

## VIETNAM

(R-PP dated 4 March 2011)

## GOVERNANCE OF REDD+

*To what extent does the R-PP promote good governance within REDD+ systems and processes?***Stakeholder participation in REDD+ planning and implementation**

- + *Identifies relevant stakeholders for REDD+*
- + *Specifically considers how to engage local stakeholders*
- + *Proposes a transparent process for stakeholder participation*
- Proposes a process to ensure accountability for stakeholder input*
- Proposes a grievance/dispute resolution mechanism*
- Considers how to learn and build from other relevant participatory processes*

The R-PP demonstrates a commitment to the inclusion of a broad range of stakeholders in the consultation process, though in some cases more detail about future processes needs to be developed. A comprehensive list of stakeholder groups at national, provincial, district, and local levels is identified (p. 22–23), and a detailed stakeholder analysis in Annex 1b-2 identifies the relative interest and influence of each stakeholder group in the REDD-Readiness process (p.105–107). The R-PP includes some specific measures and has allocated a budget for targeting local groups, including translating materials to ethnic languages, creating audiovisual materials, and training local-level facilitators (p. 26–27). In addition, the R-PP states a commitment to integrate of stakeholder feedback throughout the consultation process (p. 21), although specific modalities are not mentioned.

A framework consultation plan explains how stakeholders will participate in the REDD-Readiness process in the future (p. 110–114). The R-PP states that action plans for “free and prior-informed consultation” (FPIC) with communities for each area will be developed based on scaling-up an existing methodology UN-REDD developed that was already carried out in 78 villages (p. 25); however, a clear timeline for achieving this is not elaborated in the R-PP. The R-PP also highlights an UN-REDD–funded study that analyzed the effectiveness of the National REDD Network. The R-PP does not go into detail about key findings or areas for improvements, except to note that the study identified options for promoting participation by local stakeholders in REDD Network activities, such as creation of sub-regional Networks (p.14). The need for developing a socially acceptable and credible recourse mechanism with the involvement of Vietnamese civil society, particularly in the context of benefit distribution, is identified, although further details are not provided (p. 53). Apart from reference to the UN-REDD community consultation process (p. 25), the R-PP does not explicitly review lessons learned from previous national policy and program development processes referred to in the document.

**Recommendations:**

- Propose a clear process or timeline for developing the recourse mechanism
- Provide additional detail on how stakeholder engagement will scale-up the UN-REDD FPIC methodology or otherwise build on lessons from other processes

**Government coordination in REDD+ planning and implementation**

- Considers REDD+ in the context of other sector policies, land use plans, and national development plans*
- + *Proposes mechanisms to coordinate REDD+ across sectors*
- Proposes mechanisms to coordinate REDD+ across levels of government*

The R-PP recognizes the critical need to incorporate REDD+ into existing national and sectoral policies (p. 30, 47, 74). Examples identified in the R-PP include the Five Year Socio-Economic Development Plans at national, provincial, and district levels (p. 77), as well as the Agricultural Sector Strategy (p. 47). However, there are numerous potential conflicts listed between land use priorities, such as expansion of agricultural exports (like rubber) into forested areas and development of hydropower projects that could have an impact of 20,000 hectares of natural forest (p. 33–39). The R-PP notes the importance of developing mitigation and compensation measures to deal with potentially adverse social and environmental impacts from these sectors, but it is not clear whether these efforts are sufficient to address the scale of potential deforestation.

A National REDD Network and a REDD Technical Working Group have been established as entities with an open membership policy, and a wide range of government institutions are currently participating in both groups (p. 13–14). The

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Coordination Office of the Forest Sector Support Partnership, which coordinates implementation of the Forest Strategy, will serve as Secretariat for the REDD Network and Working Group (p. 13). A sub-working group on REDD+ Governance lists improving cross-sectoral linkages as one of its key tasks (p. 15), and a sub-working group on Local Implementation is tasked with examining REDD+ issues for implementation at the district and community level, although it is not clear the extent to which sub-national actors will actually be members of this group. In addition to these bodies, a REDD+ Steering Committee and REDD+ Office have recently been created to coordinate REDD+ activities between central and local government agencies, and between these entities and members of civil society. However, specific mechanisms for coordinating across levels of government are not currently in place. In addition, despite the clear intent expressed in the R-PP of ensuring sufficient cross-sectoral coordination and buy-in at all levels, it remains unclear as to how the formal decision-making mechanisms will be structured.

**Recommendations:**

- Clarify how sub-national actors will be included in relevant working groups
- Provide additional detail on how REDD+ objectives may differ from existing plans in energy and agriculture sectors and how potential conflicts will be resolved

**Transparent and accountable REDD+ revenue management & benefit sharing**

+ *Proposes a transparent system to track and coordinate international financing of activities related to REDD+*

+ *Considers measures to promote fiscal transparency and accountability for REDD+ revenue management*

*Proposes a participatory process to develop systems for REDD+ revenue distribution, including benefit-sharing mechanisms*

+ *Reviews lessons from past and/or existing systems for managing and distributing forest revenues*

The R-PP identifies the need for a mechanism that meets international standards of transparency, equity, and performance for management of REDD+ funds and examines some potential options for development of a REDD+ fund, building from existing forest revenue fund examples (p. 50–51). The R-PP notes that participatory governance is a key principle in fund management, and suggests that the REDD+ fund should be governed by a broad-based multi-stakeholder board and subject to independent external audit. The need for piloting revenue management arrangements is identified as necessary for gaining practical insights into the costs, efficiency, and effectiveness of REDD+ revenue management at different levels (p. 53).

The R-PP states the government is committed to forest-using communities having real and reliable incentives to conserve forests through an effective benefit distribution system (BDS; p. 45), although it is recognized that existing BDS arrangements have been inadequate and have not provided sufficient incentives for local communities (p. 30–31). A BDS for REDD+ is also being developed and piloted by the UN-REDD Vietnam Programme, but it is not clear how the R-PP's proposed activities will link to this other effort (p. 76).

**Recommendation:**

- Describe how the proposed BDS will be developed using a participatory process and how the system proposed in the R-PP links to the work being done by the UN-REDD Vietnam Programme

**Transparent monitoring and oversight of REDD+**

+ *Proposes to establish information management systems for REDD+ that guarantee public access to information*

+ *Proposes mechanisms for independent oversight of the implementation of REDD+ activities*

- *Proposes mechanisms to monitor efforts to address governance challenges*

The R-PP recognizes the importance of designing a central MRV system that is accessible to all relevant stakeholders, integrated to include provincial and local-level information, and provides access to information on REDD+ implementation (p. 69). The R-PP states the MRV system that is under development will enable local participants and the international community to assess the transparency, accountability, and equity of the National REDD Program through open access policies (p. 77). The R-PP also notes the importance of avoiding any conflicts of interests between recipients of REDD+ financing and the entity responsible for monitoring (p. 52). At the provincial and national level, it is proposed that a separate REDD+ monitoring body oversee and

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coordinate all REDD+ monitoring, and this body should be composed of government, independent civil society, and auditing organizations (p. 52). The R-PP also sets out a range of options for public involvement in the oversight of REDD+ implementation through inclusion of existing institutions such as People's Committees and farmers' associations. The R-PP lists monitoring of the benefit distribution system for REDD+, the UNFCCC safeguards, and the overall effectiveness of REDD+ implementation as key elements of the monitoring system. A study is proposed to explore options for integrating social safeguards and standards into the general MRV system, but there is no explicit mention of how efforts to address forest governance challenges will be monitored either as a safeguard or as a key ingredient to effective REDD+ implementation (p. 76–77).

**Recommendation:**

- Propose options or a clear process for investigating how governance challenges will be monitored as part of REDD+ implementation

**GOVERNANCE CHALLENGES FOR ADDRESSING DEFORESTATION DRIVERS***To what extent does the R-PP consider key forest governance challenges for achieving REDD+?***Land and forest tenure**

+ Discusses the situation regarding land and forest tenure, including for indigenous peoples

- Considers the capacity of judicial and non-judicial systems to resolve conflicts and uphold the rights of citizens

+ Links identified governance challenges to proposed REDD+ strategy options and implementation framework

The R-PP describes some of the past and ongoing efforts to address tenure and land allocation in Vietnam. Since 1993 the government has enacted a series of laws and programs to allocate forestlands to households and other entities and protect 10 million hectares of natural forests through contracts with smallholder households (p. 29–30). The R-PP notes that large areas of forest are still under state and local authority control, despite a renewed effort to speed up the Forest Allocation Program, which has been hampered by a lack of funding. Supporting the already ongoing process of allocating forest use rights to households or communities is a core REDD+ strategy discussed in the R-PP, which notes that further efforts to improve execution of this program should be explored as part of a REDD+ strategy. The R-PP also notes that in some cases even once communities receive land use rights they have not always been able to benefit from them; therefore a study to analyze the land allocation process and make recommendations to improve the system to benefit local communities is proposed as a future activity (p. 37). Activities to investigate and improve land use rights allocation and benefits through improvements in forest policy and legislative and administrative reforms are also proposed (p. 43–44).

The R-PP notes that issues such as allocation of land or usage rights can frequently cause conflict and points to the need for an independent mechanism for resolving disputes. However, the R-PP does not provide any information on the significance and types of disputes that exist, how the allocation program has resolved past disputes, or if the judicial system has played a role. Annex 2b lists an effective judicial system as a priority area and notes the need to implement changes to the current system in order to effectively punish perpetrators and implement carbon rights. No details are provided, however, as to how this is to be implemented (p. 132–33).

**Recommendation:**

- Propose a more in-depth analysis of constraints in the judicial system that will need to be addressed as part of REDD+

**Forest management**

+ Discusses the ability of forest agencies to plan and implement forest management activities

+ Considers the role of non-government stakeholders, including communities, in forest management

+ Links identified governance challenges to proposed REDD+ strategy options and implementation framework

The R-PP identifies a range of challenges and ongoing initiatives related to forest management in Vietnam. Challenges include weak planning, lack of capacity to implement plans, and poor management and coordination between relevant agencies at national and local levels (p. 34). In addition, responsibilities for forest management in Vietnam have been in the process of shifting from State Forest Enterprises (SFEs) to State Operating Companies (SOCs; p. 30). The goal of the reform is to separate management of public goods, such as watershed protection, from the business of logging. In addition, shifts toward greater inclusion of

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communities in forest management have been developed through a Community Forestry Pilot Program that was established in 2006, although the program's complexity and lack of incentives to participate have hampered its implementation (p. 31). The R-PP notes that there is also some traditional management of forests done by ethnic groups in Vietnam (p. 37), and the R-PP recognizes the potentially useful role that communities could play in participatory forest and carbon monitoring (p. 53, 71).

The REDD+ strategy options listed in the R-PP are still relatively preliminary, although they do emphasize the need to formulate these strategies with additional stakeholder input that will likely include relevant groups that manage forests (p. 47). While they identify some administrative and forest policy reform efforts that could be developed as strategies, these strategies tend to focus on technical management (such as amending policies on harvesting rates or fire management) rather than identified challenges in forest management or capacity of forest agencies (p. 131–132).

**Recommendation:**

- Propose a process to develop more specific REDD+ strategies related to strengthening forest management capacity within relevant government agencies as well as local stakeholders

**Forest law enforcement**

+ *Discusses the ability of law enforcement bodies to effectively enforce forest laws*

• *Discusses efforts to combat corruption*

+ *Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

Issues such as weak law enforcement and illegal logging are described as major factors that underpin deforestation and forest degradation in Vietnam. The R-PP notes that because Vietnam is a major export hub for timber, illegal trade is also a significant issue (p. 36). Law enforcement attempts in Vietnam have focused on forest detection and transport from point of extraction, and the R-PP notes that this strategy requires significant staff and resources. Low wages and remote locations for law enforcement efforts can facilitate vulnerability of enforcement personnel to taking bribes (p. 36). In addition, the R-PP states that monitoring is insufficient and handling of forest crimes frequently suffers from inaccurate or incomplete reports (p. 35).

Efforts to address issues of illegal timber, including the issue of trade, include development of a new Law on Forest Protection and Development. This law that establishes a task force that will adopt a more strategic approach to law enforcement that focuses on points of sale. The government has also recently decided to prepare a Voluntary Partnership Agreement (VPA) with the EU's Forest Law Enforcement, Governance, and Trade (FLEGT) program. Strengthening forest law enforcement and improving enforcement of environmental regulations are proposed as key issues for REDD+ implementation. For example, the R-PP's implementation framework suggests that development of operational enforcement structures should be prioritized, such as a Central Forest inspectorate with a reporting hotline for illegal activities (p. 54). The R-PP also lists improving the legal framework, learning from recent community-based law enforcement efforts, amending the forest crime penalty system, and building capacity for district- and province-level forest protection units (p. 53, 128).

**Recommendation:**

- Provide further detail on how corruption issues may impact REDD+

**Other forest governance issues relevant for REDD+**

• *Discusses other forest governance issues that are relevant for REDD+*

+ *Links identified governance challenges to proposed REDD+ strategy and implementation framework*

Poor management of financial resources in forest sector administration and past difficulties with participatory approaches to decision making are both cited as existing issues that undermine attempts to alleviate poverty and bring greater benefits to local communities (p. 37). The R-PP proposes establishment of a sub-working group on REDD+ governance as part of the Technical Working Group on REDD+ that will cover issues of "REDD+ governance, government structures and capacity building," although it does not elaborate further on the mandate or activities of the group (p. 15).

**Recommendation:**

- Clarify the composition and mandate of the Technical Working Group on REDD+ governance and how it will address identified capacity and institutional gaps as part of REDD+ implementation

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