



FOREST CONVERSION FOR RUBBER PLANTATION IN VIETNAM

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Forest Trends

Phuket, 21 July 2014

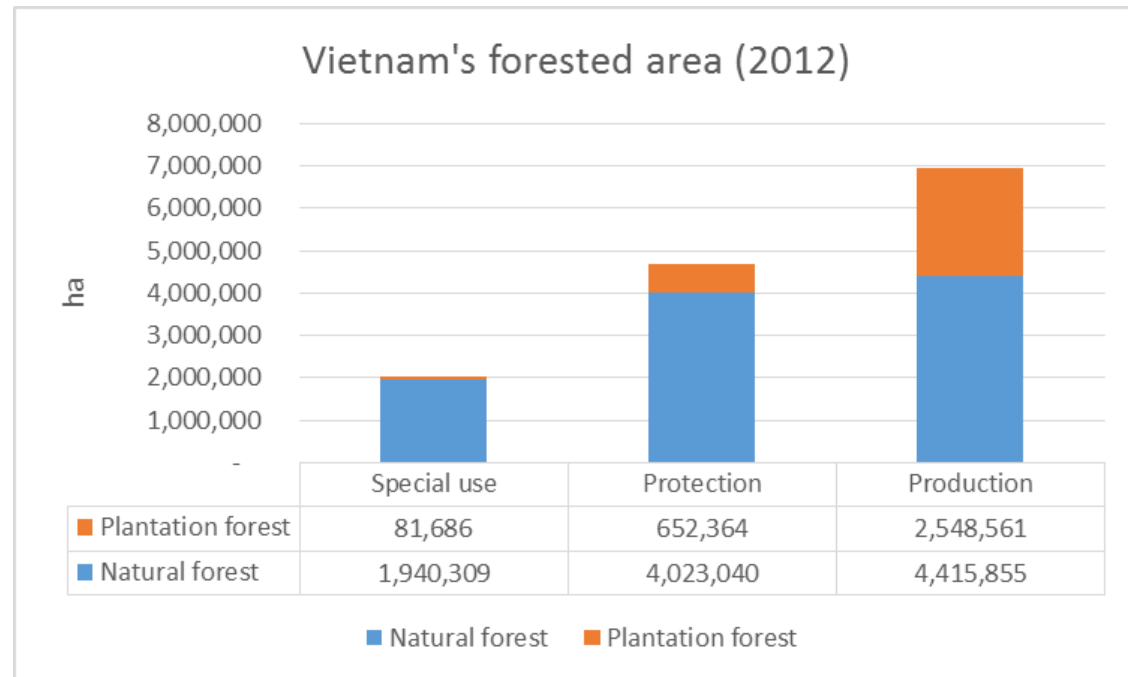
Illegal Forest Conversion in the Mekong: Policy Implications for Land Investments, Climate, and Forest Legality Initiatives. July 21-23, 2014. Novotel Vintage Park Resort. Phuket, Thailand.

Structure of presentation

1. Overview of Vietnam's forests
2. Conversion of forest
3. Legal/regulatory frameworks of rubber development (rubber focused)
4. Policy versus Practice (case of Dien Bien)
5. Key points and Remarks

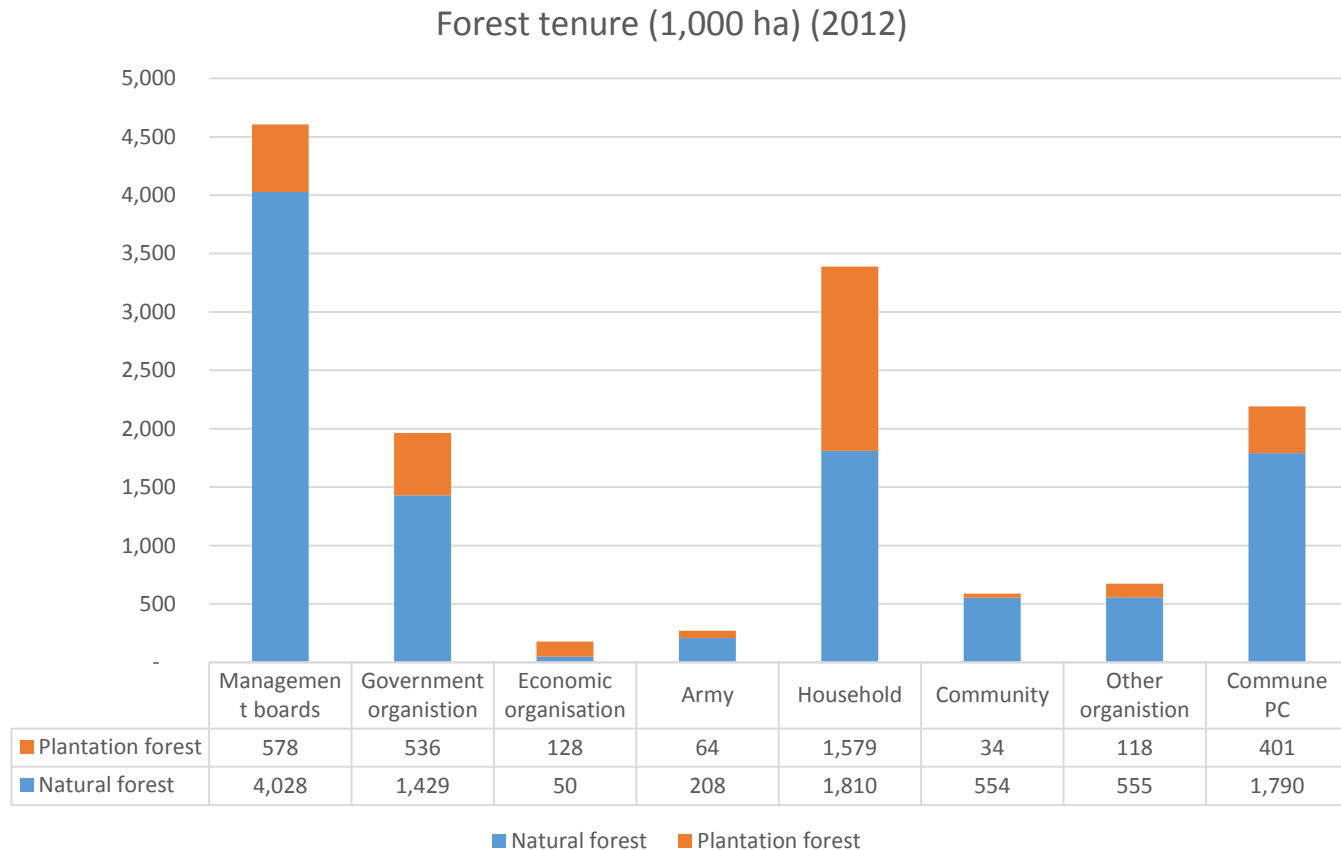
Overview (1): Forest cover (2012)

- Forest land: 15,373,000 ha
- Forested area: 13,862,000 ha
- Forest cover: 40.5 %
- Natural forest: 10,379,000 ha (76%)



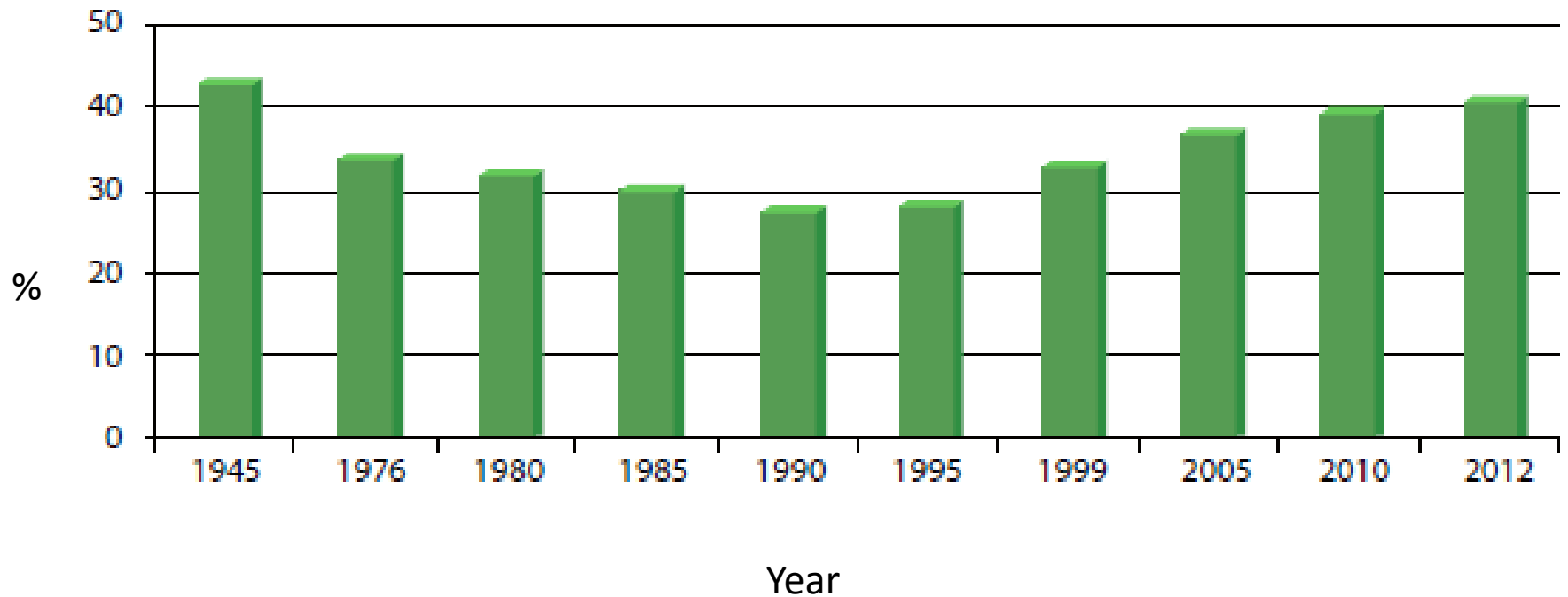
Source: MARD, 2013

Overview (2): Forest tenure



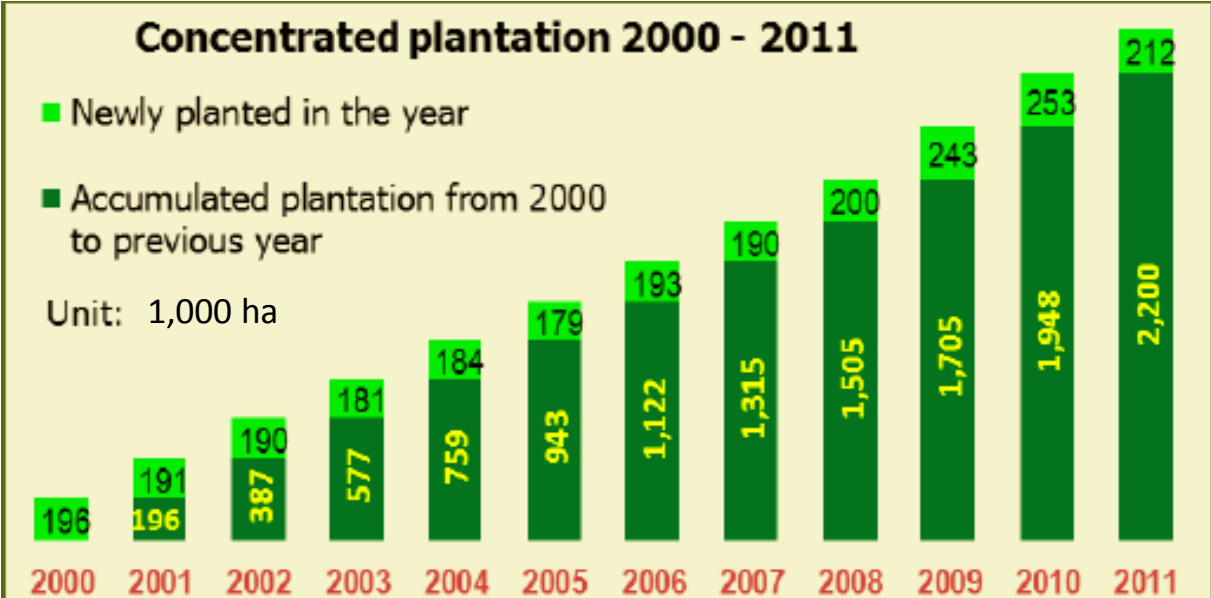
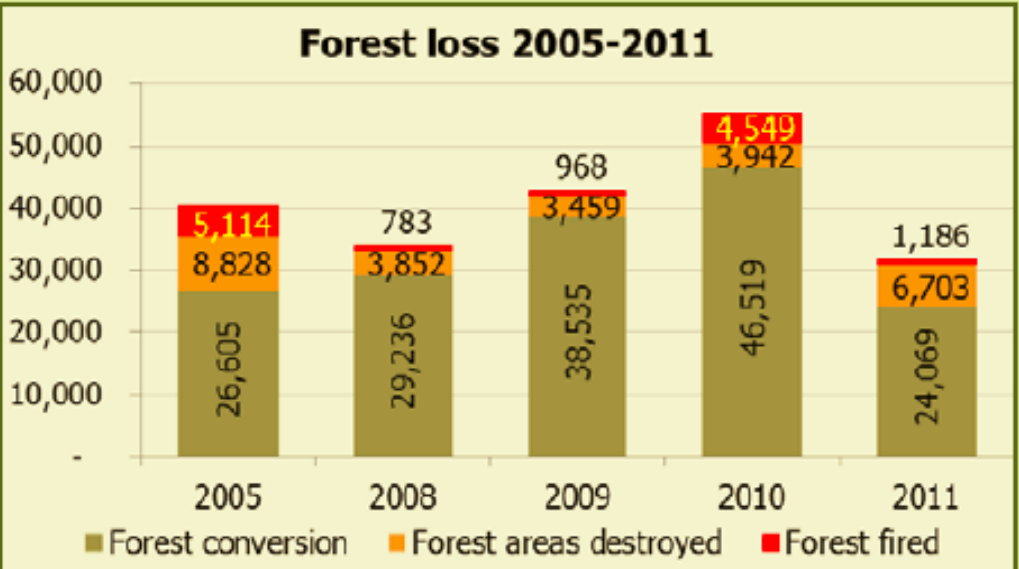
Source: MARD, 2013

Overview (3): Forest cover change 1945-2012



Source: MARD 2013 in To and Tran, 2014

Overview (4): Forest loss and new plantation



Source: VNFOREST, 2013

Overview (5): Drivers of deforestation and forest degradation

Direct Drivers:

- 1) Conversion for agriculture, including high-value perennial crops
- 2) Conversion for infrastructure, especially hydropower installations
- 3) Unsustainable logging
- 4) Forest fires

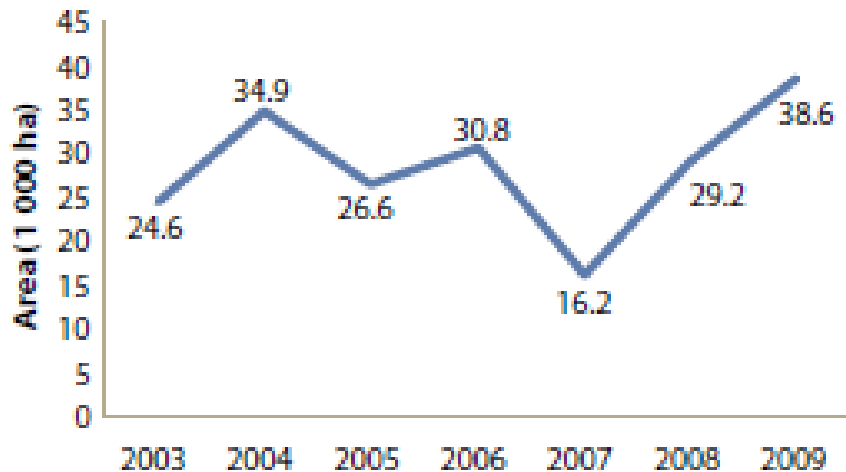
Indirect Drivers:

- 1) Growing demand for forest products and agricultural land driven by population growth and migration
- 2) Economic growth and increasing demand for wood for the pulp and paper industry, construction and fuel
- 3) Policies that facilitate unsustainable logging and unplanned conversion

Sources: ER-PIN, 2014; CIFOR, 2012; SNV, 2011.

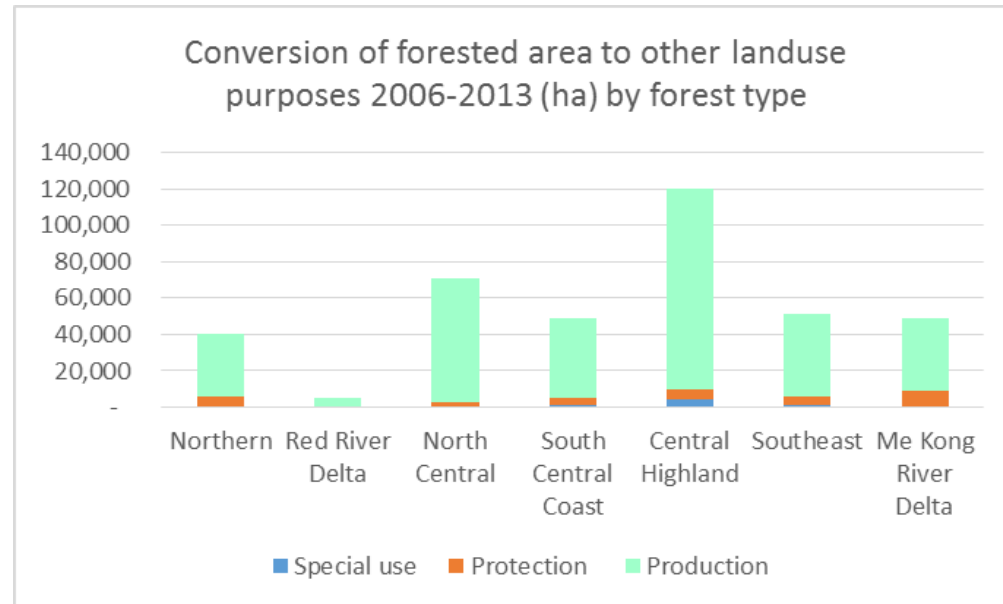
Forest conversion (1)

- Converted area 2003-2009:



Source: CIFOR, 2012

- During 2006-2013: 386,294 ha of forested area being converted to other land use purposes



Source: MARD, 2014

→ Average conversion: 28,700 – 48,300 ha per year

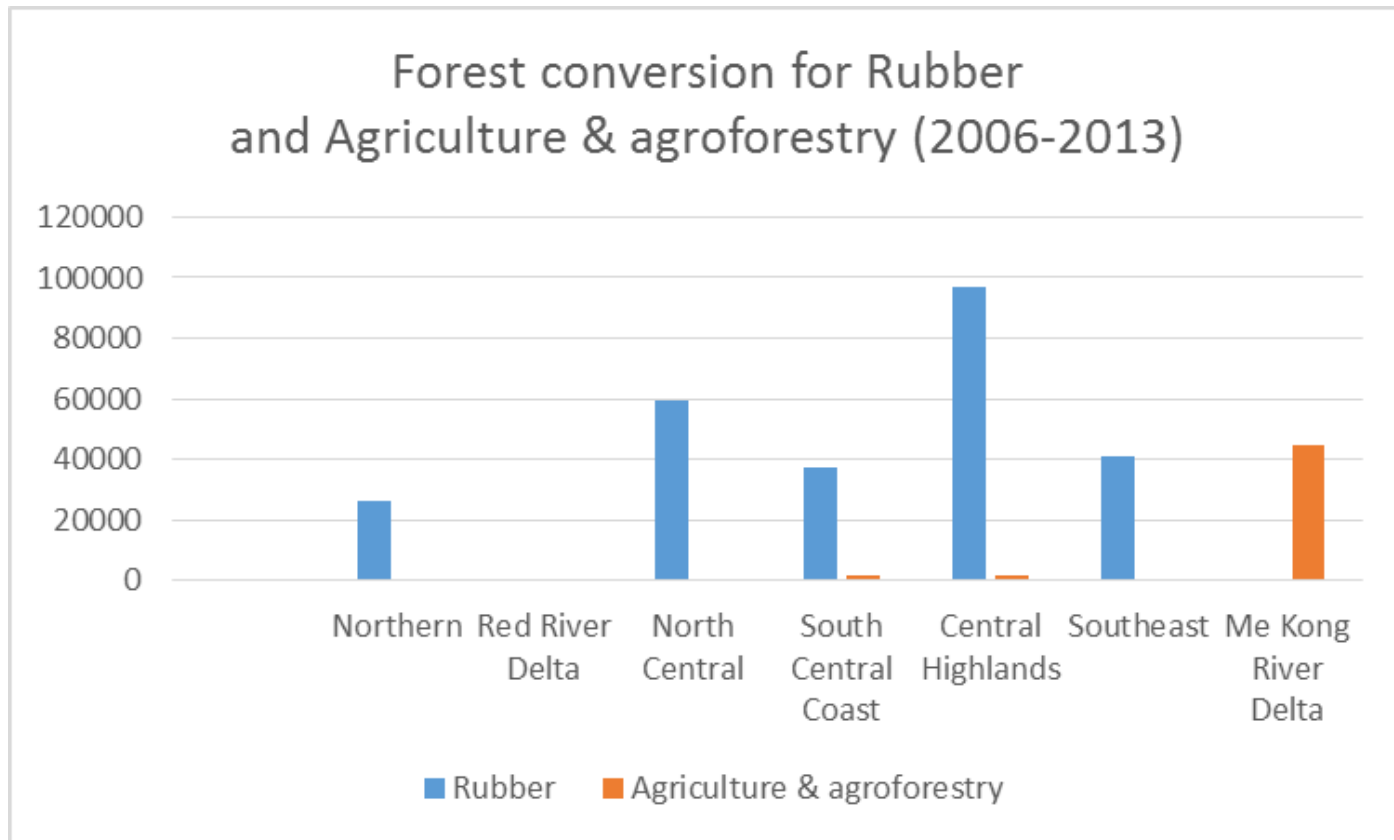
Forest conversion (2): Land use purposes of converted areas (2006-2013)

	Region	Total converted area	Land use purpose											
			Rubber	Agriculture, Agroforestry	Hydropower plants	Mining and construction material	Irrigation	Fisheries	Transportation	National Security	Industrial zone	Resettlement	Tourism, services	Rural infrastructure
1	Northern	40,615	26,388	69	4,963	5,022	17	-	454	559	191	203	148	2,601
2	Red River Delta	4,793	-	50	-	4,233	39	-	23	80	157	3	48	160
3	North Central	71,124	59,588	18	5,408	2,386	929	26	209	142	61	384	33	1,940
4	South Central Coast	49,215	37,117	1,899	3,287	1,921	1,310	19	7	370	116	53	1,239	1,877
5	Central Highlands	120,361	96,787	1,998	8,132	359	2,780	-	218	1,385	138	1,999	43	6,522
6	Southeast	51,228	40,996	643	256	447	26	-	27	812	2,788	1,824	1,024	2,385
7	Me Kong River Delta	48,961	-	44,702	299	502	-	154	8	218	403	560	105	2,010
	Total	386,297	260,876	49,379	22,345	14,870	5,101	199	946	3,566	3,854	5,026	2,640	17,495

Source: MARD, 2014

- Conversion to rubber plantation:
 - 261,000 ha, two-thirds of the converted area
 - 79% natural forest (To and Tran, 2013)
 - More than 90% State and private companies
- Agriculture and agroforestry: 49,000 ha, 12.8%

Forest conversion (3): Converted area for Rubber and Agriculture & agroforestry by region



Source: MARD, 2014

Legal/regulatory frameworks of rubber development (1)

- Decision 750/2009/QD-TTg:
 - To 2015, newly planting 150,000 ha, reaching 800,000 ha
 - Land: ineffective agriculture land, unused/barren land and poor natural production forests
- Decision 2855/2008/QD-BNN-KHCN: multiple-purposed rubber tree
- Circular 127/2008/TT-BNN: guiding of planting rubber on forestland
 - Ave. temp 25-30⁰C; Ave. rainfall >1,500mm; <700 m asl; slope <30⁰
 - Central Highlands: max 110 m³/ha; dry-soil forest max 50 m³/ha
 - Northern: max 75 m³/ha
 - EIA: following Decree 21/2008/ND-CP
- Circular 58/2009/TT-BNN (replacing Circular 127): max 100 m³/ha
- Directive 1685/2011/CT-TTg: halting forest conversion of new projects

Legal/regulatory frameworks.... (2): Procedures of forest conversion (land and timber) to rubber plantation

(Circulars 76/2007/TT-BNN; 07/2008/TT-BNN; 39/2008/TT-BNN; 127/2008/TT-BNN; 10/2009/TT-BNN; 58/2009/TT-BNN; Decree 17/ND-TTg, etc.):

	Procedure	Involved organisation/agencies
1	Ground checking of forest status (volume, slope, species, soil quality, forest owner, etc.)	Registered rubber company (or investor) hire a professional company/consultancy company
2	Approving the checking results and submitting to DARD	Investor or hired independent consultant/company
3	Re-checking/review on field and in-door the results submitted by the investors	DARD (lead), DoFP, DoF, DONRE, forest owners, District People's Committee, district Unit of Forest Protection, consultancy company, Investor
4	Developing investment project (land conversion for rubber plantation) submitted to Provincial People's Committee (PPC)	Investor and hired consultancy company
5	Approving the project	PPC with consultations of DARD and DONRE
6	Submitting EIA to PPC	Investor hire consultancy company
7	Approving EIA report	PPC with consultations of DARD and DONRE

Legal/regulatory frameworks.... (3): Procedures....

	Procedure	Involved organisation/agencies
8	Developing plan to exploit remaining timber on approved converted areas submitted to PPC	Investor hire consultancy company (in case forests belong to individual households, the investor and local authorities have to negotiate with them—labour, benefit sharing, etc)
9	Approving exploitation plan	PPC with consultations of DARD and DONRE
10	Exploiting timber	Investor or hired company; FPD (timber sealing)
11	Selling of conversion timber (investor get max 5%)	PPC may decide the buyer or auction; District PC is in charge of auction with hired auction company
12	Clearing land and planting rubber trees	Investor

Policy versus Practice (case of Dien Bien)

Policy/Regulation	Practices
<p>Based on approved rubber development planning,</p> <ul style="list-style-type: none">- Assessing forest status to identify suitable areas- Identifying forest and land owners; Issuing land use certificate- Encouraging/mobilising local people to contribute land- Clear benefit sharing- Local people are prioritised to become workers in the rubber companies- Approved annual plan and report- Timber from converted areas to be sold and auctioned- EIA	<ul style="list-style-type: none">- Rubber plantation located mixed with rich natural forest, putting the forests to vulnerable condition of being encroached- No Land use certificates were issued for large areas- Local people were force to give land to the rubber companies- Rubber trees were planted on land of local people before they mutually agreed on rate of benefit sharing- No approved annual plan and report- Timber only used for locally domestic use in place, no auction.- No EIA

Key points

- By 2012: 910,500 ha of rubber (target by 2020: 800,000 ha) (VRA, 2013)
- Central government could not control local government in rubber expansion: Power abuse/tolerance; or interest group
- Forested areas mixed with rubber plantations, creating opportunities for encroaching to forests
- Technical aspect: 'Poor forest' only be guided by timber volume limit may not right
- Poor negotiation leading local people at risks of giving land to rubber companies
- Lack of real independent actors (forest status checking, EIA, etc.)

Remarks: Policy – Enforcement - Coordination

- Policy to be revised:
 - Conversion of poor forest is applicable in all different region?
 - Central Highlands with dry-soil hard-growing forest
 - Project development procedure/requirement good enough?
 - Forest-status checking and EIA conducted by consultant hired by investor
 - Negotiation with local people on contribution of land for the project
- Better enforcement with Role of real independent non-state actors:
 - Power abuse
 - Monitoring central-local authority operation
 - Rubber in place not for rubber
- Better coordination:
 - Vertical: central state-local state,...
 - Horizontal: forestry sector-rubber sector,...

Discussions.....