

PROSPECTS AND CHALLENGES IN THE REDD IMPLEMENTATION:

Vietnam's experience towards REDD
readiness and country initiatives

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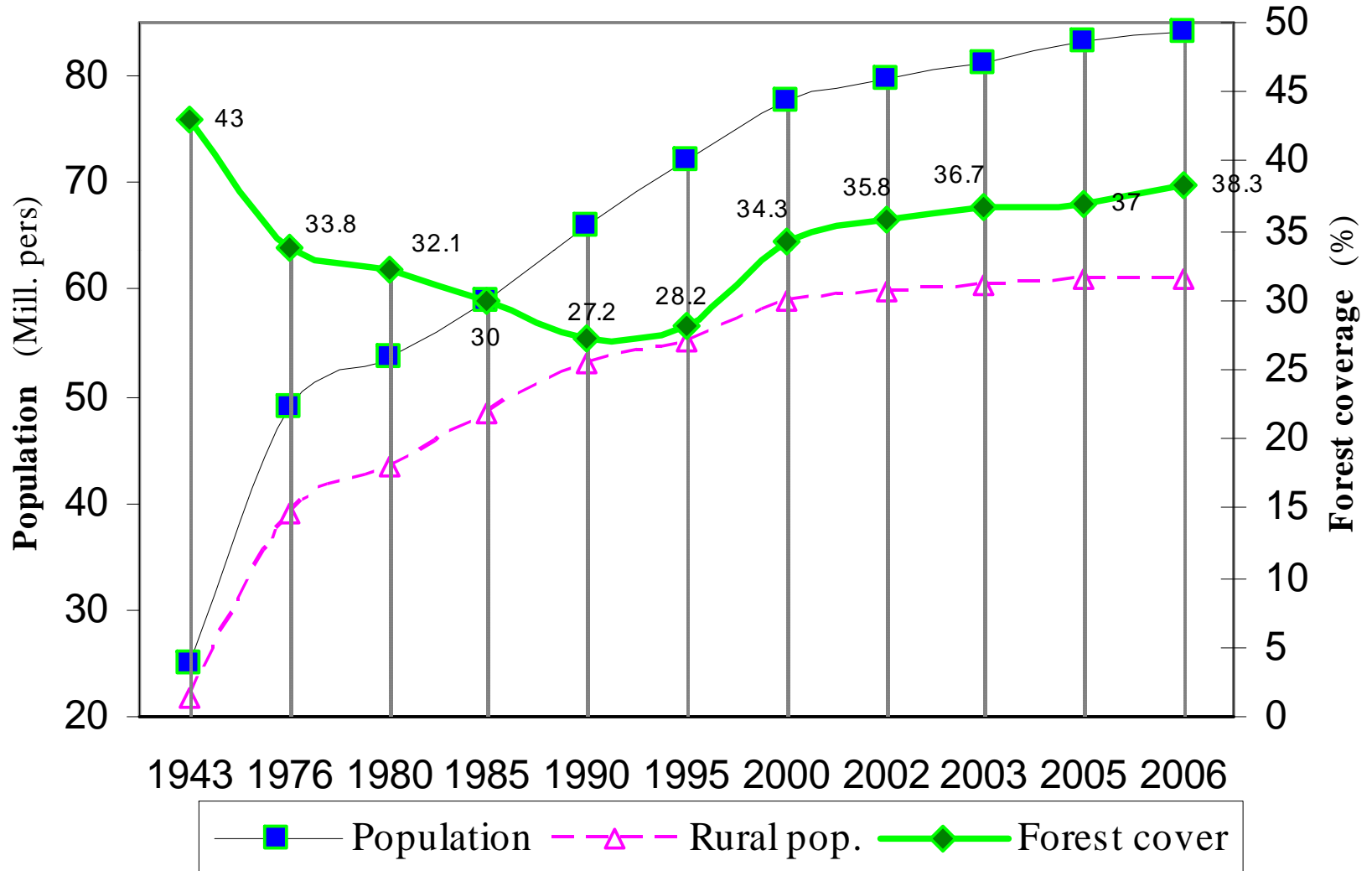
Ministry of Agriculture and Rural Development (MARD)

I. Political support for the REDD implementation

1.1 Dynamics of Forests in Vietnam

- Forest cover has changed dramatically and dynamically **over the time and space**, especially from the country reunification in 1975 up to date;
- Forest cover increased from 28% (1995) to 38.7% (2008) BUT the changes are **not always** in progressive and the same in all regions;
- Forest expansion due to afforestation with fast growing species, short rotation, one canopy layer and low carbon stock;
- Forest quality is continuously degraded: Area of primary forest reduced from 3.84 (1990) – 0.84 mill ha (2005) or 29 900ha/year;

Forest cover changes



1.2 Relevant policies & Programs

- Vietnam's responses to Climate change: highly attracted by political and government administration systems - Not only adaptation but also appropriate mitigation actions;
- National Target Program to Respond to Climate Change (NTP-RCC) was approved in Dec 2008 (Decision 158/2008/QD-TTg dated 2/12/2008). Estimated costs for the period from 2009-2015: \$1,2 Bill.;
- MARD's Action Plan Framework (APF) to respond to CC (Decision 2730/QD-BNN-KHCHN dated 5/9/2008);
- REDD is one of the activities in the NTP-RCC and MARD's APF to respond to CC;

1.2 Relevant policies & Programs

- PES (Decision 380/QD-TTg dated 10/04/2008) - Update and formulation of a Decree on PES including F sequestration;
- Organized a series of workshops and meetings between Political Party, National Assembly, Office of President and Office of Prime Minister;
- Meetings between UN Resident Coordinator, Representatives of 3 participating UN agencies and MARD Minister to discuss on coordination;
- Requested and agreed to work on *simplified and harmonized management mechanism* for the UN-REDD implementation
- UN-REDD Program is a backbone for the REDD implementation;

1.3 Point of view

- Based on **voluntary basis** and **national circumstances** – country ownership;
- Promotes a close cooperation with countries in the ASEAN, especially with the countries in the Lower Mekong Basin;
- Takes long time and requires substantial investment of the GoV and support from donor community;
- Government investment in scientific research within the framework of the NTP-RCC;
- Need more technical and financial supports from international development partners.

II. Vietnam's experience

2.1 Joined to International Initiatives

- **July 2008:** The R-PIN was approved by the FCPF in Paris. Vietnam was the first country to sign the FCPF Participation Agreement. The discussion with the WB is under process;
- **March 2009:** The NJP was approved by the UN-REDD Policy Board Meeting in Panama;
- **July & August 2009:** the DPO was approved by Prime Minister on July 20. NJPD was signed by the MARD's Minister and the UN Resident Coordinator on August 06 with a total cost of USD 4,38;
- **Inception Workshop: August 27-28, 2009 BUT some activities have been implementing**

2.2 Institutional arrangement

- Established:
- National Steering Committee (MONRE, MARD, other line ministries) to respond to CC and chaired by Prime Minister;
- MARD's SC committee for APF chaired by Minister;
- Ad-hoc REDD Technical Working Group;
- CC Network among Gov and NGOs chaired by CARE;
- CC- Public and private partnership (Ford Foundation);
- Designing *an appropriate benefit-sharing system for REDD*: revision of existing PES mechanism. Benefit from REDD supplement to that comes from PES.

2.3 Donors' coordination

- Organized Donor coordination meetings;
- Prepared an Institutional donors' matrix to mobilize the support from potential partners and to avoid overlap and conflicts;
- **Diversified the pilot sites in different geo-economic regions** with ongoing foreign-supported projects: GTZ SFM Prog, ADB-FLITCH, Finland, etc.;
- Created the INGOs Climate change Network chaired by Care International;

III. Prospect and Challenges

3.1 Prospect

- Political attention and support;
- Alignment of the interests of multiple constituencies, ongoing programs and strategies: i.e. NTP-RCC, NFDS, PRS, PES;
- Supplementary to **current national PES policy**: REDD= carbon sequestration = one of Envi. services of the forests;
- **Brings co-benefits**: emissions reductions + Improved biodiversity conservation + Improved local livelihoods;
- Improved forest governance and capacity of the forest administration systems;

3.2 Constraints and Challenges

- REDD requires a new level of forest governance – re-framing forest policy in CC context and capacity building;
- Integration and coordination among national agencies, progs and among donors;
- Need for “REDD readiness”:
 - governance mechanisms and institutional capacity
 - To decide on strategy
 - To measure and monitor change
 - To transfer payments: transparency and equity
 - Need to manage risks and trade-offs: safeguard policies;
 - Need to establish legitimacy
 - Inclusive process
 - Equitable outcomes

3.2 Constraints and Challenges

- **International level:** i) REDD is new and complex – still in debate and, ii) on-going development of governing mechanisms;
- **Baselines and development of reference scenarios:** NFIMA is not primarily designed for REDD – a lack of data and reliability?
- Diverse definitions and classification systems on forest, deforestation and forest degradation;
- ◆ Measurement of forest degradation;
- ◆ Independent data sources?
- **Leakage:** project-based vs programmatic approach, ambition and existing capacity;
- **Permanence:** Emissions reductions from forestry can be undone

Challenges

- **Insufficient capacity:** in collecting, analyzing, synthesizing and reporting information, especially at local levels;
- **Lack of close coordination:** data discrepancies & data sharing;
- **Insufficient information:** incomplete and outdated;
- High opportunity costs and insufficient volume of finance to shift drivers of deforestation and degradation;
- Difficult to implement a transparent and practical payment system to individual households

IV. Country Needs

4.1 Institutional arrangement

- Need for “REDD readiness”:
 - Governance mechanisms and institutional capacity
 - To decide on clear country REDD strategy;
 - Effective mechanism for participation, management and *coordination*;
 - To measure and monitor change: who do what?;
 - *To transfer payments*: transparency and equity benefit-sharing mechanisms/policies
 - Engagement of various stakeholders, IP;
 - Need to manage risks and trade-offs: safeguard policies;

4.1 Institutional arrangement

- REDD requires a new level of forest governance – re-framing forest policy in CC context and capacity building;
- Need to establish legitimacy;
- Public awareness: various stakeholders
- Integration and coordination among national agencies, programs and among donors, even the programs/projected funded by *a single donor*: A HARD ISSUE;

4.2 Technical capacity building

- **Willingness and participation:** various partners/programs BUT need to follow a clear, consistent and accepted methodology;
- **Baselines and development of reference scenarios:** NFIMA is not primarily designed for REDD – a lack of data and reliability. NEED for RS data.
- Diverse definitions and classification systems on forest, deforestation and forest degradation;
- ◆ **Monitoring, Assessment and Verification:** Measurement of forest degradation;
- ◆ International information and experience-sharing

4.3 Financial support

The REDD implementation takes long time and requires substantial investment: needs financial support from donor community;

- ✓ For Vietnam
- ✓ For regional capacity building and cooperation

**Thank you very much
for your attention!**

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