

Forest Certification in Vietnam

This article summarizes a March 2012 workshop held in Vietnam. According to Vietnam's National Forest Development Strategy, by 2020, about 30% of Vietnam production forests – equivalent to around 1.8 million ha – is expected to meet criteria of sustainable forest management and to be qualified for certification. To achieve this objective, models of sustainable forest management have been piloted in some provinces. To date, however, certified forest areas remain relatively insignificant.

Summary of March 2012 workshop

Current status of forest certification in Vietnam

To date, Vietnam has more than 13 million ha of forest, 10 million of which is natural forest and 3 million is plantation forest. Its forest cover amounts to 40.2% (2011), classified into three categories: production forest (6.3 million ha), protection forest (4.8 million ha) and special-use forest (almost 2 million ha).

The Government of Vietnam (GoV) has given almost all the country's forests to 7 forest user groups for management and protection:

- management boards (special-use and protection forest),
- forestry companies (who manage natural production forests),
- households (managing production forests) and
- other forest user groups such as economic organizations, armed forces, local communities, etc.
- approximately 2.4 million ha of production forests have not been allocated and are being managed by commune authorities.

The sustainable management and development of forest resources were identified as one of the five fundamental objectives clearly stated in the National Forest Development Strategy 2006-2020 (passed by the Prime Minister in 2007). Following the Strategy, by 2020, about 30% of Vietnam production forests – equivalent to around 1.8 million ha – is expected to meet criteria of sustainable forest management and to be qualified for certification. To achieve this objective, models of sustainable forest management have been piloted in some provinces. To date certified forest areas, however, remain relatively insignificant (Table 1).

February 2012 Workshop

The Vietnam Administration of Forestry (VNForest), in collaboration with Vietnam Timber and Forest Product Association (VIFORES), and with assistance from Forest Trends (USA) and the German International Cooperation Agency (GIZ), successfully hosted a workshop titled "Sustainable Management Certification: Opportunities and Challenges to Vietnam" in Ho Chi Minh City on February 24th, 2012. Its key objective was to

facilitate experience sharing between FSC-certified forestry companies, households, relevant stakeholders and interested parties. Additionally, the workshop also served as a forum for various organizations, policy makers, and certification-accredited bodies to discuss a wide range of issues and constraints regarding technologies, capacity, policies and mechanisms, and investment capital. Recommendations followed to promote and expand certified forest area in Vietnam in the future.

Table 1. Current State of Sustainable Forest Management Certification in Vietnam

Institutions/ Organizations	Certified Area (ha) by FSC	Status/Forest Origin
Ben Hai Forest Company, Quang Tri Province	9,444	Plantations account for more than 72% of certified forest area, the remaining area being natural forest. Sustainable forest management certification has just been awarded in 2012.
Vietnam Paper Corporation (VINAPACO)	10,175	Plantations, self-invested by enterprises. Forest certification was awarded for the aggregate forest area of five Corporation-affiliated enterprises.
Forest certification for household groups in Quang Tri province	317	Plantations established and owned by households. Households were supported with investment capital and techniques from an external certification project before having applied for certification. Some plantations are being harvested.
Quy Nhon Forest Plantation Limited Company	9,777	Plantations that were established on the land area that were allocated to the company and were self invested by the company and are now being harvested.
Vietnam Rubber Corporation	11,696	Rubber timber plantations that are just qualified for harvest. Certified plantation belongs to Dau Tieng and Dong Nai Rubber companies.
Dak To Forest Company	16,318	The company has just awarded FSC Controlled Wood certification, a critical step toward sustainable forest management certification. Certified forests include both natural forests and plantations which are currently being harvested.
Total certified forest area	46,031	As of March 1, 2012, a total of 46,031 ha of forest have been certified, of which only 29,713 ha were certified as sustainable forest management.

Source: <http://info.fsc.org>, updated 2 March 2012.

Challenges to Expanding Certification in Vietnam

To date, only about 46,000 ha of forests in the country have been certified. Compared to the target of 1.8 million ha of forests certified by 2020 as set in the Strategy, it is apparent that the achievement of this target is an extremely difficult task, or even an impossible one. What causes the slow progress of sustainable forest management certification in Vietnam?

1. **Lack of existing national standard for SFM:** A national standard of sustainable forest management of Vietnam, which includes principles, criteria, indicators and verifiers, has not yet been issued although an Institute of Sustainable Forest Management was established relatively long ago. Therefore, there has been a lack of institutional and technical framework guiding the adoption of SFM for forest user groups. Sustainable forest management related activities have been implemented on a pilot basis and were normally supported by internationally funded projects (2 out of 7 organizations receiving FSC certificates indicated technical and financial assistance from foreign funded projects).
2. **Lack of skilled human resources:** Shortages of trained staff with ability to engage in technical and financial aspects of certification and sustainable forest management has been critical. For forest areas to be certified, forest users or managers must develop a sustainable forest management plan in compliance with 10 FSC principles.¹ With limited financial and staff skills, this has become a difficult task. Mr. Le Bien Hoa, head of the certified plantation group from Quang Tri province, said “Certified plantations are a complex process; we would have not obtained the certification if there was no external assistance”.
3. **High cost of forest certification assessments and sustainable forest management plans:** At present, very few forest user groups wanting to achieve certification can afford these costs. Certification assessment costs vary considerably and depend on forest status, area and topographical conditions. During the workshop, some figures were mentioned by certification accredited bodies for reference:
 - as much as 40,000 USD were needed for assessment of an area approximating 10,000 ha of plantation forest and another 20,000 USD for an assessment two subsequent years after certification;
 - the assessment cost of 2,100 ha in the Phu Tho province was estimated at about 1.5 billion VND (approximately US\$70,000 USD);
 - Dak To Forest Company spent around 12,000 USD for assessment and certification of FSC Controlled Wood;
 - Vietnam Rubber Corporation spent around 200,000 USD for certification assessment of its 11,700 ha rubber plantation.

In addition, to be qualified for a certification assessment, forest owners are required to develop sustainable forest management plans. According to Mr. Vo Truong Thanh, forest owners are likely to pay “a tremendous amount of money” to have the management plans finalized. Dak To Forest Company would have not been able to obtain forest certification without substantial financial and technical assistance from GIZ. A group certification model established in Quang Tri province has received considerable support from WWF and SNV. According to WWF staff Mrs. Le Thuy Anh who is directly involved in the group forest certification project in Quang Tri, a minimum forest area of 2,000 ha would

¹ These principles include: (1) Compliance with Laws and FSC principles; (2) Tenure and Use Rights and Responsibilities; (3) Indigenous Peoples’ Rights; (4) Community Relations and Workers’ Rights; (5) Benefits from the Forests; (6) Environmental impacts; (7) Management Plan; (8) Monitoring and Assessment; (9) Maintenance of High Conservation Value Forests; and (10) Plantations. For detailed information of principles, please access to http://www.fsc.org/fileadmin/web-data/public/document_center/international_FSC_policies/standards/FSC_STD_01_001_V4_0_EN_FSC_Principles_and_Criteria.pdf

be needed and timber sale prices would need to increase by at least 12% to recall all expenses of FSC certification.

4. **Lack of legal land use certificates:** To be qualified for certification, forest owners must hold a legal land use right certificate (the so-called Red Book). In the country, many organizations have not been awarded these certificates, mainly because of boundary conflicts of between forest owners and local households and because forest owners cannot afford land measurement and mapping costs.
5. **Lack of transparent financial reporting:** Forest owners must comply with a transparent financial management procedure – a pre-requisite for developing sustainable forest management plans. To date, some forest owners are not willing to comply with this procedure because the existing forest use and management structure provide them with personal gains.

Conclusion

Concluding the workshop, Mr. Ha Cong Tuan representing VNForest said that sustainable forest management was defined as both an objective and a requirement of the Government of Vietnam. It is becoming an international trend and Vietnam must follow it, especially in the context of Vietnam's export-oriented timber processing industry's deep integration in the international market. Mr. Tuan also declared that certified timber should meet legality requirements when Vietnam's timber products are exported to the US market (in compliance with the amended Lacey Act) and to the EU (in accordance with the EU Action Plan to promote Forest Enforcement, Governance and Trade – FLEGT and the EU Timber Regulation). VNForest is expected to issue a circular on criteria and procedure for implementing sustainable forest management in Vietnam. These policy changes will open opportunities for expanding certified forest area. The Government, however, needs to initiate a comprehensive program to address the 5 above-identified challenges if it wishes to expand the existing forest certification area in the future.



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