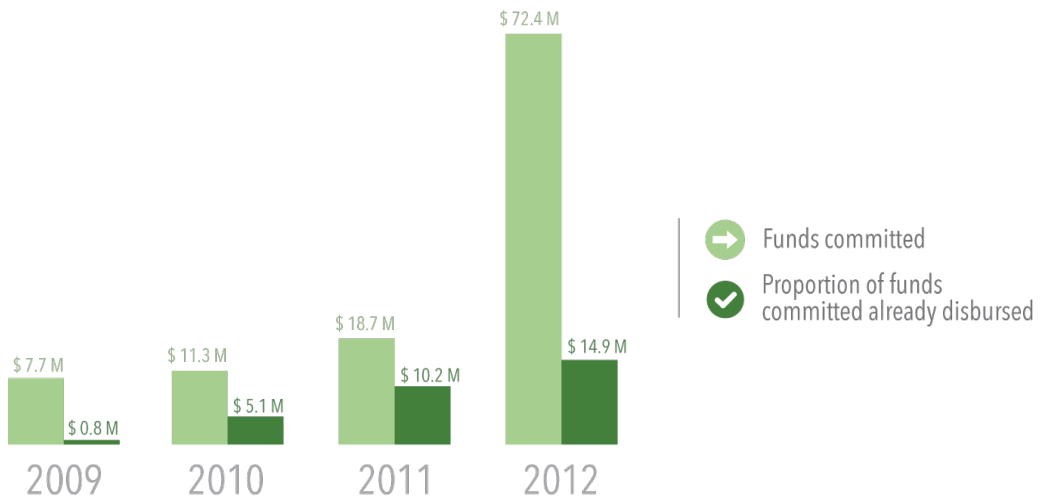
Figure 4. Annual Commitments and Disbursements in 2009 - 2012



Source: Survey data in 2013

From 2009 to 2012, the overall disbursement rate was low compared to total commitments because many projects were launched in 2012. Total disbursements reached US\$14.9 million in 2012 while the committed funds reached US\$72.4 million (Figure 5).

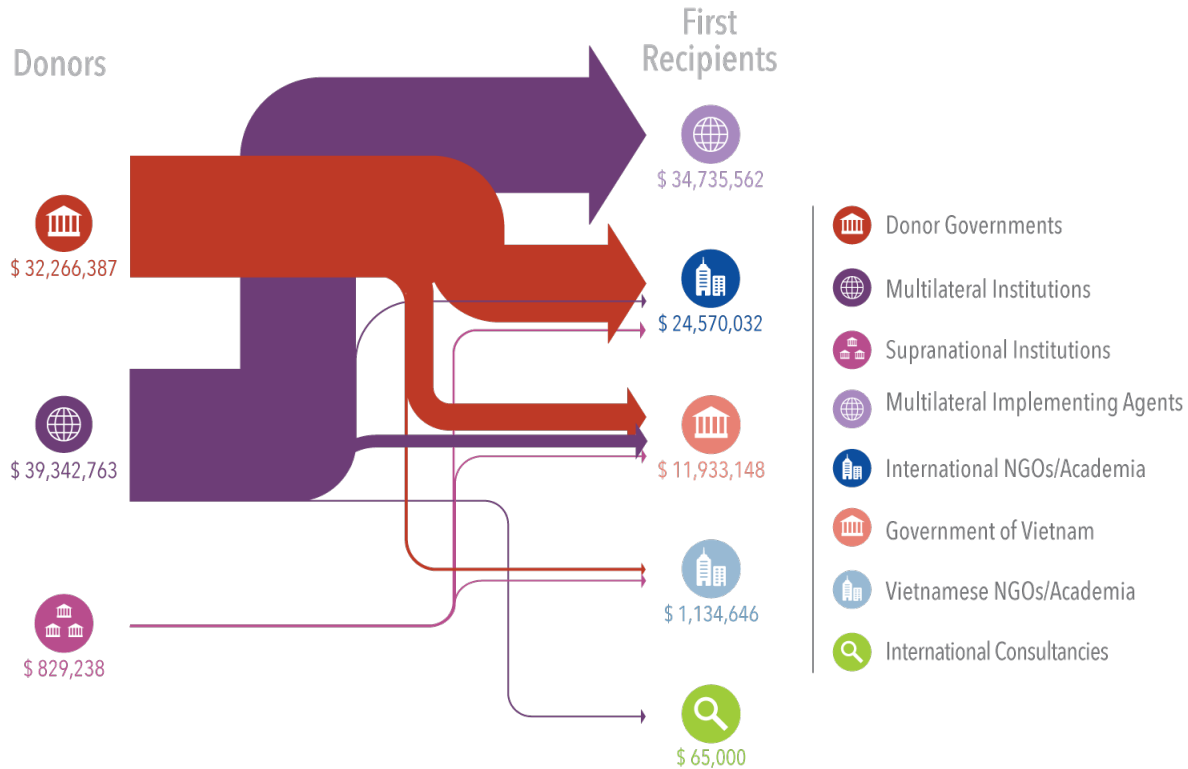
Figure 5. Cumulative Commitments and Disbursements in 2009-2012, in Million USD





The majority of funding for REDD+ activities in Vietnam came from multilateral institutions and foreign governments. Of the total committed funds for REDD+ projects (US\$72.4 million)<sup>6</sup>, 54.31% was from multilateral institutions and 44.54% (was from foreign governments. The remaining 1.14% was committed by the European Union, defined as a supranational institution (Figure 6).

Figure 6. Flows of REDD+ Finance between Donors and First Recipients, 2009-2012

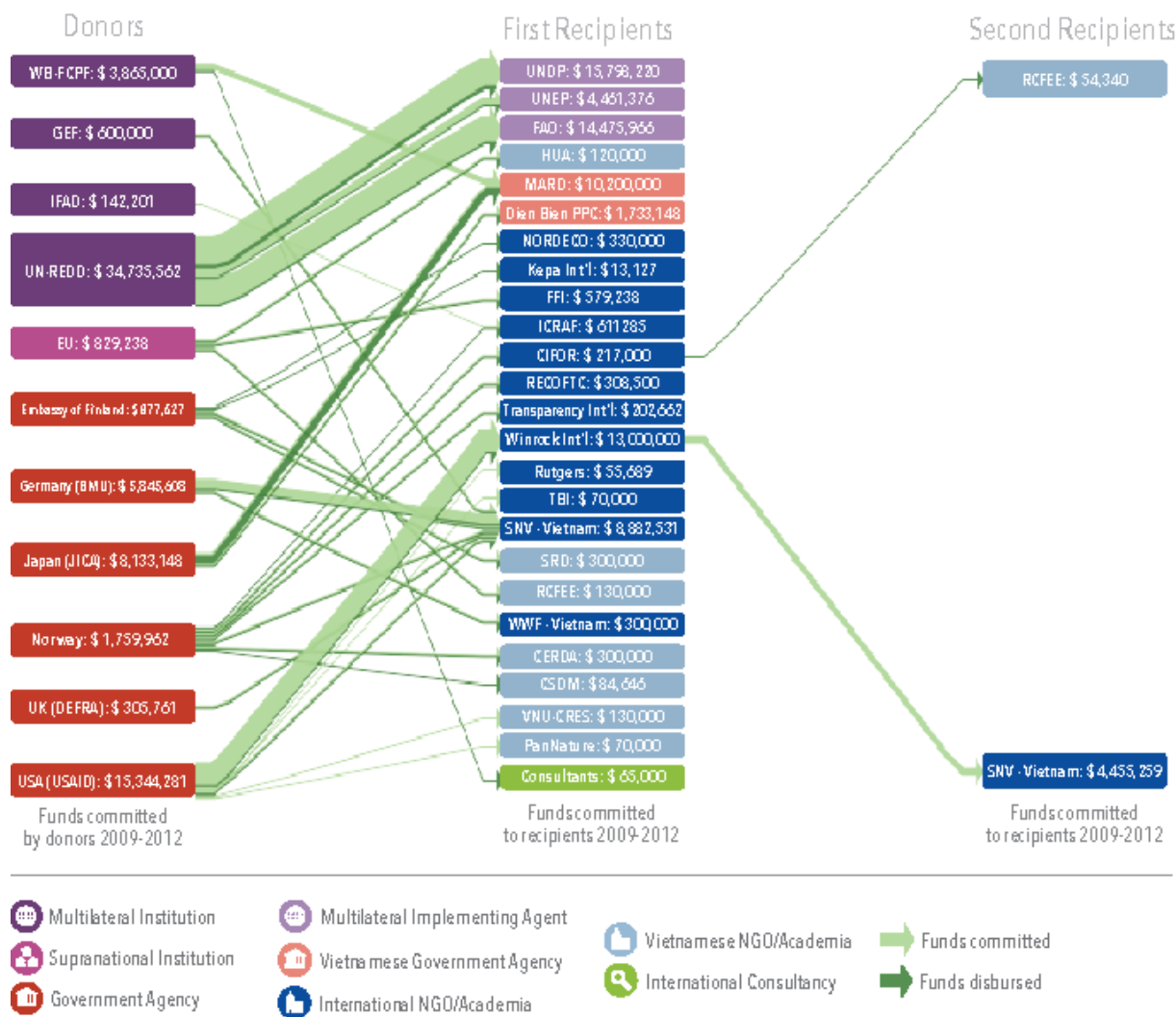


The REDD+ projects in Vietnam are implemented through five groups of recipients: multilateral implementing agents, international institutions (e.g. International NGO and academia), the Government of Vietnam, domestic institutions (e.g. Vietnamese NGOs and academia) and international consultancies. Of the recipients, 47.95% of the committed funds were received by multilateral implementing agents, 33.92% by international institutions, 16.47% by governmental organizations of Vietnam, and 1.57% by Vietnamese institutions (Figure 6).

Major recipients include: Multilateral implementing agents including: UNDP, UNEP and FAO; A total of 13 international institutions, including major recipients such as Winrock International (US\$13 million) and the Netherlands Development Organization (SNV) (US\$8.9 million). The Government of Vietnam, including the Vietnam Administration of Forestry (VNFOREST) and Dien Bien Provincial Peoples Committee (PPC) through which VNFOREST coordinated projects with funding from JICA and the World Bank.

<sup>6</sup> US\$72.4 million is the cumulative total commitments since 2009.

Figure 7. Donors and Recipients of REDD+ Projects in Vietnam



## Donors

### Government

Among the government donors, USAID leads with the committed amount of US\$15.3 million, accounting for 47.6% of all government commitments. It is followed by JICA with US\$8.1 million, accounting for 25.2%, as well as 18.1% from BMU and 9.1% from other organizations such as Norwegian Agency for Development Cooperation (NORAD), Ministry for Foreign Affairs of Finland (FORMIN) and Department for Environment, Food & Rural Affairs of United Kingdom (DEFRA) (Table 2)

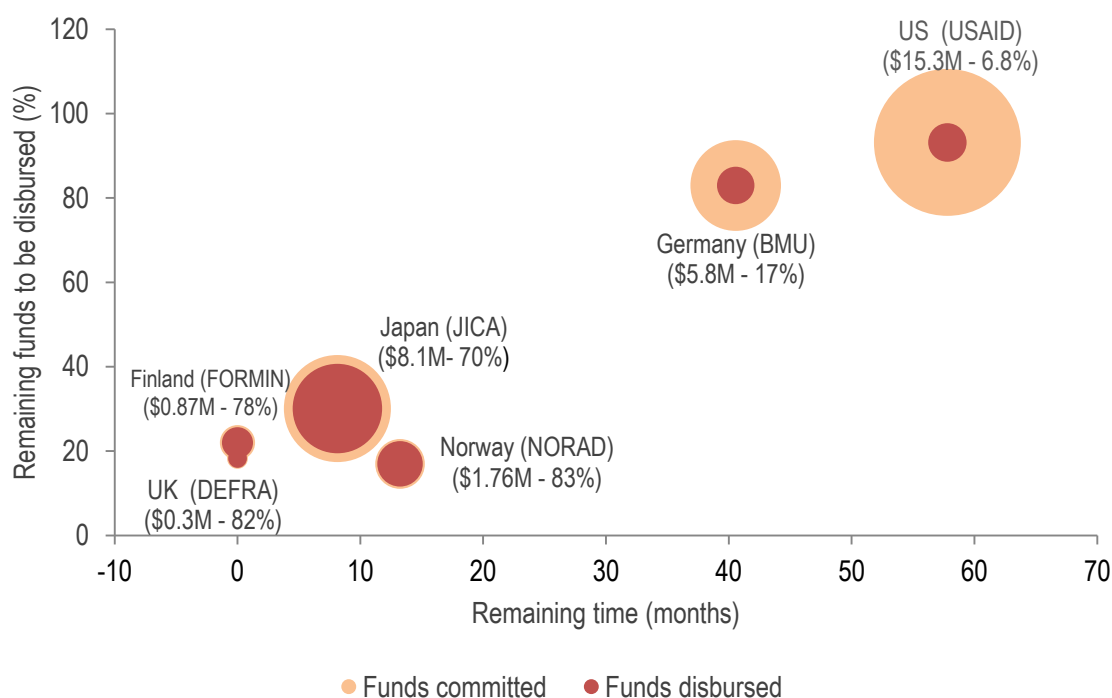
Of the US\$32.27 million in committed funds from donor governments, international institutions received 72%, and the Government of Vietnam received 25%. The remaining 3% was received by Vietnamese institutions. In this donor category, the projects supported by JICA are implemented by authorities from the Government of Vietnam (VNFOREST and Dien Bien PPC). The disbursement rates of these grants are considerably diverse. DEFRA has disbursed 81% of the committed funds, JICA 70%, FORMIN 78% and NORAD 83%. The disbursement rates of BMU and USAID are low, 17% and 6.8% respectively, because the projects just started in 2012 and will be implemented throughout the next 3-5 years (Figure 8).

**Table 2. Committed and Disbursed Funds from Government Donors, 2009-2012**

Government	Institutions	Committed (USD)	Disbursed (USD)	Disbursement Rate (%)	Ratio of Committed Funds on the total (%)
Norway	NORAD	1,759,962	1,461,125	83.0	5.5
Germany	BMU	5,845,608	996,185	17.0	18.1
Finland	FORMIN	877,627	684,533	78.0	2.7
US	USAID	15,344,281	1,050,694	6.8	47.6
England	DEFRA	305,761	249,889	81.7	0.9
Japan	JICA	8,133,148	5,686,574	69.9	25.2
<b>Total</b>		<b>32,266,387</b>	<b>10,129,001</b>	<b>31.4</b>	<b>100</b>

Source: Survey data in 2013

**Figure 8. Projects' Remaining Time and Commitment/Disbursement Ratio by Government Donors, 2009-2012**



## Multilateral Institutions

The total commitments from multilateral donors for REDD+ projects in Vietnam reached US\$39.3 million in 2012, accounting for 54% of total commitments. Of this, 11% or about US\$4.4 million was disbursed (Table 3).

Approximately 88% of the total multilateral institution commitments came from the UN-REDD Programme. More than 9% came from the World Bank (WB) and the remaining commitments are from the International Fund of Agricultural Development (IFAD) and the EU (Table 3).

**Table 3. Commitments and Disbursements by Multilateral Institutions, 2009-2012**

Organization	Commitments (USD)	Disbursements (USD)	Disbursement Rate (%)	Ratio of Committed Funds on the Total (%)
UN-REDD	34,735,562	4,062,405	11.7	88.3
WB	3,865,000	65,000	1.7	9.8
IFAD	142,201	141,432	99.5	0.4
GEF	600,000	107,850	25.0	1.5
<b>Total</b>	<b>39,342,763</b>	<b>4,376,687</b>	<b>11.1</b>	<b>100</b>

Source: Survey data in 2013.

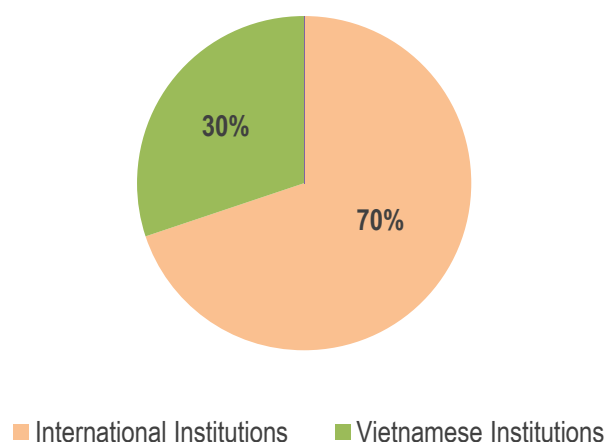
Among multilateral donors, IFAD has the highest disbursement rate at 99.5%. The UN-REDD and WB have lower disbursement rates, at 12% and 1.7% respectively, due to the recent addition of a number of new projects.

Of the total commitments from multilateral institutions, 90% of funding is going to multilateral implementing agents and international institutions, with only 10% going to Vietnamese state agencies such as the Ministry of Agriculture and Rural Development (MARD), Administration of Forestry (VNFORST) and the Dien Bien Provincial Peoples Committee (PPC) (Figure 9).

### European Union (EU)

The European Union (EU) has committed to funding US\$829,238 in REDD+ finance to Vietnam. 70% was received by international organizations and 30% by Vietnamese institutions (Figure 9). The international organization, Fauna and Flora International (FFI), received US\$580,000 and the remaining US\$250,000 went to two Vietnamese research institutions: Hanoi Agricultural University (US\$0.12 million) and Research Center for Forest Ecology and Environment (RCFEE). 47.8% (US\$396,593) of these grants have been disbursed and the remainder will be disbursed in two years (Figure 7 and Figure 16).

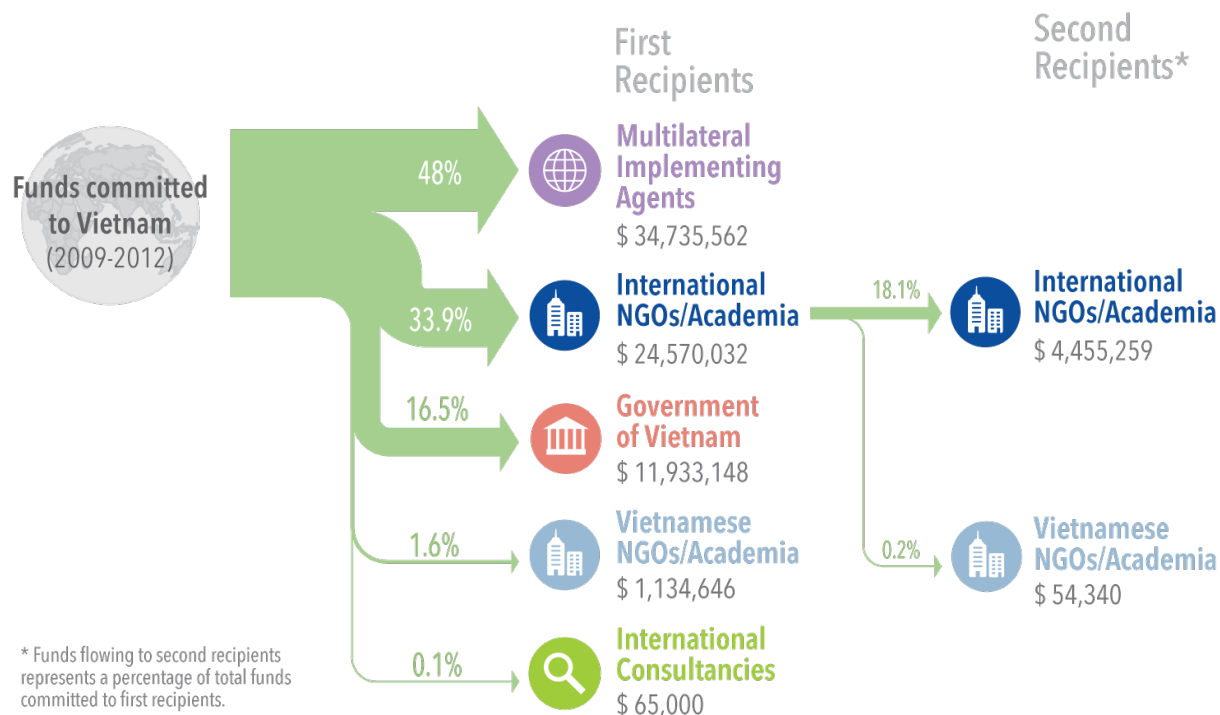
**Figure 9. Committed Funds by Supranational Institutions (EU)**



## Recipients

The REDD+ projects in Vietnam have been implemented through the Government of Vietnam, multilateral implementing agencies, international institutions, domestic institutions and international consultants. In particular, the state agencies representing the Government of Vietnam received US\$11.93 million, accounting for 16.5% of the total commitments to Vietnam. Multilateral implementing agencies received 48% of all commitments, international institutions 33.9%, and 1.6% was received by domestic institutions and consultants (Figure 10).

Figure 10. Commitments to Group of Recipients in 2009-2012



Source: Survey data 2013

## Government of Vietnam

The Government of Vietnam is currently implementing two REDD+ projects with commitments of more than US\$11.93 million from Japan International Cooperation Agency (JICA) (Table 4). Of this, US\$5.7 million (47.7%) has been disbursed. In addition, the Vietnam Administration of Forestry also directly implements activities of the UN-REDD Programme.

Table 4. Funds Received by Vietnamese Government

Recipient Agencies	Committed Funds (USD)	Disbursed Funds (Up to End of 12/2012) (USD)	Disbursement Rate (%)	Ratio of Committed Funds on the Total (%)
Administration of Forestry	10,200,000	4,800,000	47.1	85.2
Dien Bien Province	1,733,148	886,574	51.2	14.8
<b>Total</b>	<b>11,933,148</b>	<b>5,686,574</b>	<b>47.7</b>	<b>100.0</b>

Source: Survey data in 2013.

## Multilateral Implementing Agencies

The multilateral implementing agencies are receiving the largest commitments in Vietnam. The UN-REDD, which committed a total of US\$34.7 million, is directly allocating funds to FAO, UNDP and UNEP before they enter Vietnam. These organizations were considered the first recipients of UN-REDD finance, of which UNDP has received the largest commitment with US\$15.8 million, followed by FAO with US\$14.5 million and UNEP with US\$4.5 million. This program is currently in Phase 2 of its implementation and will end in 2015 (Table 5). The disbursement in Table 5 is mainly from Phase 1 (US\$4.062 million), accounting for 11.7% of total commitments.

**Table 5. Funds Received by Multilateral Implementing Agencies**

Recipient agencies	Committed Funds (USD)	Disbursed Funds (Up to End of 12/2012) (USD)	Disbursement Rate (%)	Ratio of Committed Funds on the Total (%)
UNDP	15,798,220	4,802,394,605	15.2	45.5
UNEP	14,475,966	1,475,424	10.2	41.7
FAO	4,461,376	192,376	4.347.1	12.8
<b>Total</b>	<b>34,735,562</b>	<b>4,062,405</b>	<b>11.7</b>	<b>100.0</b>

## International Institutions

The second largest group of recipients is international institutions. These organizations received 33.9% of the total committed funds, equivalent to US\$24.57 million, of which US\$4.26 million (17.3%) was disbursed (Table 6).

Among international institutions, Winrock International received the largest commitment of US\$13 million, followed by SNV with US\$8.9 million. Total commitments for these two projects accounts for more than 89% of the total commitments delivered to international institutions (Table 6).

**Table 6. Funds Received by International Institutions**

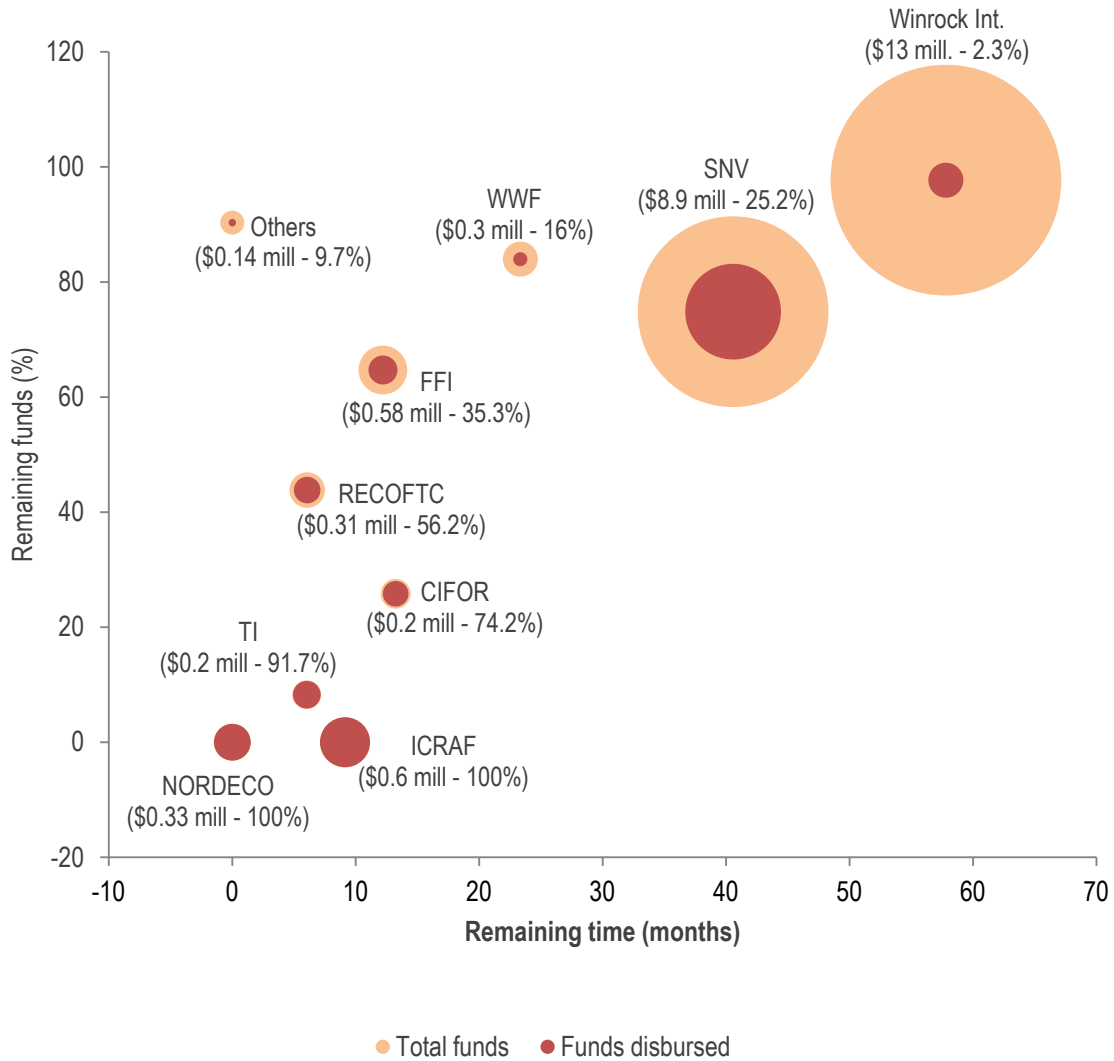
Organizations	Committed Funds (USD)	Disbursed Funds (Up to End of 12/2012) (USD)	Disbursement Rate (%)	Ratio of Committed Funds to the Total (%)
WWF	300,000	48,093	16.0	1.2
FFI	579,238	204,421	35.3	2.4
CIFOR	217,000	161,000	74.2	0.9
TI	202,662	185,909	91.7	0.8
RECOFTC	308,500	173,280	56.2	1.3
NORDECO	330,000	330,000	100.0	1.3
SNV	8,882,531	2,235,069	25.2	36.2
ICRAF	611,285	610,516	99.9	2.5
WI	13,000,000	300,000	2.3	52.9
Rutger Uni., TBI, Kepa	138,816	13,441	9.7	0.6
<b>Total</b>	<b>24,570,032</b>	<b>4,261,729</b>	<b>17.3</b>	<b>100</b>

Source: Data survey in 2013.



In general, the disbursements to international institutions are low because large new projects such as Forests and Deltas Program (coordinated by Winrock International), which started in late 2012 and will continue through 2017. Overall disbursement rates range from 2.3%-100% (Figure 11).

Figure 11. Commitments and Disbursements to International Institutions, 2009 -2012



### Vietnamese Institutions

Vietnamese institutions (i.e. NGOs and academia) have now managed 1.6% of the total committed finance for REDD+ projects in Vietnam with US\$1.134 million. There are a small number of projects and little funding committed to REDD+ projects for this group. The projects have now disbursed over 73.2% of the commitments (Table 7).

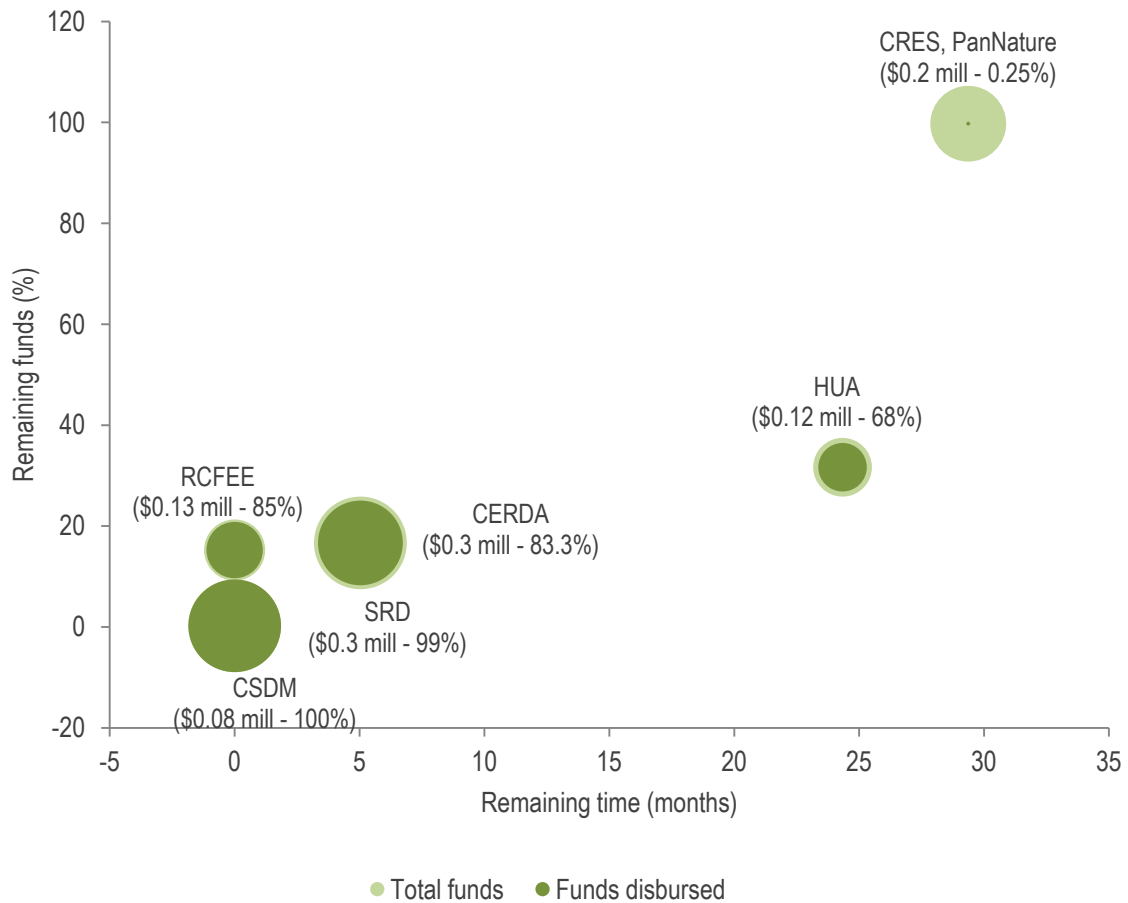
**Table 7. Funds Received by Vietnamese Institutions**

<b>Organizations</b>	<b>Committed Funds (USD)</b>	<b>Disbursed Funds (Up to End of 12/2012) (USD)</b>	<b>Disbursement Rate (%)</b>	<b>Ratio of Committed Funds to the Total (%)</b>
RCFEE	130,000	110,172	84.7	11.5
CSDM	84,646	84,645	100.0	7.5
CERDA	300,000	250,000	83.3	26.4
SRD	300,000	299,256	99.8	26.4
HUA	120,000	82,000	68.3	10.6
CRES, PanNature	200,000	500	0.3	17.6
<b>Total</b>	<b>1,134,646</b>	<b>826,573</b>	<b>73.2</b>	<b>100.0</b>

*Source: Survey data in 2013*

Disbursement and the remaining time of the REDD+ projects implemented by local institutions are shown in Figure 12. Center for Sustainable Development in Mountainous areas (CSDM) and Sustainable Rural Development (SRD) shown here have been completed and have a disbursement rate of approximately 100%. The Research Center for Forest Ecology and Environment (RCFEE) and Hanoi University of Agriculture (HUA) had respectively received 84.7% and 68.3% of funds committed to them. Center for Natural Resources and Environmental Studies (CRES) and People and Nature Reconciliation (PanNature) just started a research project with Rutgers University in 2012. Thus, the disbursement rate to for this project is low at 0.25%.

Figure 12. Commitments and Disbursements to Vietnamese Institutions, 2009-2012



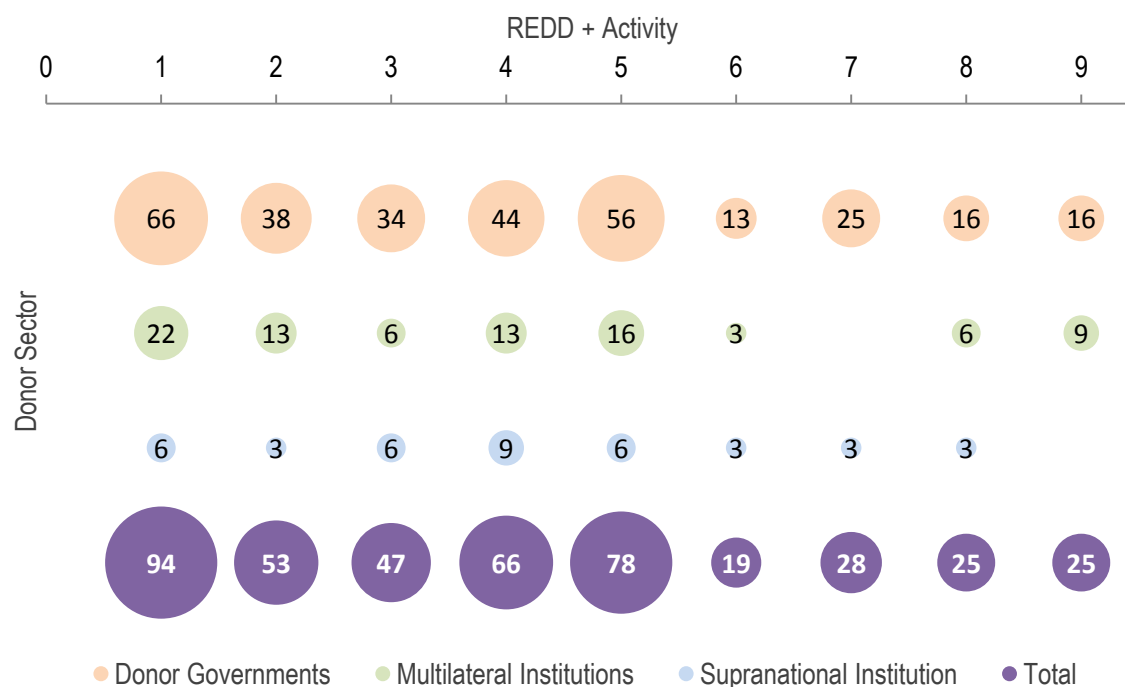
## Activities of REDD+ Projects in Vietnam

The study results of REDD+ activities by donor categories are shown in Figure 13. The data in Figure 13 shows that current REDD+ projects focus mainly on the activities associated with stakeholder engagement, institutional strengthening, and policy and law analysis/development. These activities aim at promoting participation, enhancing support to prepare the readiness conditions for REDD+ implementation in Vietnam.

The REDD+ projects directly support forestation, forest management and conservation. Additionally, some projects focus on the carbon market and obtaining carbon credits. A number of projects provide support to enhance the awareness of people on REDD+, as well as technical support and social-environmental safeguard index development.

The overall picture of REDD+ activities shows no major difference among three donor categories. Most of the projects focused on supporting Vietnam to enhance the capacity of accessing and implementing REDD+ at both the national and local level, building mechanisms for monitoring forest changes, measuring emissions and executing REDD+ policies.

Figure 13. Percentage of REDD+ Projects Engaging in Particular Activities in Vietnam



Source: Survey data in 2013

Note: Numbers on the horizontal axis correspond to the activities described in the methodology section

## Domestic Funding Sources

The domestic funds for the forestry sector are mainly from two sources, the state budget and the payments for forest environmental services (PFES) program. The state budget is used for many items including plantation and protection. The state budget for the provincial forestry sector was 1,210 billion VND (equivalent to US\$57.5 million) in 2012 and was primarily used for infrastructure and timber processing factories limiting the funds available for plantation and protection (MARD, 2013).

The funds for the PFES are presently collected from the hydropower plants and fresh water companies and paid through the central Vietnam Forest Protection and Development Fund (VNFF and directed to 19 provincial funds (VNFFs), established in 2012 (VNFOREST, 2013).

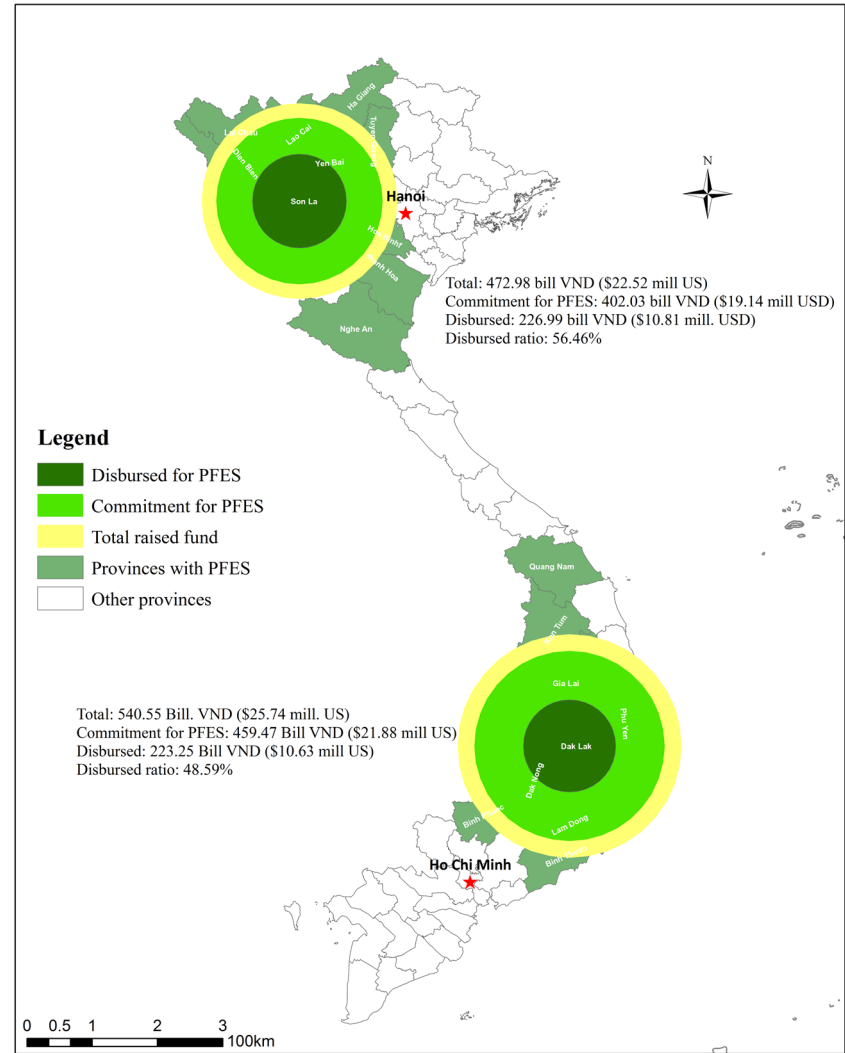
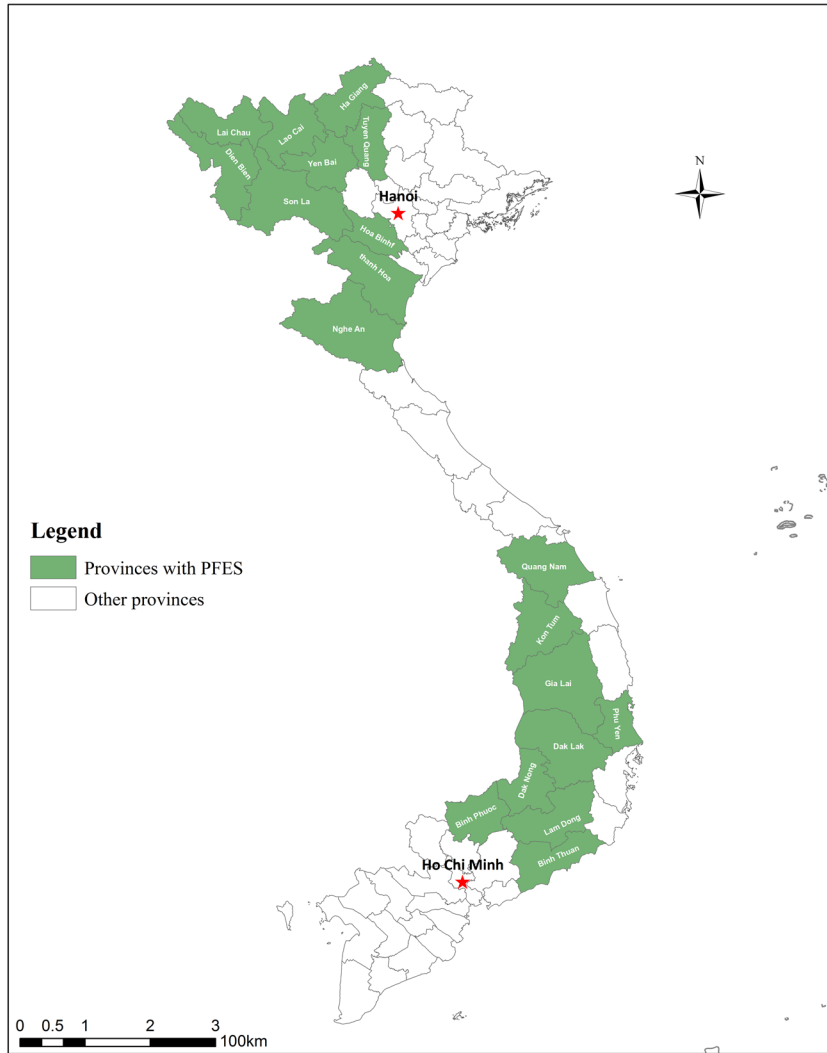
PFES policies have been implemented in Vietnam since 2008 and are divided into 2 phases: a pilot phase from 2008 to 2012, and the replication phase from 2011 onwards. The provinces of Son La and Lam Dong were selected for implementation of the pilot phase (2008-2010). In these 2 years, Son La province collected 113 billion VND (equivalent to US\$5.3 million), and made a payment of 99.4 billion VND, accounting for 88% of total; Lam Dong Province collected 107.8 billion VND (equivalent to US\$5.13 million) and made a payment of 79.152 billion VND, accounting for 74% of total revenues (VNFOREST, 2013). Legal conditions for collecting an environmental fee, identifying the buyers of environmental services, and the sellers who will receive payments for environmental services were to be prepared in 2011.

In 2012, the PFES policy was implemented at the national scale under Decree 05/2008/ND-CP and Decree 99/2010/ND-CP. Accordingly, 19 additional VNFFs were established, with 10 provinces in the north and 9 provinces in the south (Figure 14 and Appendix 2). Of these 19 VNFFs, 17 have received money for the distribution/implementation of PFES. The

9 northern provinces collected 472.98 billion VND (US\$22.52 million), of which the commitments for PFES totaled 402.03 billion (US\$19.14 million) and the disbursement for PFES at the end of 2012 was 226.99 billion VND (US\$10.81 million). The 8 southern provinces collected more than the North. With the collection of 540.55 billion VND (US\$25.74 million), the commitments for PFES totaled 459.47 billion VND (US\$21.88 million) with 223.25 billion VND (US\$10.63 million) already disbursed (Figure 14 and Appendix 2). The 2 remaining provinces were not yet ready to receive funds in 2012 due to the failure to identify buyers of water services.

Overall the total funds collected for all 19PFES reached 1,013 billion VND (equivalent to US\$48.26 million). The committed funds for PFES (after deducting contingency and management fee) are 861 billion VND, of which 450 billion VND was disbursed to the community, accounting for 52.3 % of the total fund (VNFOREST, 2013).

Figure 14. Provinces with VNFF (Left) and Commitments vs. Disbursements of PFES (Right) in 2012



Source: The data for mapping sourced from VNFOREST, May 29<sup>th</sup> 2013.

## Recommendations

---

REDD+ projects are actively supporting Vietnam to improve its capacity for REDD+ readiness, however, problems still exist and the solutions should be proposed as follows:

### Avoid Overlap in Project Activities

According to our results, 94% of the projects are implementing activities related to stakeholder engagement, 78% of the projects are focusing on strengthening institutions, 66% of the projects aim at strengthening and improving REDD+ policies, and about 50% of the projects focus on the rights, land tenure and system of measurement (MRV). Thus, the possibility of REDD+ projects overlapping in their activities is likely high.

Although Vietnam has established the VRO and National REDD+ Network, the management mechanism of REDD+ projects, such as monitoring and evaluation, has not been clarified. Therefore, the overlapping project activities have not been controlled or avoided, while key activities of REDD+ such as MRV and forest inventory were not prioritized. Thus, the REDD+ strategy of Vietnam should prioritize policy for REDD+ activities to enable Vietnam to actively implement REDD+ initiatives after 2015. Furthermore, the Vietnam national REDD+ office must be more active in preventing overlap, allowing funding for REDD+ projects to be utilized more effectively.

### Capturing Finance Flows to Second and Third Recipients

This study has mainly focused on the first recipients receiving REDD+ finance directly from the donors. The finance flows of REDD+ projects to second and the third recipients have not been collected or documented. The next step of the REDDX initiative is to gather more information from the 2<sup>nd</sup> and 3<sup>rd</sup> recipients of REDD finance flows to answer the questions: Who receives money on the ground? Or who is the final recipient of REDD+ commitments (International consultants, local consultants, offices, communities, etc.) How much do they receive, and for what activities? Gathering data to answer these questions will provide an even more complete overview of the state of REDD+ finance in Vietnam.

## Conclusions

---

The study results show that both the Government of Vietnam, represented by MARD, and international donors are interested in reducing deforestation and forest degradation in Vietnam and are committing funding to pursue this goal.

The study on REDD+ finance tracking for the period 2009-2012 highlighted the following points:

- The number of new REDD+ projects and annual commitments for REDD+ are increasing over the years. Total commitments reached US\$72.4 million by the end of 2012.
- In 2012, there was an additional US\$53.8 million in commitments for REDD+, the largest annual commitment total for the period 2009-2012. Two new large projects launched in 2012 were Vietnam UN-REDD Phase 2 and the Forests and Deltas Programs.
- The main donors for REDD+ projects in Vietnam are multilateral institutions (UN-REDD, World Bank, GEF) contributing US\$39.3 million; foreign governments (NORAD, BMU, USAID, JICA, DEFRA, FORMIN) contributing US\$32.26 million and the EU contributing US\$0.83 million.
- The recipients of REDD+ grants consist primarily of multilateral implementing agencies (UNDP, FAO and UNEP) which received US\$34.74 million; international institutions (WWF, FFI, CIFOR, TI, RECOFTC, NORDECO, SNV, WI, Kepa, TBI, ICRAFT and Rutgers University) which received US\$24.57 million; government authorities (VNFOREST, Dien Bien Peoples' Committees) which received US\$11.93 million; and Vietnamese institutions (RCFEE, CSDM, CERDA, SRD, CRES, PanNature and Hanoi Agriculture University) which received US\$1.134 million.
- Most REDD+ projects in Vietnam focus on the preparation for "REDD+ Readiness", in which the activities are focusing on creating favorable conditions for local people and relevant stakeholders participating in REDD+, improving policies and institutions, clarifying the ownerships of forests and forest lands and strengthening local capacity for participatory monitoring and evaluation of forest resources. At present, these activities are following the national action program on REDD+ approved by Decision 799/QD-TTG issued by the Prime Minister on June 27th 2012.
- In general the activities of REDD+ projects have brought many benefits to Vietnam. The REDD+ projects have established a national REDD+ network and the Sub-Technical Working Groups (STWG) to support this initiative. At the state level, the projects have improved the policies allowing for the improvement of strategies for forestation and forest conservation in Vietnam. At the local level these projects have been building capacity for authorities at all levels (province, district and commune), and raised people's awareness of climate change. Moreover, these projects undertake research on technical issues to build mechanisms of Benefits Distribution System (BDS) and Measurement, Reporting and Verification (MRV) of carbon storage. In conclusion, current REDD+ activities in Vietnam are actively supporting the Government of Vietnam to perform the national action program on REDD+, particularly in the preparation phase comprised of building capacity and piloting the systems for REDD+ readiness at national and local levels.
- In addition to the financial support from international organizations and foreign governments for REDD+ initiatives in Vietnam, the Vietnam Forest Protection and Development Fund (VNFF) is being established for PFES (Payments for Forest Ecological Services). The payment mechanism of this system will become the basis for REDD+ fund distribution in the future.



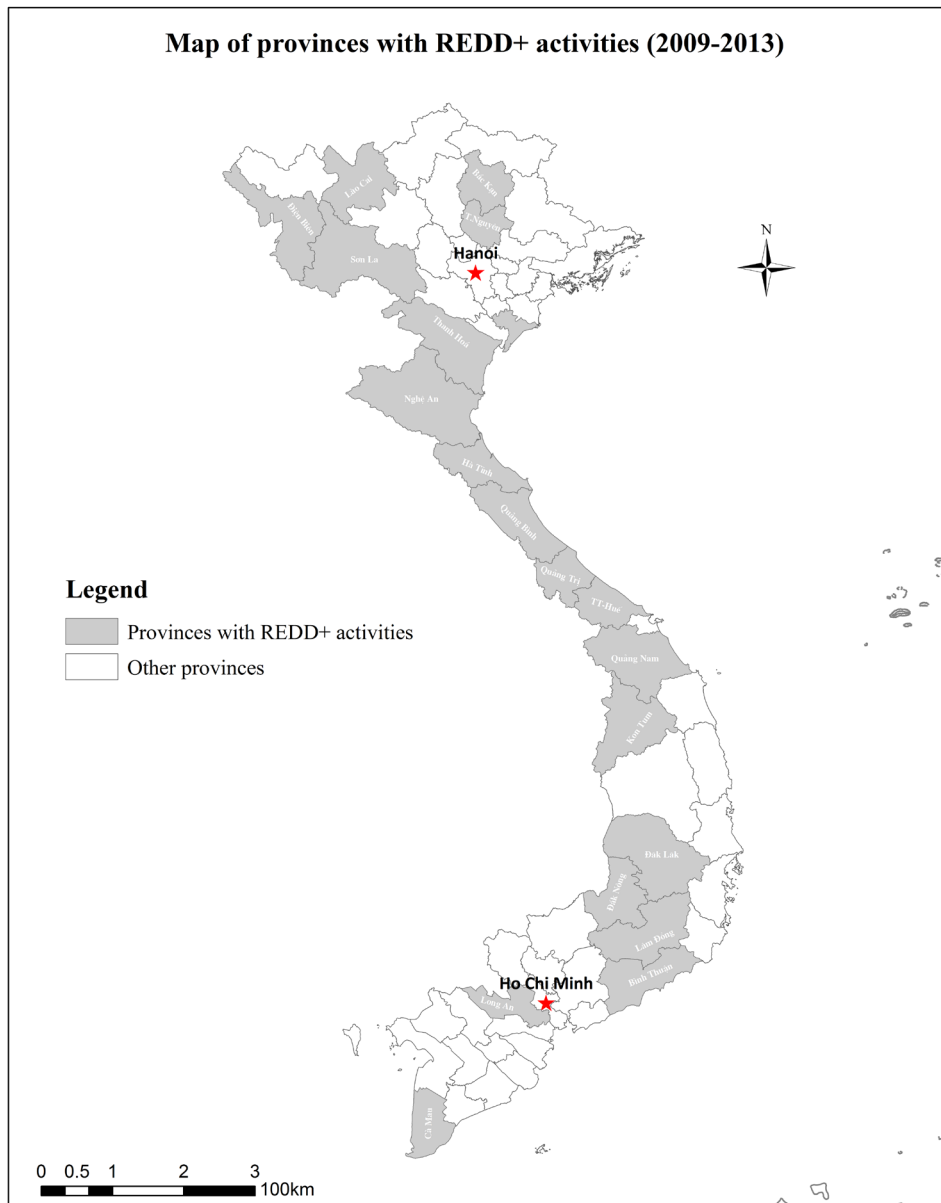
## Bibliography

---

- FCPF (The Forest Carbon Partnership Facility). 2012. Vietnam: FCPF REDD+ Readiness Grant. Project Information Document. Available at <https://www.forestcarbonpartnership.org/vietnam>
- FCPF (The Forest Carbon Partnership Facility). 2008. Readiness Plan idea Note (R-PIN) – Socialist Republic of Vietnam. Available at <https://www.forestcarbonpartnership.org/vietnam>
- IDLO (International Development Law Organization). 2011. Legal framework preparation for REDD+ in Vietnam: National Study. Viale Vaticano, 106 00165 Rome, Italy
- IGES (Institute for Global Environmental Strategies). 2012. Vietnam National REDD+ Readiness and Activities. Forest Conservation Project . 2108-11 Kamiyamaguchi, Hayama, Kanagawa 240-0115 Japan
- GoV (Government of Vietnam). 2007. Decision 18/2007/QĐ-TTg dated 05/2/2007 on approval of development strategy of Vietnam forestry sector during 2006-2020.
- GoV (Government of Vietnam). 2008. Decree 05/2008/ND - TTG, dated 14/1/2008 regarding forest protection and development fund.
- GoV (Government of Vietnam). 2010. Decree 99/ 2010/ND- TTg, dated 24/9/2010 regarding regulations on payment policies for forest environmental services
- GoV (Government of Vietnam). 2012. Decision 799/QĐ-TTg, dated 27/06/2012 on Approval of the National Action Program for reduction of Green-house Gas Emissions through Efforts to Reduce Deforestation and Forest Degradation, Sustainable Management of Forest Resources, and Conservation and Enhancement of Forest Carbon Stocks
- MARD (Ministry of Agriculture and Rural Development). 2011. Vietnam Forestry Development Report 2010.
- MARD (Ministry of Agriculture and Rural Development). 2012. Vietnam Forestry Development Report 2011.
- MARD (Ministry of Agriculture and Rural Development). 2013a. Vietnam Forestry Development Report 2012.
- MARD (Ministry of Agriculture and Rural Development). 2013b. Circular 23/2013/TT-BNNPTNT on regulations of improving the poor natural forests to production forests
- MARD (Ministry of Agriculture and Rural Development). 2014. Vietnam Forestry Development Report 2013.
- MARD (Ministry of Agriculture and Rural Development), 2013. Decision N<sup>o</sup> 1739/Đ-BNN-TCLN issued on July 31<sup>st</sup> 2013 regarding the announcement of national forest status in 2012.
- Nguyen Vinh Quang and Nguyen Viet Dung, 2014. Assessment of REDD+ and FLEGT network in Vietnam. The research report financed by Forest Trends. (forthcoming publication)
- VNFOREST (Vietnam Administration of Forestry), May 29<sup>th</sup> 2013 Report on payment for forest environmental services.

# Appendix

## 1. Provinces with REDD+ Projects in 2013



## 2. Payments for Environmental Services by Province, 2012

	Total (Billion VND)	Administration & Contingency	Commitment to Forest Owners	Disbursed to Forest Owners	Disbursement Rate
<b>Northern Provinces</b>	<b>472.98</b>	<b>70.95</b>	<b>402.03</b>	<b>226.99</b>	<b>56.46</b>
Son La	108.85	16.33	92.53	51.63	55.80
Lai Chau	165.13	24.77	140.36	137.82	98.19
Dien Bien	100.00	15.00	85.00	14.52	17.09
Yen Bai	26.23	3.93	22.29	17.92	80.39
Lao Cai	10.03	1.50	8.53	0.50	5.86
Tuyen Quang	6.00	0.90	5.10	0.00	0.00
Ha Giang	0.00	0.00	0.00	0.00	0.00
Thanh Hoa	3.00	0.45	2.55	0.00	0.00
Hoa Binh	11.00	1.65	9.35	4.59	49.12
Nghe An	42.73	6.41	36.32	0.00	0.00
<b>Southern Provinces</b>	<b>540.55</b>	<b>81.08</b>	<b>459.47</b>	<b>223.25</b>	<b>48.59</b>
Quang Nam	54.17	8.13	46.04	0.76	1.65
KonTum	154.33	23.15	131.18	36.02	27.46
DakLak	41.24	6.19	35.05	0.00	0.00
Dak Nong	56.90	8.53	48.36	24.01	49.64
Gia Lai	69.60	10.44	59.16	47.29	79.94
Lam Dong	151.32	22.70	128.62	115.17	89.54
Binh Thuan	10.00	1.50	8.50	0.00	0.00
Binh Phuoc	3.00	0.45	2.55	0.00	0.00
Phu Yen	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>1,013.53</b>	<b>152.03</b>	<b>861.50</b>	<b>450.24</b>	<b>52.26</b>

Source: VNFOREST, May 29<sup>th</sup> 2013

Note: Unit = Billion VND

PFES Fund in Each Province	Total (\$US Mill.)	Administration & Contingency	Commitment to Forest Owners	Disbursed to Forest Owners	Disbursement Rate
<b>Northern Provinces</b>	<b>22.52</b>	<b>3.38</b>	<b>19.14</b>	<b>10.81</b>	<b>56.46</b>
Son La	5.18	0.78	4.41	2.46	55.80
Lai Chau	7.86	1.18	6.68	6.56	98.19
Dien Bien	4.76	0.71	4.05	0.69	17.09
Yen Bai	1.25	0.19	1.06	0.85	80.39
Lao Cai	0.48	0.07	0.41	0.02	5.86
Tuyen Quang	0.29	0.04	0.24	0.00	0.00
Ha Giang	0.00	0.00	0.00	0.00	0.00
Thanh Hoa	0.14	0.02	0.12	0.00	0.00
Hoa Binh	0.52	0.08	0.45	0.22	49.12
Nghe An	2.03	0.31	1.73	0.00	0.00
<b>Southern Provinces</b>	<b>25.74</b>	<b>3.86</b>	<b>21.88</b>	<b>10.63</b>	<b>48.59</b>
Quang Nam	2.58	0.39	2.19	0.04	1.65
KonTum	7.35	1.10	6.25	1.71	27.46
DakLak	1.96	0.29	1.67	0.00	0.00
Dak Nong	2.71	0.41	2.30	1.14	49.64
Gia Lai	3.31	0.50	2.82	2.25	79.94
Lam Dong	7.20	1.08	6.12	5.48	89.54
Binh Thuan	0.48	0.07	0.40	0.00	0.00
Binh Phuoc	0.14	0.02	0.12	0.00	0.00
Phu Yen	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>48.26</b>	<b>7.24</b>	<b>41.02</b>	<b>21.44</b>	<b>52.26</b>

Source: VNFOREST, 2013 with Exchange rate = 21,003.524VND/USD

Note: Unit: Million USD

## Questionnaire for REDD+ Projects

### I. Thông tin chung của chương trình/dự án (General information of project)

#### a. Thông tin cơ quan/tổ chức tài trợ (Donor Information)

Tên nhà tài trợ (Name): .....

.....

Tên viết tắt của nhà tài trợ (abbreviation): .....

Quy mô nhà tài trợ (Levels?):

1.  Nhà tài trợ cấp quốc tế (International)
2.  Nhà tài trợ cấp quốc gia (National)
3.  Nhà tài trợ khu vực (Sub-national)

Trang web của nhà tài trợ (Website): .....

Loại hình cơ quan/tổ chức tài trợ (Type): .....

1.  Cơ quan nhà nước (Government Agency)
2.  Tổ chức tài chính đa phương (Multilateral Financing Institution)
3.  Quỹ chuyên dụng (Dedicated fund)
4.  Quỹ tư nhân (Private foundation)
5.  Tổ chức phi chính phủ (NGO)
6.  Cơ quan/công ty/tổ chức thuộc khu vực tư nhân (Private sector)
7.  Tư vấn (Individual consultant)

Quốc gia của cơ quan tài trợ (Country): .....

#### b. Thông tin của cơ quan/tổ chức nhận tài trợ (Recipient institution)

Tên cơ quan/tổ chức nhận tài trợ (Name): .....

.....

Tên viết tắt của quan/tổ chức nhận tài trợ (abbreviation): .....

Loại hình cơ quan/tổ chức nhận tài trợ (Type): .....

1.  Cơ quan nhà nước (Government Agency)
2.  Tổ chức tài chính đa phương (Multilateral Financing Institution)
3.  Quỹ chuyên dụng (Dedicated fund)
4.  Quỹ tư nhân (Private foundation)
5.  Tổ chức phi chính phủ (NGO)
6.  Cơ quan/công ty/tổ chức thuộc khu vực tư nhân (Private sector)
7.  Tư vấn (Individual consultant)
8.  Khác (Others): Nếu rõ: .....

Website giới thiệu về tổ chức (website introduces the roles of recipient institution):

.....

Quốc gia của cơ quan/tổ chức nhận tài trợ (Country):.....

Quy mô của cơ quan/tổ chức nhận tài trợ (Levels): .....

1.  Cấp quốc tế (International)
2.  Cấp quốc gia (National)
3.  Cấp khu vực (Sub-national)

Quan điểm của cơ quan/tổ chức nhận tài trợ về REDD+ (Your opinions about REDD+):

*(Có thể tham khảo từ website – can be referred from website)*

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

Mục tiêu và chiến lược để hỗ trợ REDD+ (Goals and strategies to support REDD+)

*(Có thể tham khảo từ website – can be referred from website)*

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

**II. Thông tin về tài chính dự của dự án (Finance Arrangement Data in US\$)**

Loại tài trợ (Type): .....

1.  Tài trợ không hoàn lại (Grant)
2.  Vốn vay (Loan)
3.  Chi trả Carbon (Carbon payment)
4.  Đầu tư (Investment)
5.  Hỗ trợ kỹ thuật (Technical Assistance)

Thời hạn cam kết dự kiến của dự án tính theo tháng (Intended Duration of financial commitment in months): .....

Tổng kinh phí của dự án tính bằng USD (Total in USD): .....

Ngày bắt đầu và kết thúc của năm tài chính (Start and End Date of Fiscal year): .....

Điền thông tin vào bảng dưới đây ngân sách cam kết và giải ngân trong năm 2010, 2011 và 2012, tính bằng USD (Fill in the bellow table the committed and disbursed budget in US\$)

2010		2011		2012	
Cam kết (Committed)	Giải ngân (Disbursed)	Cam kết (Committed)	Giải ngân (Disbursed)	Cam kết (Committed)	Giải ngân (Disbursed)

Ngân sách cam kết trong năm 2013 (the committed budget in 2013): \$US .....

Tiền tệ gốc và tổng ngân sách ghi trong văn kiện dự án (Original currency and amount):  
.....

Tỷ giá hối đoái sử dụng để chuyển đổi sang USD (exchange rate to USD): .....

### III. Thông tin chi tiết về các hoạt động của dự án (Detailed Project Information)

#### a. Các thông tin chung của dự án (General information of project)

Mô tả ngắn gọn về dự án (Description): .....

Tình trạng hoạt động của dự án (is project active or completed?):

1.  Đang hoạt động (Active)
2.  Đã kết thúc (Complete)
3.  Bỏ dở/gián đoạn (Aborted)

Quốc gia đang thực hiện dự án (Country): .....

Quy mô hoạt động của dự án (Levels): .....

1.  Tiểu vùng (Sub-national)
2.  Cấp quốc gia (National)
3.  Quy mô quốc tế/toàn cầu (International)

Thời hạn thực hiện dự án tính theo tháng (Duration in months): .....

Ngày bắt đầu dự án (Start date): .....

Ngày kết thúc dự án (End date): .....

Dự án hiện đang ở pha mấy (Phase): .....

**b. Các hoạt động của dự án (Project activities covered by financial arrangement)**

*(Hãy trả lời có (Yes) nếu dự án thực hiện các hoạt động sau/Answer Yes if project cover below activities)*

- Kết nối các bên liên quan (Stakeholder engagement): .....

Có (Yes)

Không (No)

*Chú thích: Hoạt động nhằm cải thiện sự tham gia của các tổ chức phi chính phủ/xã hội dân sự thông qua việc lập kế hoạch, thực hiện, giám sát REDD+, và các hoạt động nhằm củng cố việc tuyên truyền trên các phương tiện truyền thông (Funding aimed at improving participation of non-governmental stakeholders through the design, implementation, and/or monitoring phases of REDD+, and/or funding that promotes media outreach)*

- Quyền và sở hữu (Right and tenure): .....

Có (Yes)

Không (No)

*Chú thích: Trực tiếp giải quyết các vấn đề liên quan đến quyền và sở hữu đất đai, tài sản và cacbon (Funding directed at addressing issues of rights and tenure – including clarifying land, property and carbon rights)*

- MRV và hoạt động tương tự MRV (MRV and reference level): .....

Có (Yes)

Không (No)

*Chú thích: Hoạt động nhằm củng cố quá trình giám sát, báo cáo và xác minh của REDD+, bao gồm những thay đổi về thảm thực vật rừng, suy thoái rừng, đa dạng sinh học, hoặc những thay đổi về xã hội và cấp quản lý nhà nước. Hoạt động xây dựng khái niệm/xác minh hoặc thực hiện những việc có liên quan đến đo đếm khí phát thải nhà kính, chia sẻ lợi ích và quản lý nhà nước. (Funding aimed at improving the monitoring, reporting and/or verification of REDD+, including changes in forest cover, forest degradation, biodiversity, or social and governance levels. Funding to define or implement reference levels to measure emissions, co-benefits and governance in country)*

- Đảm bảo an toàn môi trường và xã hội (Safeguards): .....

Có (Yes)

Không (No)

*Chú thích: Hoạt động nhằm tìm hiểu các rào cản/khó khăn cản trở việc bảo vệ rừng để đảm bảo các lợi ích môi trường và xã hội. (Funding aimed at identifying barriers to forest conservation and enabling social and environmental benefits)*

- Phân tích luật, chính sách; xây dựng và phát triển chiến lược REDD; củng cố và cải thiện chính sách (Policy and law analysis & development, REDD strategy development & advocacy): .....

Có (Yes)

Không (No)



*Chú thích: Hoạt động nhằm cải thiện các nghiên cứu, củng cố chính sách và kiến nghị tới các nhà hoạch định chính sách (Funding aimed at promoting research, advocacy and outreach to policymakers)*

- Củng cố thể chế (Institutional strengthening): .....

- Có (Yes)
- Không (No)

*Chú thích: Hoạt động nhằm xây dựng chính sách/thể chế công, xây dựng bộ máy nhà nước, xây dựng nguồn lực và nâng cao năng lực đội ngũ cán bộ cho REDD+ (Funding aimed at developing in-country public institutions, ministries, staffing capacity and resources for REDD+)*

- Thiết kế dự án cacbon lâm nghiệp (Forest Carbon project design): .....

- Có (Yes)
- Không (No)

*Chú thích: Hoạt động nhằm xây dựng văn kiện thiết kế dự án (PDD) và các hoạt động đánh giá. Bao gồm các dự án hướng đến thị trường và những nơi đồng ý chi trả cho REDD+ (Funding aimed at developing project design documents (PDDs) and validation activities. This includes credited projects that go to the market and those that want REDD+ payments)*

- Cải thiện quản lý sử dụng đất và quản lý rừng để giảm thiểu suy thoái và chặt phá rừng (improved forest and land management to reduce deforestation and degradation (implementation)):

- Có (Yes)
- Không (No)

*Chú thích: Hoạt động hỗ trợ rừng phòng hộ, quản lý rừng bền vững, và hoạt động quản lý trồng rừng – bao hàm cả hoạt động củng cố việc thực thi và tuân thủ luật lâm nghiệp (Funding supporting protected areas, sustainable forest management, and reforestation management activities – including enforcement and compliance)*

- Chi trả thực tế và bồi hoàn cacbon để cải thiện quản lý rừng và đất lâm nghiệp (Carbon offsets and performance-based payments for improved forest and land management): .....

- Có (Yes)
- Không (No)

*Chú thích: Hoạt động nhằm bồi hoàn cacbon, chi trả trực tiếp, chia sẻ lợi ích thực tế, chi trả thực tế như ví dụ như các khoản chi trả thực tế để khuyến khích/khích lệ (Funding aimed at carbon offsets, direct payments, actual benefits sharing, and actual payments such as incentive and performance-based payments)*

- Các hoạt động khác (Others): .....

- Có (Yes)
- Không (No)

*Chú thích: Các hoạt động phục vụ REDD+ không nằm trong các hoạt động trên. Ví dụ: hoạt động hỗ trợ kỹ thuật (Funding aimed at REDD+ activities that do not fall within the broad categories listed. For example, funding that is listed as technical support)*

Nếu có đề nghị nêu rõ (if yes, please specify): .....

.....  
.....  
.....  
.....

**IV. Số liệu về cacbon trong rừng (Carbon data in the forest)**

Dự án có tạo ra tín chỉ giảm thiểu khí phát thải không?.....

(Will this project generate emissions reductions credits?)

Có (Yes)

Không (No)

**V. Nguồn cung cấp thông tin (Sources)**

Cách thức thu thập số liệu (Name): .....

Website (URL): .....

Tài liệu tham khảo (Documents):.....

Không muốn tiết lộ (Anonymity): .....

## Additional Figures

Figure 15. Donor Commitments by Location, 2009-2012

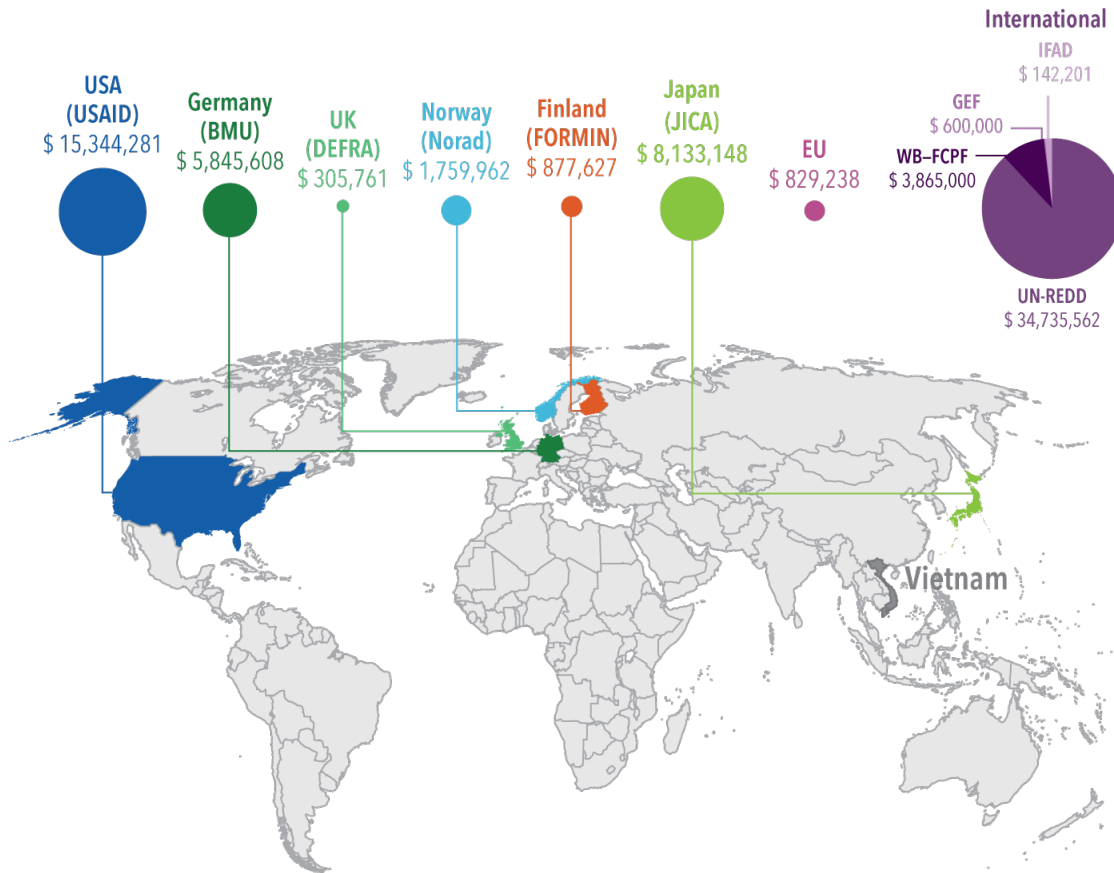


Figure 16. Proportional Total Donor Commitments and Disbursements, 2009-2012

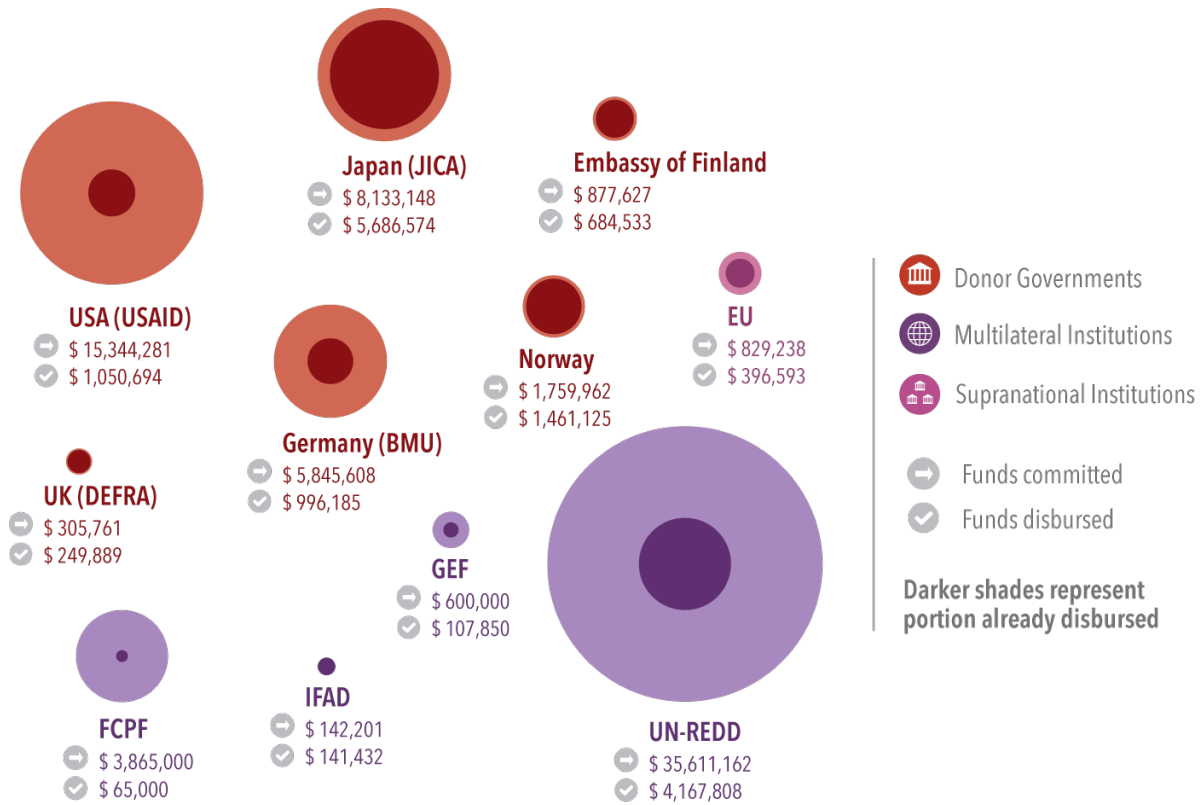


Figure 17. Commitments by Institution Type and Year

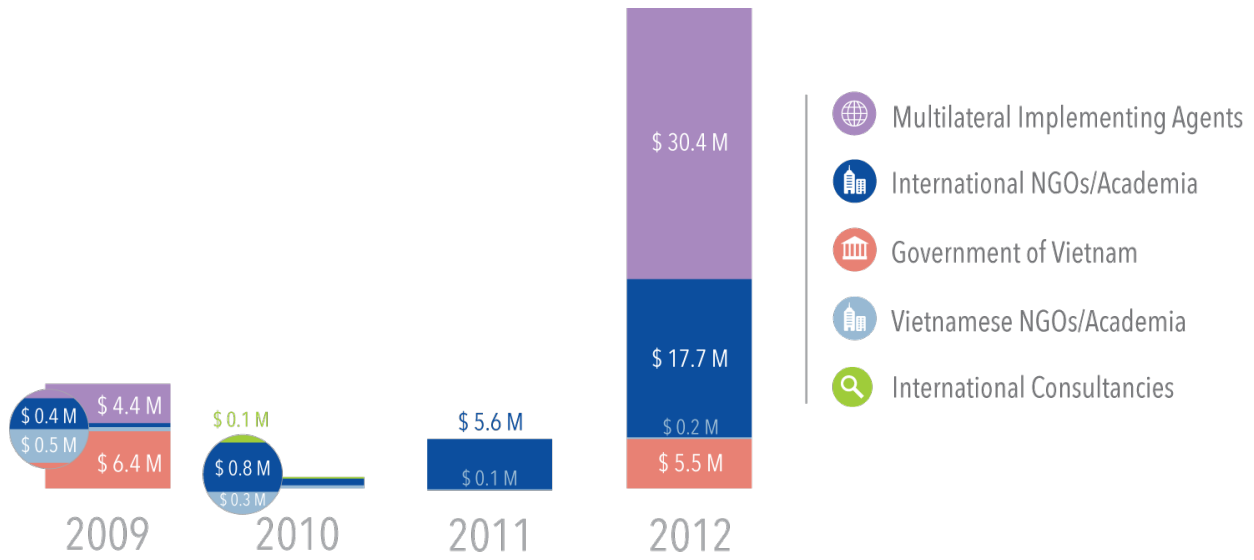


Figure 18. Cumulative Commitments and Disbursements, 2009-2012

