Briefing

Collective action to protect upland forests in Vietnam

A community-led approach to forest protection

Key messages

- The Centre of Research and Development in Upland Areas (CERDA) and the EU REDD Facility conducted a pilot intervention to demonstrate how a collective action approach to forest protection could overcome challenges associated with Forest Land Allocation (FLA) and Forest Allocation (FA) in upland regions in Vietnam.
- The pilot project in Thai Nguyen Province supports upland communities to form self-governing groups and cooperatives to manage the forests that underpin their livelihoods and traditions. By forming self-governing groups, communities can legally claim long-term forest-use rights.
- The pilot intervention has supported a low-cost FA process by training and supporting community members to conduct administrative activities, measures to secure free, prior and informed consent, consultations, grievance procedures, participatory land-use planning for low-emissions development and community-based forest and carbon monitoring.
- Incentives have been created for communities to engage in forest protection efforts including a revolving fund for microcredit tied to performance and creating greater social capital through the cooperative governance structures.
- Community led forest governance can achieve reliable, cost-effective and participative forest protection measures, although significant capacity building and external support is required to ensure the sustainability of cooperative governance structures.

About this publication

Collective action to protect upland forests

A community-led approach to forest protection

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Introduction

Vietnam has made strides in reversing rapid forest loss through afforestation and regeneration efforts in recent years. Over the last two decades, the Government of Vietnam, through a policy of Forest Land Allocation (FLA) and Forest Allocation (FA), has transferred forest management to households and local communities in order to improve sustainable forest management and alleviate poverty. The policy is based on the theory that improving access to forest land and giving local people the right to make productive use of forest will motivate them to use and manage the land more carefully and sustainably. Unfortunately, the implementation of FLA/FA has been less successful than anticipated in the remote uplands of Vietnam, which are the most forested regions. The country's last remaining intact natural forests in the upland areas bordering Cambodia, Laos and China are under threat from illegal logging and illegal timber trade. These areas are home to local communities, including marginalized ethnic groups, who have few incentives to manage forests sustainably. This policy brief outlines a pilot intervention which explores an innovative way to implement FLA/FA in upland regions in Vietnam to achieve sustainable forest management and poverty alleviation outcomes.

Fruit trees in Thai Nguyen Province
Source: CERDA

Some of the key barriers to implementation of FLA/FA in upland regions are:

- Diversity of forest management systems: the diverse forest management systems of upland communities include systems based on households, groups and village collectives. This diversity is much more complex in remote upland regions of Vietnam than in other parts of the country, where systems tend to be based on individual management models. As a result, the emphasis given to household-based and, more recently, village-level allocation in upland regions means FLA/FA can be incompatible with customary practices of forest management where local people have traditionally managed forests collectively at the sub-village level.
- Compliance costs of FLA/FA: in upland regions, unallocated forest is typically quite distant from villages. As a result, local people can be reluctant to instigate FLA/FA procedures due to the cost of conforming with land-use requirements such as forest protection and monitoring.
- Limited access to commercial markets: the remoteness and poor road conditions in upland unallocated forest lands often means that they are beyond the reach of viable commercial markets. In addition, local people can be reluctant to instigate FLA/FA procedures due to limited commercial opportunities.
- Limited capacity and resources of commune and district people's committees to implement FLA/FA: the formal process for FLA/FA is lengthy, involving many administrative steps. The capacity and financial resources of people's committees in upland regions to implement all these steps is limited.
- Limited access to external finance: land managers often require external finance, access to which is much more restricted in upland regions than elsewhere. Most rural bank branches, and associated capital, are concentrated in the lowlands and midlands of Vietnam, meaning it is more difficult for local people in upland regions to gain access to funds for improving land management practices.

The proportion of unallocated forest land in upland regions is higher than than in the rest of Vietnam. Almost one-quarter of upland forest land is awaiting allocation and is under temporary administration by people's committees. In practice, this means that much of this land is 'open access', as few people's committees have the capacity to assume legal responsibility for forest management, nor do they have the mandate to contract forest land to individuals or other entities for protection. 'Open access' in unallocated areas is associated with: i) declining forest cover and forest quality; ii) unsustainable land-use practices; and iii) limited opportunities for poverty alleviation.

Box 1. Status of forest resources in Vietnam

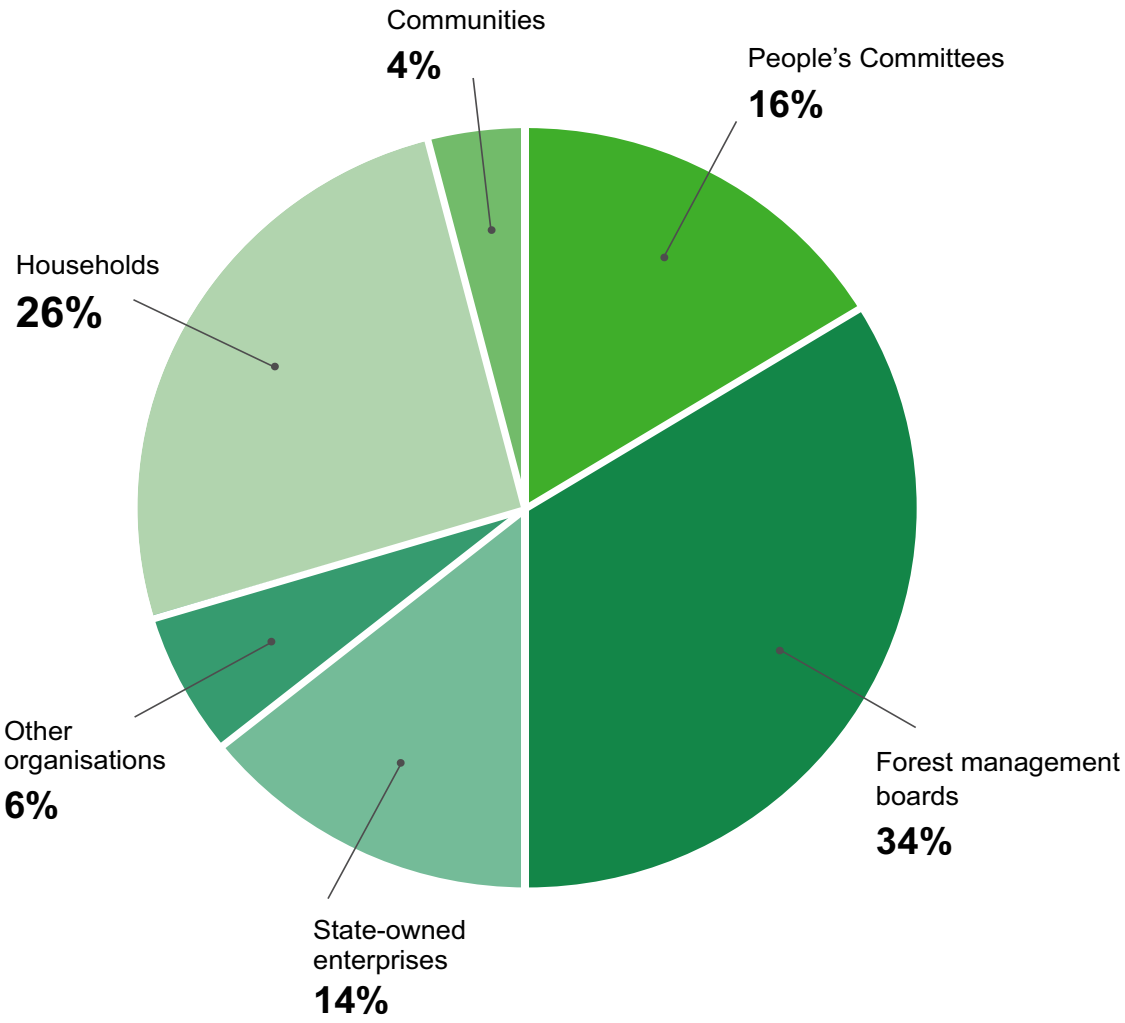
Decision 1739 of the Ministry of Agriculture and Rural Development (MARD) dated 31 July 2013 stated that at the end of 2012, Vietnam had 13.8 million ha (hectares) of forests, comprising: natural forests (10.4 million ha) and plantations (3.4 million ha). Typically, forests are categorised into three types for legal and management purposes: special-use forest (2.02 million ha), protection forest (4.68 million ha) and production forest (6.96 million ha). Table 1 shows the area of each type of forest in Vietnam.

Table 1. Forest resources in Vietnam (ha) 2012

Forest type	Total	Special-use	Protection	Production	Not belonging to forestry land categorisation
Natural	10 423 844	1 940 309	4 023 040	4 415 855	44 641
Plantation	3 438 200	81 686	652 364	2 548 561	155 589
Forested land	15 373 063	2 021 995	4 675 404	6 964 415	200 230

Forest has been allocated to several different groups, namely protection and special-use forest management boards (currently managing some 4.6 million ha or 33% of total forest area), households (3.4 million ha or 25%) and state-owned enterprises (14%). Forest allocated to communities is almost 600 000 ha. Although the revised version of the Forest Protection and Management Law issued in 2004 did not recognise commune peoples committee (CPCs) as forest owners, a large area of about 2.19 million ha has been 'temporarily' allocated to CPCs, of which 81.7% is natural forest and the remaining 18.3% is plantation. Figure 2 illustrates the area of forest owned and managed by different groups in 2012.

Figure 1. Forest owners and forest area managers (%) 2012



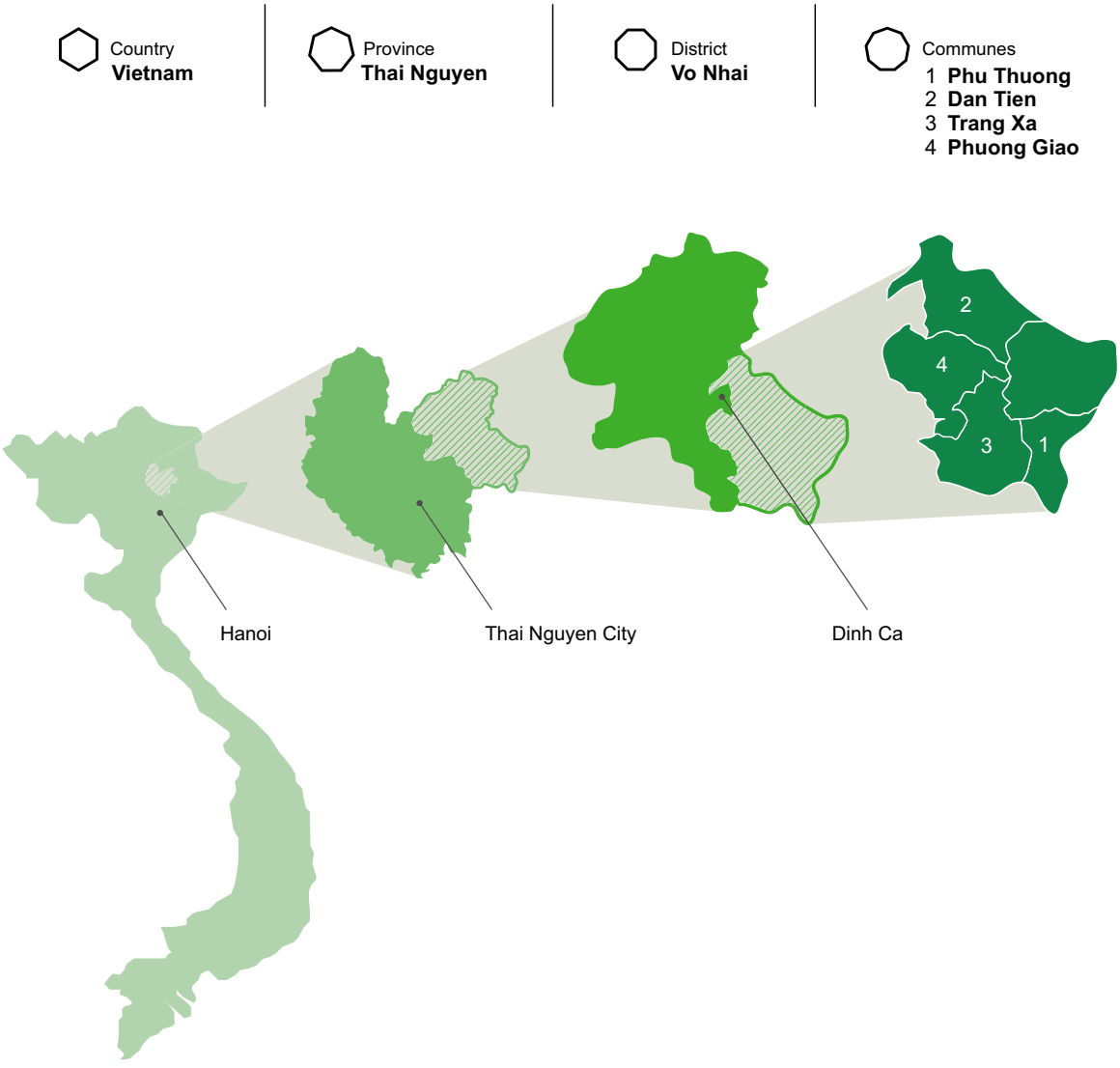
Collective action to protect upland forest

The Centre of Research and Development in Upland Areas (CERDA), with the support of the EU REDD Facility, conducted a pilot intervention to demonstrate how a collective action approach to forest protection could overcome some of the challenges associated with FLA/FA in upland regions in Vietnam. The intervention was conducted in Thai Nguyen Province, in the northern uplands of Vietnam. The pilot intervention expands on CERDA's previous work in the Binh Long commune, funded by the Norwegian Agency for Development Cooperation, to four neighbouring communes in the Vo Nhai District: Phu Thuong, Dan Tien, Trang Xa and Phuong Giao. The Tay and Nunug ethnic groups each make up about 20% of the communes, the Dao 15% and Cao Lan, Sun Diu, San Chi, H'Mong, Thai, Kinh and Muong the rest. Poverty affects around a third of the people in these communes.

The key components of the intervention were:

- Collective governance structures
- Low-cost forest allocation
- Community-based forest protection
- Incentives for participation

Figure 2. Pilot intervention location



Collective governance structures

To support collective action, villagers in each of the four communes, with the approval of their district people's committee, formed an agricultural, forestry and environmental cooperative. Each community cooperative has a chairman, board of directors, control board and a management board that includes the village heads and the leaders of the cooperative operational units. Altogether, the community cooperatives involve 67 self-governing groups, each representing 15 to 25 households. The cooperative and self-governing group governance structures reflect customary practices, as local people have traditionally managed forests collectively at the sub-village level. The governance structures developed were accepted positively by local people.

Table 2. Cooperatives, self-governing groups (SGGs) and households participating in the pilot intervention

Commune	Total people	Total households	Total villages	Number of villages in intervention	Number of SGGs	Number of members in SGGs
Phuong Giao	4 386	1 017	14	12	21	398
Dan Tien	8 727	2 022	20	9	16	340
Phu Thuong	6 384	1 596	13	10	20	239
Trang Xa	4 990	1 212	11	1	10	145
Total	24 487	5 847	58	32	67	1 122

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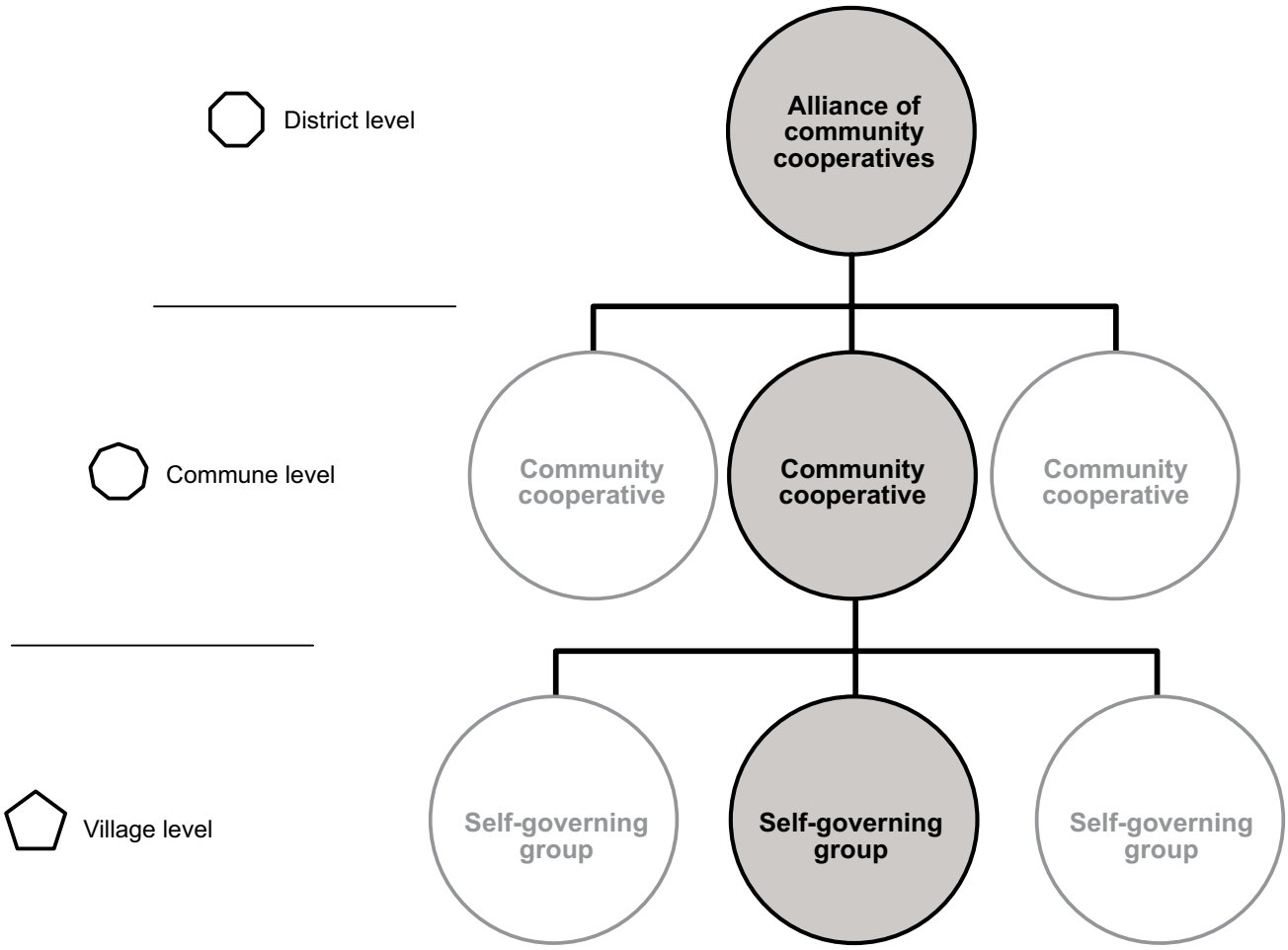
Collective action in Thai Nguyen Province

Source: CERDA

Membership of community cooperatives was on a voluntary, informed basis. A free, prior and informed consent process educated villagers on the rights and obligations of membership of the self-governing groups and community cooperatives, and the reasons why a cooperative structure is beneficial. Any villager wanting to join was invited to submit an application for membership. The community cooperative called a conference to review applications. Membership required households to 'comply fully with all regulations and rules of the cooperative and the self-governing groups'. Community cooperatives also formed an alliance of community cooperatives to coordinate and collaborate across commune boundaries.

Figure 3. Forms of collective organisation at village, commune and district level



Low-cost forest allocation

The formal process for FLA/FA can be costly, involving many administrative steps. The pilot intervention supported a low-cost FA process through a range of activities:

- Establishing community teams in the cooperatives and training them to use the global positioning system and to read maps, and in forest inventory methods for assessment and monitoring
- Establishing community teams in the cooperatives to communicate information and arrange consultations, obtain free, prior and informed consent from communities, facilitate discussions in communes and negotiate the distribution of forest areas among self-governing groups
- Coordinating field work in the four communes: measuring the area of forest in the field, agreeing on the location of inventory plots, delineating allocation boundaries in the field, collecting forest characteristics within these areas
- Supporting self-governing groups to develop their FA proposals (forest map, standing volumes and land-use plan) and deliver them to commune committees and their district people's committee for approval
- Supporting commune people's committees to establish governance structures (council) for allocating forest-use rights to self-governing groups

Circular 38/2007/TT-BNN stipulates that many of the above activities must be completed by an independent consultant. This intervention piloted an alternative approach in which responsibilities for these activities are transferred to the community.

In all four communes, unallocated production forest was equally distributed between self-governing groups, independent of the quality of the forest resources. The District People's Committee was requested to grant the self-governing groups tenure rights to the forest for 50 years. The District People's Committee was not asked to issue legal use right certificates to self-governing groups, but simply to issue the decision. CERDA and the cooperatives continue to support the commune and District People's Committee to finalise the allocation of 3 093 ha of forest to the 67 self-governing groups. It is anticipated that this allocation will be finalised in late 2016. It is estimated that costs using the pilot approach were around VND 291 000 per hectare, which is less than the normal cost defined in Decision 112/2008/QD-BNN.

Table 3. Current status of forest allocation

Commune	Available forest area for allocation (ha)
Phuong Giao	1 770
Dan Tien	406
Phu Thuong	700
Trang Xa	217
Total	3 093

Collective action in Thai Nguyen Province
Source: CERDA

Community-based forest protection

As allocated forest lands are some distance from villages, the cost to individual households and self-governing groups of conforming to land-use duties and requirements is relatively high. As a consequence, cooperative governance structures were piloted to establish whether or not economies of scale would lower land-use conformance costs.

Within each cooperative, two operational forest protection and control units were created. Forest protection within each cooperative was implemented through a three-way contract between these units and the self-governing groups. Under the contracts, the self-governing groups are required to: pay an annual fee to the annual forest protection fund (to fund the activities of the forest protection and control units, and to support the administration costs of the community cooperative and alliance of community cooperatives); detect forest violations and report them immediately; self-monitor and ensure forest protection regulations are being followed; and meet regularly to exchange information on forest decisions, issues and forest protection fees.

The forest protection unit is required to: develop and implement forest protection plans, patrol and manage illegal actions, maintain signage, maintain a 24-hour violations hotline, collect evidence of violations and deliver it to the appropriate authority for action, and monitor forest change and development (by area and volume). The control unit is required to: independently monitor the performance of forest protection plans and the overall contract, maintain a grievance mechanism, manage a sanctions mechanism, work in collaboration with the cooperative in regards to violations, and provide recommendations on how forest protection collaboration with commune committees and the District People's Committee can be improved.

In addition, each of the cooperatives has agreed to protect neighbouring cooperatives' forests by signing a community convention for forest protection. This convention was implemented through the alliance of community cooperatives.

Although there are no quantitative measures of improved forest protection, the self-governing groups, cooperatives and communes have all reported improvements, especially a reduction in illegal harvesting of fuel wood, over the last 18 months. The exception to this is continued illegal logging in remote parts of Phuong Giao and Dan Tien forest areas. CERDA and the relevant cooperatives are continuing to work closely with the government on this matter.

Incentives for participation

The intervention involved 1 112 households in 67 self-governing groups. To encourage participation, the intervention provided the following benefits:

- As it will take time for performance-based payments to reach the self-governing groups, until these funds are disbursed, interim financial support to self-governing groups was provided through an agricultural microcredit revolving fund. Access to the revolving fund was conditional upon self-governing groups paying an annual fee to the annual forest protection fund (see section on Community-based forest protection). The revolving fund is managed through a contract between the self-governing groups and the cooperatives. The pilot intervention provided initial capital of VND 1 010 000 000 to the revolving fund. The revolving fund provides finance for self-governing groups to purchase agricultural inputs. The cost of agricultural inputs must be repaid at the end of each growing season. The self-governing groups benefit from interest-free access to finance and economies of scale that lower the costs of agricultural inputs. In the first growing season, the self-governing groups were able to purchase 231 925 kg of fertiliser. It is estimated that this fertiliser cost less and was of much better quality than previous purchases.
- Additional benefits of a cooperative include the creation of a legal entity and the social relations that enable individual households to achieve goals that they might not otherwise be able to achieve by themselves. As such, the cooperatives enable self-governing groups to improve product and service quality, and reduce risks. They also empower their members economically and socially by involving them in decision-making processes that create additional rural employment opportunities, or by enabling them to become more resilient to economic and environmental shocks.
- CERDA has also provided various kinds of support for local agriculture as rewards for households' involvement. Helped by the director's background as an agricultural expert, CERDA has implemented various 'livelihood improvement activities', such as making domestic compost to reduce reliance on chemical fertilisers.
- It is assumed that the improvements in community forest protection from this intervention will result in an increase in carbon stocks. The intention is to reward the self-governing groups for increasing carbon stocks through results-based payments. The four cooperatives have developed a community-based monitoring information system to support this process. As forest protection is conducted collectively across the four cooperatives, it was agreed to distribute the results-based payment uniformly across the forest area. The results-based payment process will be delivered through two contracts: i) between the alliance of community cooperatives and the cooperatives; and ii) between the cooperatives and self-governing groups. A draft version of the contract will be discussed in August 2016. It is proposed that the results-based payment will be executed by transferring ownership of the capital of the agricultural microcredit revolving fund from the cooperatives to the self-governing groups. It should be noted that although ownership of the capital will be transferred to the self-governing groups, they have agreed that the capital will remain in the revolving fund. The pilot intervention has only provided enough capital for 1.5 years of results-based payments. After this, the community cooperatives will be ready to join a results-based forest protection programme, as the allocated forest user.

Findings

The main objectives were to inform future implementation of FA/FLA by exploring the impact of a community-led approach to forest protection on the intended beneficiaries and the environment, and by identifying common issues and outcomes across the four communes. The main findings are presented under four themes: intervention process, economic outcomes, social outcomes and environmental outcomes.

Intervention process

- Mapping and inventory by communities can be a cost-effective alternative, and supplement, to intensive forest mapping and inventory by trained technicians. The forest land was mapped, inventoried and demarcated on the ground in a cost-efficient manner, with significant support from the community.
- The pilot intervention had a thorough participatory process, as measured by the number of commune, village, cooperative and self-governing group meetings. It is unlikely that this level of participation would be sustainable without external investment.
- Significant capacity building is required to ensure sustainability of cooperative governance structures and is likely to require external investment.

Economic outcomes

- Allocation of poor quality natural forest to communities has resulted in limited 'livelihood improvement activities' within the forest.
- Communities lack sufficient financial resources and manpower to realise the economic potential of natural forests.
- Interim support prior to the receipt of results-based payments can be delivered through revolving funds and cooperative economies of scale that enable communities to acquire low-cost, high quality agricultural inputs.
- Sources of funding for results-based payments for carbon capture or forest protection need to be explored to ensure sustainability.

Collective action in Thai Nguyen Province

Source: CERDA

Social outcomes

- The collective structures of self-governing groups and cooperatives have developed significant social capital among participating households and villages. Benefits include greater community cohesion, greater awareness of community roles in forest management and protection, and collective organisation.
- There is now a greater sense of collective ownership and responsibility for allocated forest, including forest protection.
- Economic benefits have been distributed evenly across participating self-governing groups. This has avoided conflict between high social capital (village leaders) and low social capital (economically poor) households.

Environmental outcomes

- Unallocated forest in upland regions is often of poor environmental quality and may have low potential for carbon capture.
- It has been reported that improvements in forest quality (including ecosystem functions and biodiversity) have been achieved.

About the EU REDD Facility

The EU REDD Facility supports partner countries in improving land use governance as part of their effort to slow, halt and reverse deforestation. The Facility also supports the overall EU effort to reduce its impact on deforestation in developing countries. The Facility is hosted by the European Forest Institute (EFI), and was established in 2010.

Disclaimer

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