

*Project Idea Note*

## Hieu Commune PLAN VIVO project

Hieu Commune, Kon Plong District, Kon Tum Province, Vietnam Central Highlands



*Dak Lom community forest and village, CR: Liem/FFI*

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## Summary Information

Project Title	Hieu Commune PLAN VIVO project
Project Location – Country/Region/District	Hieu Commune, Kon Plong District, Kon Tum Province, Vietnam Central Highlands
Project Coordinator & Contact Details	Fauna & Flora International The David Attenborough Building, Pembroke Street, Cambridge, CB2 3QZ <a href="mailto:info@fauna-flora.org">info@fauna-flora.org</a> +44 1223 571 000
Summary of Proposed Activities (Max 30 words)	The Hieu Commune REDD+ project aims to avoid unplanned deforestation and degradation in 3 M’nam ethnic minority villages (1,238 hectares), while replanting multi-purpose tree species (MPTS) in ~100ha of degraded land
Summary of Proposed Target Groups (Max 30 words)	The project proponent(s) are the 3 villages of Hieu Commune, represented through the Community Forest Management Boards of each village. The CFMBs are recognised as legal entities, established under a Decision by the Hieu Commune People’s Committee.

## Part A: Project Aims & Objectives

### A1 Describe the project's aims and objectives

The Central Highlands of Vietnam with its mix of evergreen broadleaf and natural coniferous forest are globally recognised as a priority for biodiversity conservation. However, increasing levels of deforestation and degradation mainly due to slash and burn agriculture for cassava crops and illegal logging threaten its continued existence.

The Hieu Commune Plan Vivo pilot aims to reduce deforestation and degradation in forested areas within the customary boundaries of 3 M'nam ethnic minority communities. The project aims to protect 1,238 hectares of evergreen broadleaf and natural coniferous forest in the Hieu Commune. Ethnic minority communities in Vietnam, remain marginalised and impoverished. Without land rights, strengthened capacity and opportunities to benefit from sustainable livelihoods, they will not be able to effectively manage and protect forest areas within their customary forest boundaries.

The pilot will be implemented through a range of activities including; securing land tenure for the 3 communities, improving land use planning and management strategies, strengthening forest governance and law enforcement mechanisms, and facilitating the development of sustainable livelihood improvements, partly through the planting of Multi-Purpose Tree Species (MPTS).

## Part B: Proposed Project Area

### B1 Description of Project Location

The Hieu Commune (Kong Plong District, Kon Tum Province), is located in the Central Highlands of Vietnam. It is located in a landscape is recognized as a global biodiversity priority. The proposed project area covers 1,238 ha of evergreen broadleaf and natural coniferous forest and ~100 hectares of degraded land in three villages: Dak Lom, Dak Lieu and Vi Chring.



### Deforestation and degradation in the project area

Deforestation and degradation of mixed tropical dipterocarp and natural coniferous forests in

Hieu Commune and the wider Kon Plong District are occurring as a result of the following drivers of deforestation and underlying causes;

- **Conversion of forest land to cropland** to derive income and food from farming (slash and burn agriculture, cassava and coffee) - *Local ethnic minority villagers, implementing slash and burn agriculture*
- **Logging of timber for local/domestic uses**, in particular traditional housing, and other construction needs (e.g. rice storage shelters) - *Local ethnic minority villagers selective logging for wood for local consumption*
- **Logging of timber for sale outside the project area**: local community sell timber, or undertake logging for outside operators (illegal), selectively logging trees for timber trade - Vi Chring in particular, is adjacent to Tu Can and Vi Choong villages; whose forest is almost entirely degraded and are known to take timber. Illegal loggers from Quang Ngai province are also known to operate in this forest and are particularly persistent taking timber from this forest at all times of year, at day and at night.

### **Biodiversity**

Biodiversity surveys carried out by FFI in 2013 as part of a wider High Conservation Value assessment in the Hieu Commune detected 35 fauna and flora species listed in Vietnam's Redbook (2007), IUCN Red list (2013) and/or the CITES list (2012). Significant/charismatic species in the area include Endangered (IUCN Red List 2013) northern buffed-cheeked gibbons (*Nomascus annamensis*) and the Critically Endangered grey-shanked douc langur (*Pygathrix cinerea*). Furthermore, the wider Kon Plong District within which Hieu Commune is located, is a recognised Key Biodiversity Area<sup>1</sup> in Vietnam, and features in the Critical Ecosystem Partnership Fund (CEPF) Conservation Outcomes for Indo-Burma (2012)<sup>2</sup>. Kon Tum Province sits on the tri-border area with Laos and Cambodia. National parks in the surrounding region include; Chu Mom Ray National Park (Kon Tum Province), Kon Ka Kinh-Kon Chu Rang National Park in the south (Gia Lai Province), Ngoc Linh National Park to the north (within Kon Tum Province); and Dong Amphan National Protected Area in Laos and Virachey National Park in Cambodia. Kon Plong is a recognised Key Biodiversity Area (KBA) and Endemic Bird Area (EBA), due to the presence of the endemic and highly range restrict chestnut-eared laughing thrush (*Garrulax konkakinhensis*). The forest also forms a vital, and the only, habitat corridor in the eastern Annamites (a global biodiversity hotspot), maintaining connectivity between the aforementioned protected areas.

## **B2 Description of Socio-Economic Context (PV requirements 7.2.2-7.2.5)**

### **Dak Lom:**

**Income** – Households rely on the sale of crops (wet rice, cassava and coffee), livestock (buffalo, cow, pig and chicken) and state payments for forest protection (PFES) for income. Wet rice farming is regarded as a regular and main source of income for 71 households (or 96%). The average area farmed is 0.2 ha per households (with a maximum of 0.5 ha and a minimum of 0.1). The average yield is 5 ton/ha and the average price is 5,000 VND/kg, bringing about 5 million VND/household. 26 households (or 46%) are involved in cassava farming as a secondary income, with on average 0.3 ha grown per household (with a maximum of 1ha and a minimum of 0.2 ha). Productivity is 12 ton/ha and this generates 2.9 million VND (800 VND/kg) per households. Coffee is a newly introduced cash crop, and it is only grown by 3 households (on average 0.5ha/household). In 2018, an additional 8 households registered to grow coffee, and received the support of the district authority to obtain seedlings and fertilizers.

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1 Official source of KBAs in Vietnam: BirdLife International, Conservation International, and partners (2010) Global Key Biodiversity Areas. BirdLife International, Cambridge, UK and Conservation International, Arlington, VA USA.

2 For further information see;

[http://www.cepf.net/where\\_we\\_work/regions/asia\\_pacific/indo\\_burma/Pages/default.aspx](http://www.cepf.net/where_we_work/regions/asia_pacific/indo_burma/Pages/default.aspx) and to download map see: [http://www.cepf.net/Documents/Indochina\\_outcomes\\_map.pdf](http://www.cepf.net/Documents/Indochina_outcomes_map.pdf) (VMN55 Kon Plong)

21 households classed as “non-poor” (or 32%) are involved in animal husbandry, with 55 buffaloes and 12 cows in total (3 heads per household on average). Buffaloes and cows are purchased in different years along a 4-year-business-cycle. Approximately 25% of the cattle is sold annually to generate around 12 million VND/household. Pigs are raised by both “poor” and “non-poor” households with about 100 pigs in total (3 heads per household on average). Pigs are sold alive, annually with a fluctuating price of 60,000-75,000 VND/kg, generating around 6.3 million VND per household. Chickens are also raised for subsistence but are rarely sold.

Other sources of income originate from Payments for Forest Ecosystem Services (PFES) programmes for: 1) the protection of community forest (260ha under red book) paid by the KFW10 project (this will be the case until 2020 – end date of the KfW project); and 2) the protection of state forest (1,006.9ha under green book paid by Mang La SFE and 494ha green book contracted with Thach Nham PFMB). Since 2017, each household received 1,440,000 VND from the KFW10 project, 2.3 million VND/ha/year from the Thach Nham PFMB, and 2.8 million VND from the Mang La SFE (with price of 200,000VND/ha/year according to the Decision No 2242/QĐ-TTg dated 11/12/2014). In total household income from these sources amounts to 5.25 million VND/year.

Income from medicinal plants such as *Anoectochilus roxburghii* (Blume) - Jewel orchid and *Kadsuræ coccineae* (Lem) has become less significant in recent times. Only a few households benefit from this, roughly generating 600,000 VND per year (1 million VND/kg). While valuable, these species have been overharvested and have become too rare for villagers to harvest them.

#### **Living conditions**

68 households (92%) live in traditional stilted houses, bungalows and constructed houses. The remaining households currently still live with their parents. 66 households (89%) source water from the stream, while only 41 households (55%) are equipped with latrines.

#### **Village infrastructure**

The village is remote, and difficult to access during the rainy season due to a 1.1km of in-residential quarter way on steep and muddy terrain. There is 3 km of pathway connecting the village population to the main productive areas/fields. The village has one kindergarten and a 4<sup>th</sup> grade school building with one classroom of 75 m<sup>2</sup>, with a large playground of 300 m<sup>2</sup>.

#### **Education and health**

Only 15 household heads (20%) are illiterate. 100% and 90% of men can speak and read Vietnamese respectively while the figures of women are lower at 70% and 50%. Malnutrition is a critical issue with 37% of children below 5 affected. Unhygienic drinking water directly collected from streams contributes to health issues. The village has an untrained health-care officer (short-term medical training course) in charge of annual vaccination in order to prevent diseases such as poliomyelitic, whooping-cough, tenatus. All households freely enjoy health insurance provided by the state.

#### **Dak Lieu village**

**Income** - The structure of household income is similar to Dak Lom, with 100% of village households involved in wet rice farming. The average area of wet rice farmed is 0.3 ha per household with a productivity of 3,3 ton/ha and a price of 5,000 VND/kg, generating 5 million VND/year. Thirteen households are involved in cassava farming with an average of 0.3ha per a household, generating an income of 2.3 million VND (yield of 9.7 ton/ha/year at 800 VND/kg). In 2018, 2 households started growing coffee, on 0.8ha of land they converted from cassava farming.

The village is also involved in forest protection activities under 1) the KFW10 project for 170ha of community forest; and 2) the state programme (based on Decision No 2242 of the Prime Minister dated 11/12/2014) from the Mang La SFE for a contracted area of 519,2ha. Each household is paid 220,000 VND yearly by the KFW10 project. The village is paid 103,840,000 VND yearly (200,000 VND/ha and 2.8 million per household) by the Mang La SFE.

#### **Living conditions**

92% of village households (or 35 households) own traditional stilted houses. Twenty-two households (58%) have access to national network electricity. All households source water from the streams. Only 13 households (34%) are equipped with latrines (received through the support of Plan International).

#### **Village Infrastructure**

The village has one communal house as a meeting and entertainment place. Village children benefit from a primary school that is located in the village. Similarly, one health-care station is there. A 3,3 km concrete path is available but 1.5 km connected from the village population to production areas is still unpaved.

#### **Education and health**

Over 14 households have illiterate household heads (37%). 90% and 80% of men can speak and read Vietnamese respectively while for women it is only 70% and 50%. Similar to Dak Lom village, malnutrition is a really critical issue, and affects 29.4% of children below the age of 5. Imported dried fish and unhygienic drinking water collected from streams contribute to poor health. All households freely enjoy health insurance provided by the state.

#### **Vi Chring Village**

**Income-** 36 households regard wet rice farming as a main income source. Other income sources include husbandry, hybrid cassava, perennial crop and PFES. On average 0,3 ha per household (0.6ha at max and 0.1ha at min) is allocated to wet rice farming and generates revenues of 6,000,000 VND (0.3 ha@4,000 kg/ha @5,000 VND/kg). 29 households are involved in cassava farming with an average area of 0.2 ha per household generating 1.5 million VND/year. There are no revenue yet from established coffee farms. Similar to Dak Lom, 18 households are involved in raising of buffalo and cows (5 heads per household), pigs and chicken.

The village is also involved in forest protection activities and households are paid 1.3 million VND and 2.3 million VND per year by the KFW10 project and the Mang La SFE respectively (red book issued on the 808ha community forest and green book covering 472ha of state forest (as per the other villages the price is 200,000 VND/ha/year under the Decision No 2242/QĐ-TTg dated 11/12/2014)).

#### **Living conditions**

31 households (82%) own traditional stilted timber houses. The remaining households still live either with their parents or in wet rice farm-houses. 29 households (76%) have access to national network electricity. All households stopped using stream water and shifted to using cleaner pipeline-based water sources. Only 7 households (18%) are equipped with latrines (provided by Plan International).

**Village infrastructure** – Context similar to the other two villages.

#### **Education and health care**

Over 23% of household heads are illiterate. About 95% and 85% men can speak and read Vietnamese language respectively. Levels of malnutrition are very high with 80% of children under the age of 5 exposed. At village level, there is one untrained health-care worker in charge of annual vaccinations to prevent poliomyelitis, whooping cough and tetanus. Medicines and

mosquito nets are also regularly provided to the village and all households are free granted health insurance provided by the state.

*Table 1: Household information for the three focal villages*

	Household number	Female-headed households	Poor households	Ethnic minority households	Population (individuals)
Dak Lom	74	8	45	73 M'nam (1 Kinh)	279
Dak Lieu	38	8	25 (8 facing food shortages 2-3 months in the year)	36 M'nam (2 Kinh)	133
Vi Chring	38	10	28 (many with food shortages 2-3 months in the year)	37 M'nam (1 Kinh)	141

**Gender roles in livelihoods:** Men are responsible for the most physically demanding work across different livelihood types, however women are responsible for all household duties, much of the farming and all of the childcare. For example, as for wet rice, men are in charge of soil preparation and harvesting while women are in charge of sowing, weeding and part of harvesting. In this case, roles of both men and women are equally regarded. Children sometimes have to give up their schooling to assist their parents.

*Table 2: Gender roles in various types of livelihood activities*

Type of livelihood activities	Roles of partners		
	Husband	Wife	Children
Wet rice cropping	xx	xx	x
Coffee cropping	xx	xx	x
Cassava cropping	xx	xx	x
Buffalo and cow grazing	xx	0	x
Pig and chicken	0	xx	0
NTFPs collection	0	xx	x
Forest patrol	xx	0	x

(Note: 0= not involved, x= partly involved, xx= fully involved)

## Part C: Identification of Target Groups & Communities

**C1 Summarise information for the participating communities/groups/individuals expected to benefit from the project (PV requirements 1.1, 7.2.1, 7.2.7 & 7.2.8)**

The target beneficiaries of this project are the M'nam ethnic minority communities of Đăk Lom, Đăk Liêu and Vi Chring villages, in the Hieu Commune. These subsistence farming, and forest dependent communities, are characterised by high rates of poverty and illiteracy.

Despite rapid development in Vietnam over recent decades, poverty and marginalisation rates

remain significantly and disproportionately higher in ethnic minority populations than in rural Kinh populations in Vietnam as a result of a number of identified trends and factors disadvantaging these communities<sup>3</sup>. The majority of Hieu Commune villagers (90 – 95%) do not have strong Vietnamese language skills, and speak only their local ethnic minority dialect, which has no written form. This has thwarted attempts for them to benefit from state provided capacity building and training on advanced farming methods and animal husbandry. Furthermore, through surveys, FFI has recorded that only 25% of households in Hieu Commune have the literacy and numeracy skills required to open and manage bank accounts<sup>4</sup>. These barriers have in the past constrained the ability of local communities to manage funds and micro-finance loans and need to be considered carefully when developing additional sustainable livelihoods.

Prior programmes striving to improve ethnic minority community livelihoods and forest governance in Vietnam have faced a number of complex challenges. The proposed activities outlined in this proposal draw on the findings and recommendations of a study by the World Bank (2009)<sup>5</sup> and site data and observations compiled by FFI since 2011.

**Dak Lom village:** The former Dak Lom village was formed a long time ago and originally comprised of 5 M’Nam ethnic households residing along Dak Lieu stream. In 1950, it was split into 2 sub-villages Dak Lieu and Dak Lom. In 1997, Dak Lom villagers migrated to a different location (in close proximity to highway No.24 (Ngoc Bron and Kto Po Nong, which is around 2km from the previous residential area)). During 1994 - 2005, households increased to 17, including 1 Kinh ethnic migrant. So far, local people have relied on water paddy and traditional upland cultivation for subsistence needs. Since 2006 there have been significant changes in livelihoods strategies i.e. some households started collecting the leaf of Jewel orchid, the root of *Kadsura Coccinea* (Lem) and the bark of *Ilex Wallichii* to sell (mainly to the Chinese medicine market). New hybrid wet rice varieties were introduced under the state agriculture development program. Since 2011, vast forestland along highway No. 24 has been converted into high-yield cassava cropping for sale as an input material for E5-biofuel production in Quang Ngai neighboring province. Currently the village has 74 households, of which female headed households accounted for 11% (8 households). There are 73 ethnic M'nam and 1 Kinh household. The total population is 279 inhabitants, including 93 children under the age of 18 (33%). According to government data in 2017, there are 45 poor households (61%). According to the village, there are 4 poor households that face food shortages during 2-3 months a year.

**Dak Lieu village:** Dak Lieu village was established in 1950, as separate from the former Dak Lom village. Historically, its development is similar to Dak Lom. Nowadays, the village is located nearby highway No.24 and the center of Hieu commune. It is the smallest of the three villages with 38 ethnic minority households (133 inhabitants), of which 8 are female-headed households and account for 21%, and with 2 Kinh households arriving in the early 1920s. The village has 25 poor households (66%), with 8 poor households that face up to 2-3 months of food shortage in a year.

**Vi Chring village:** Established prior to 1945, the village originally only had about 15 households mainly living on wet rice cultivation in Dak Peac foot-hills. From 1946 to 1974, an inter-village road connecting the highway No.24 to remote villages Kon Pling and Kon Pieng in the South was built passing through Dak Xo and different clusters of Vi Choong and Vi Chring locals moved in establishing Dak Xo village. By this time, there were 20 households who started hilly farming with slash-and-burn to grow maize and cassava; while raising buffalo, pig and chicken. Such farming

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<sup>3</sup> For further evidence see: [Country social analysis, Ethnicity and Development in Vietnam, World Bank 2009](#)

<sup>4</sup> These estimates are based on the socio-economic baseline assessment 2014, which is one of the outputs of FFI’s EU-funded regional community carbon pools programme.

<sup>5</sup> The World Bank (2009) [Country social analysis, Ethnicity and Development in Vietnam, Summary Report \(Volume 1\)](#)

practices have been maintained until now. The village (which split from Plei Dak Xo in 1997) has a total of 38 ethnic minority households (141 inhabitants), of which 10 are female-headed (14%). The poverty rate is very high (73,7%). Three poor households regularly suffer from food shortages for 2-3 months every year.



Participatory social impact assessment, 2013

## Part D: Land Tenure & Carbon Rights

**D1** Describe the land tenure context and current understanding of carbon/ES rights for the project area(s) (PV requirements 1.1 & 1.2)

In Vietnam, all forested land belongs to the state by default. However, community land ownership and right of use, can be secured through land use certificates known as ‘Red Books’ usually issued for non-forested land, but increasingly also issued for forested land. Red Books are the strongest set of land rights available in Vietnam<sup>6</sup>. Red Books provide a right of use arising under law in accordance with relevant Vietnamese legislation and regulations under the Vietnam Land Law (2003). Green books are another type of certificate granted to communities for forest management purposes, but are not as significant by comparison, because they do not actually represent a transfer of tenure and their renewal is generally required on an annual basis. Green Books are often issued on government-owned watershed management forest.

**Table 3: Land allocations in each focal village**

Village	Total (ha)	Community forest (Plan Vivo)	Forest contracted with Kon plong Forest Ltd Company ( <i>state-owned forest management and logging company</i> )	Forest contracted with Thạchnhâm FPMB ( <i>watershed forest where communities receive state payments for forest protection - PFES</i> )
Total	3730.1	<b>1,238.0</b>	1,998.1	494.0
Dak Lom	1760.9	<b>260.0</b>	1,006.9	494.0
Dak Liêu	689.2	<b>170.0</b>	519.2	0.0

<sup>6</sup> Professor Thomas Sikor, pers. comms. May 2012.

Vi Chring	1280	<b>808.0</b>	472.0	0.0
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#### Land use rights for Dak Lom

The total land area under the Red Book<sup>7</sup> is 296.8 ha, including 260 ha community forest, 5.6 ha residential area (home and garden), 30.6 ha of wet rice and 0.6 ha of hilly farmland. In addition, there is also 0.2 ha of water surface in stream valley for fisheries production. Some additional hilly farmland for crops such as coffee, cassava and hybrid maize converted from forestland long ago was not included in the Red Book, so in terms of land ownership, it is still unrecognized, but will be legalized in the future.

#### Land use rights for Dak Lieu

The total area of land under the Red book is 195.1 ha, including 170 ha community forest, 3 ha residential land, 20.6 ha wet rice land and 1.5 ha of hilly farmland (cassava, coffee, etc,...). In addition, there are 0.1 ha water surface (small stream valley) used for fisheries production. In addition to the land under Red Book, a significant area of hilly farmland mostly for crops such as coffee, cassava and hybrid maize remains unrecognized (as in Dak Lom).

#### Land use rights for Vi Chring

The total land area with red book is 833.6 ha including 808 ha community forest, 7.9 ha residential land, 9.2 ha wet rice crop, 8.4 ha hilly land for cassava, coffee, fruit trees and Acacia plantation, and 0.2 ha water surface as fish pond. As with the other two villages, some households own hilly farmland without red book scattered within the landscape. The ownership of these parcels of land is based on customary law but the team believes that this will be legalized in the not too distant future.

Vietnam is in the process of developing legislation around carbon ownership and transfer rights as well as horizontal benefit sharing – these have not been finalised yet, but we are hopeful that they may be by the time the PDD is submitted. Currently, the legal background for the sales of credits on the voluntary carbon market for international and domestic buyers is described in article No 63, article 73, chapter No 8-Rights and Obligations of forest owners, forest law, No 166-General rights of land users, land law); (article 107 & 221, Civil law). Currently, an Emission Reduction Purchase Agreement (ERPA) is under development for World Bank funded subnational REDD+ pilots including 6 northern central coastal provinces.

## Part E: Project Interventions & Activities

### E1 Describe the types of interventions included in the project and envisaged to generate PV Certificates (PV requirements 2.1.1-2.1.4)

The main project intervention is the prevention of **unplanned deforestation and forest degradation** over 1,238 hectares as well as **ecosystem rehabilitation** over~ 100 hectares of heavily degraded forest.

**Baseline Deforestation in Reference Area** (%/yr) are as follows: Deforestation: 2%, Degradation: 3.5%, Regeneration rate: 0.11%

Deforestation and degradation rates were calculated as the average annual rate derived from the reference area over the historical reference period, as a proportion of the total forest cover (deforestation rate) and intact forest (degradation rate) respectively, at start of the historical reference period. Reference area statistics are still subject to further review. Regeneration rates were estimated using VM0006, eq 39.

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<sup>7</sup> Red book is called for land use rights paper delivered to land owners that certifies land owners' land use rights in stable and long term (50 years).

Current scenario modelling estimates are based on a range of 50–75% reduction in baseline emissions from deforestation and degradation each year due to project activity implementation.

**Avg Biomass (tC/ha)** - Estimates are based on a commune-wide inventory dataset collected by FFI in 2013 (30 plots total), to be updated in early 2019 and be restricted to the three focus villages.

**'Intact' forest strata**

Parameter	AGL	DW	BGB	
AVERAGE	194.7	19.9	35.8	tC/ha
STDEV	57.1	15.0	6.9	tC/ha
N	18	18	18	count
DF	17	17	17	n/a
t <sub>0.95</sub>	2.110	2.110	2.110	t-value
SE	13.5	3.5	1.6	tC/ha
CI <sub>95%</sub>	28.4	7.5	3.4	tC/ha

**'Degraded' forest strata**

Parameter	AGL	DW	BGB	
AVERAGE	123.63	22.43	23.48	tC/ha
STDEV	34.69	15.01	6.10	tC/ha
N	11	11	11	count
DF	10	10	10	
t <sub>0.95</sub>	2.228	2.228	2.228	t-value
SE	10.5	4.5	1.8	tC/ha
CI <sub>95%</sub>	23.3	10.1	4.1	tC/ha

Based on these estimates, but conservatively reducing biomass in line with relative forest quality in the three focal villages (more degraded than the commune average which includes watershed management forest), the average carbon benefit from the avoidance of unplanned deforestation and forest degradation in these sites is likely to be around 1.6 tCo<sub>2</sub> per ha per year over a project period of 30 years, leading to the following village specific estimates (please note that these are estimated as Net Emission Reductions (NERs), including indicative deductions for natural regeneration, buffer, leakage, LtWP and LULC discount factors):

Vi Chring = 808 ha, **1,317 tCo<sub>2</sub> avoided per yr**  
 Dak Lom = 260 ha, **424 tCo<sub>2</sub> avoided per yr**  
 Dak Lieu = 170 ha, **277 tCo<sub>2</sub> avoided per yr**

## **Part F: Identification of Any Non-Eligible Activities**

**F1 Describe any additional activities to be supported or implemented by the project**

- Strengthening of collaborative community forest governance models: Village forest management boards in each of the 3 villages, and an overarching community forest management board, has been established and legally endorsed. Patrol teams have also now been formally established under the Village Forest Management Boards, which includes the

- involvement of representatives of a significant number of commune households;
- Local governance frameworks: Village forest protection and development regulations have been drafted.
- Sustainable livelihoods diversification and improvement of wellbeing: A participatory market systems development approach (including a market systems selection exercise) will be employed to identify best opportunities for these communities, both in terms of better linking them up to existing markets and of exploring additional NTFP-based enterprises that could allow them to access new markets, and diversification of income away from cassava farming.
- Establishment of small woodlots to fulfill local timber for construction needs.
- FPIC guidelines for Community-based Forest Management have been developed as part of the REDD+ project activities, adapted from UN-REDD Vietnam materials to make them practical and enable local-level implementation in ethnic minority Communities in Vietnam.
- Funding mechanism for direct benefits to communities: FFI has already established a community-centric funding model for forest protection patrols, which is deliberately designed to avoid the potential for corruption through removing district-level administrative intermediaries<sup>8</sup>, and ensuring direct benefits are received directly at the village level. In particular, FFI has developed a simplified process for transfer of money to villagers, through a 'bank for the poor' approach. FFI transfers funds to an account directly accessible by patrol teams, who can withdraw money with only simple endorsement from the commune authority. To date the model has reportedly been very successful and key community members have received training to improve their confidence and skills in financial management of these funds.

## Part G: Long-Term Sustainability Drivers

### G1 Description of project design that will ensure the project is self-sustaining after carbon/PES revenues cease

Multi-purpose tree species planting will not only sequester carbon, but will also provide long-term income and improve food security for local communities, while improving ecosystem services, such as soil stability, water provisioning and micro-climate regulation. Soil stability is particularly important since cassava crops have resulted in reduced soil stability and damaged rice fields on occasion.

The establishment of wood lots should be able to meet local demand for timber, (as listed below) without contributing to further degrading the community forests.

**Table 4: Annual demand of timber and firewood**

Village	Diameter classes	Timber demand divided into different purposes						
		Living house	Farm-house	Store-house	Cattle-sheds	Fence	Coffin	Fire wood
Đăk Lom	>40 cm	16	4	2	4	0	1	
	31 – 40 cm	16	8	0	0	0	0	
	21 – 30 cm	4	0	6	12	0	0	
	8 – 20 cm	0	0	0	0	82	0	
	Ster							3,915

<sup>8</sup> Experience in Vietnam has already shown that a district-level management unit arrangement is prone to corruption. A fundamental issue is the low capacity of district-level institutions such as the Department of Natural Resources and Environment (DoNRE) and the Forest Protection Department (FPD).

Village	Diameter classes	Timber demand divided into different purposes						
		Living house	Farm-house	Store-house	Cattle-sheds	Fence	Coffin	Fire wood
Đắk Liêu	>40 cm	8	2	1	4	0	1	
	31 – 40 cm	8	4	0	0	0	0	
	21 – 30 cm	2	0	3	12	0	0	
	8 – 20 cm	0	0	0	0	41	0	
	Ster							2,010
Vi Chring	>40 cm	8	4	1	5	0	1	
	31 – 40 cm	8	8	0	0	0	0	
	21 – 30 cm	4	0	3	15	41	0	
	8 – 20 cm	0	0	0	0		0	
		Ster						
Total	>40 cm	32	10	4	13	0	3	0
	31 – 40 cm	32	20	0	0	0	0	0
	21 – 30 cm	10	0	12	39	0	0	0
	8 – 20 cm	0	0	0	0	164	0	0
		Ster						

## Part H: Applicant Organisation & Proposed Governance Structure

### H1 Project Organisational Structure (PV requirements 3.1-3.6)

The project beneficiaries are 3 villages of the Hieu Commune, represented through the Community Forest Management Boards of each village. The Community Forestry Management Boards (CBMF) are recognised as legal entities, established under a Decision by the Hieu Commune People's Committee.

The project coordinator will be Fauna & Flora International (FFI), a Registered Charity (Number 1011102) at the forefront of efforts to develop grounded REDD+ initiatives that build the capacity of local actors to implement projects that maximise co-benefits for people and for biodiversity.

The project is managed through a participatory or community-led approach. FFI supports communities to:

- Strengthen Community Forest Management Board (CFMB) with a head, vice head, supervisor, accountant
- Support and strengthen village patrolling teams
- Open Bank accounts

Moreover, FFI identifies, consults and seeks consent from different groups of stakeholders (group of

powerful hhs, group of poor and vulnerable hhs, group of non-poor hhs etc)

As the project coordinator, the FFI field team consists of 3 staff, working with local communities as per monthly work-plans agreed with FFI's partners (KFW10 project and the project communities). During the stage of the project design, KFW10 project is responsible for some activities (e.g forest patrols, sustainable forest management planning, KFW10 funded livelihood activities), while FFI is primarily responsible for PDD development. For each activity (Forest patrol, FPIC, Social Impact Assessment, land use planning, benefit sharing mechanism, etc), FFI starts to work with CFMB and then all villagers through plenary village meetings and focal stakeholder group discussions. This ensures that the villagers are directly involved in decision-making. For forest patrol or sustainable forest management planning, KFW10 staff provides facilitation and coordination of training, technical and legal support in work-planning, law enforcement data recording and reporting.

**H2 Applicant organisation (not necessarily the project coordinator) must provide the following information about itself:**

FFI is the world's first international wildlife conservation organisation. It aims to conserve threatened species and ecosystems worldwide, choosing solutions that are sustainable, based on sound science, and which take into account human needs. FFI work in more than 40 countries across Africa, the Americas, Eurasia and Asia-Pacific; with over 140 conservation projects around the world and 321 partners supported, including governments, universities and private businesses.

FFI's niche in REDD+ combines a focus on High Conservation Value landscapes, more than a century of practical conservation experience through long-standing local partnerships, and strong in-house technical expertise capable of both adapting to and influencing this rapidly evolving sector. For the past ten years FFI has invested in developing a portfolio of REDD+ projects across seven countries to test and help develop REDD+ approaches for global application. FFI works with a wide range of partners, from investors, national and sub-national governments, to local NGOs, Indigenous Peoples and local communities. FFI's team of forest carbon, biodiversity and socio-economic specialists support our field teams to identify, develop and implement REDD+ projects in line with leading carbon and multi-benefit standards.

Mr Dang Thanh Liem, National Coordinator, FFI Vietnam

Liem has been working with FFI since the inception of the Community Carbon Pools Programme in Vietnam in May 2011 acting as National Project Manager/National Coordinator. He has a Bachelor of Science in Forestry and 20 years' experience working in the forestry sector, including in the areas of Natural Resource Management, Community Forest Management, Land Use Planning, Land Allocation, Forest Policy Development, Forest Law Enforcement Governance and Trade (FLEGT), Monitoring and Evaluation, lately especially related to REDD+. He has held project management positions for 10 years with much experience in human resource management, project planning, supervision and reporting. He has technical expertise in the preparation of training materials, guidelines and policy briefs; and training/coaching of local partners and project staff in community forest management, land use planning, land allocation and social thematic in REDD+. He has in-depth knowledge of Vietnam legal frameworks mostly for land tenure and forest management.



Mr Pham Hai Giap, Carbon Inventory Officer, FFI Vietnam

Assigned to take the responsibility for carbon work. He has a Bachelor of Science in

Environment and Forest Resources Management. He has 5 years' experience in forest inventory while he has worked for subFIPI (Forest Inventory and Planning Institute in the Northern-Central Region), specifically expertised in using inventory equipment and software application for mapping Mapinfo, Arcview and GPS as well. He has experienced working with multi-governmental organizations and forestry development projects. He has recently proved to be very capable in carbon inventory and possesses a high sense of responsibility e.g. independently working to provide training/coaching, elaboration of carbon inventory guideline and mapping.

Miss Nguyen Thi Tien, Biodiversity Conservation Officer, FFI Vietnam

Assigned to take the responsibility for HCVF assessment and planning, and community-based biodiversity monitoring schemes. She has a Bachelor of Science in Biology. She has 3 years' experience in wildlife conservation, mostly primates, with a combination of knowledge and practical skills. Since Tien has worked for FFI, she has successfully conducted field surveys and applied an ongoing community-based biodiversity monitoring demonstration with SMART software application.

Mr Nguyen Van Phuong, Community Facilitator, FFI Vietnam

Assigned to assist in field implementation of community work. He has a Bachelor of Science in Forestry. He has knowledge of Land Use Planning, Land Allocation and Community Forestry after 4 years working for the local Forestry Consultancy Companies in Kontum Province. He is skilled in working with local communities. Under training/coaching by the National Coordinator, he has successfully conducted Free, Prior and Informed Consent (FPIC) based community consultations, community forest management, institution development, land use survey and planning, forest patrol and Social Impact Assessments. Further he is skilled in GIS based mapping, using Mapinfo software. Concurrently he was assigned to take responsibility for project finance and administration based on avail of experience of statutory grant management (contract making, estimation of budget, etc) for four years since employment on the FFI project.

Josh Kempinski, Vietnam Country Director, FFI Vietnam

Benefits from in-depth understanding and experience designing REDD+ projects, and will be providing management oversight.

Vanessa Evans, Responsible Investments and socio-economic specialist, FFI UK

Vanessa brings a wealth of knowledge acquired in Liberia, Cambodia, Indonesia and Vietnam in FPIC, establishing grievance and benefit-sharing mechanisms as well as optimising wellbeing assessments and other types of socio-economic surveys.

James Smith, Forest Carbon Specialist, FFI UK

James will provide support on forest carbon plot measurement, analysis and technical specification development

Dorothea Pio, Biodiversity Finance Specialist, FFI UK

Experienced in coordinating Plan Vivo projects from PIN/PDD development and revision, validation, monitoring, annual reporting, as well as achieving registration, issuance and sale of Plan Vivo certificates.

## **Part I: Community-Led Design Plan**

- I1 Submit a plan for achieving community participation in the project, including a mechanism for ongoing consultation with target groups and producers (PV requirement 4.1)**

This project will be following FPIC principles throughout:

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## **Community Engagement and Free Prior Informed Consent**

Past work completed through implementation of the EU REDD Community Carbon Pool Programme 2012-13 includes the following:

- Ongoing culturally appropriate and gender sensitive community consultations on participatory project design, and awareness-raising on the mechanisms of REDD+
- Development of locally appropriate FPIC guidelines and training of community facilitators on the FPIC process.
- FPIC voting, where the 3 villages in the project area agreed to allow FFI to work in the villages with the aim to develop a REDD+ project. Following the principle of FPIC is ongoing on the project village, and will be for the duration of the project. Consent is sought for each major project decision.
- Ongoing awareness raising around the existing commune level grievance mechanism, and community consultations to establish whether it can be adapted in the context of the REDD+ project.
- Socioeconomic baseline surveys for the 3 villages (2013 - report available), including identifying and differentiating of all stakeholders affected by the project
- Social impact assessment (2013)

## **Benefit Sharing**

A draft concept for a Benefit Sharing Mechanism (BSM) for the Hieu Commune REDD+ project was developed as an output from the EU REDD Community Carbon Pool Programme "benefit sharing learning workshop" in 2013.

Focus group discussions and key farmer interviews were conducted in July 2018 to update the social baselines and social impact assessment in all three villages, confirming community-level support for the project.

Benefit sharing mechanism development and finalisation is proposed as an activity over the coming year. This will involve an extensive consultation process including focus group discussions at the Village, Commune and District levels, followed by formal negotiation and approval meetings with Commune, District, Provincial and National government authorities.

## **Part J: Additionality Analysis**

### **J1 Description of how project activities additional (PV requirement 5.4)**

The project is not the product of a legislative decree or a commercial land-use initiative which would have been financially viable in its own right.

An assessment of the additionality of the project was completed by FFI's Conservation Finance and Enterprise team, in accordance with the VCS Tool for the Demonstration of Additionality on VCS Agriculture, Forestry and Other Land Use (AFOLU) Project Activities (VT0001 V3.0)<sup>9</sup>.

Based on a review of documented evidence, the additionality assessment concluded that the most plausible baseline scenario is the continuation of deforestation and degradation in the project area predominantly as a result of slash and burn agriculture and illegal logging activities.

## **Part K: Notification of Relevant Bodies & Regulations**

### **K1 Provide both of the following (scanned copy of letter, or email):**

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<sup>9</sup> <http://www.v-c-s.org/methodologies/VT0001>

Government approvals and endorsement for the project include the following;

- Official Government endorsement for the project was received in an Approval letter from the Kon Tum Provincial People's committee for REDD+ project development activities initiated under the Community Carbon Pools Programme, dated February 2012;
- A formal agreement/decision to the establish a Project Management Unit for the REDD+ project was approved by Kon Tum Provincial Government Department of Agriculture and Rural Development, dated May 2012;
- An agreement to establish a District-level technical working group for the project was signed by Kon Plong District Government, dated June 2012;
- The village Community Forest Management Board and each of the village forest patrols were approved by Hieu Commune People's Committee, dated March 2013.

Documented evidence for each of these agreements is available on request from FFI.

The project coordinator commits to comply with all relevant national and international regulations

## **Part L: Identification of Start-Up Funding**

- L1 Provide details of how the project will be financed in the development phase, before full project registration**

Start-up finance is being provided through KfW10, via a contract with the Management Board for Forestry Projects (National Project Management Unit – KfW10) with funds from KfW (the German government-owned development Bank).