A REPORT ON THE NATIONAL WORKSHOP FOR:

Sharing Lessons Learnt from REDD+ Piloting at Sub-national Level in Vietnam

March, 2015

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I. Overview

This national, multi-stakeholder workshop represented the first opportunity for key civil society actors and governmental decision makers in Vietnam to share experiences, tools and lessons on all aspects of REDD+ piloting and other related strategies. It also offered a platform to help strengthen peer support networks, and provided the basis for documentation and dissemination of 'best practice' approaches to key REDD+ issues in support of effective national policy design and implementation. The workshop focussed on the Community Carbon Pools project in Kon Plong District, Kon Tum Province, as a scalable and replicable model for Vietnam, whilst also bringing in knowledge and experience from a range of NGO and multilateral REDD+ piloting and readiness preparations in Vietnam.

II. Background and Rationale

Key to the success of national REDD+ development will be the inclusion of critically important and relevant lessons from sub-national piloting of REDD+, including efforts towards avoidance, mitigation and monitoring of leakage of emissions from project sites as well as across national borders. Experiences with the Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreement (VPA) on governance and law enforcement and Payments for Forest Ecosystem Services (PFES) have also been invaluable. In discussions with VNFOREST / Vietnam REDD+ Office (VRO) and UN-REDD there has been enthusiasm for this more iterative and holistic approach to UN-REDD Phase II and the final NRP, which includes the experience from ongoing pilot activities.

Fauna & Flora International have been through a European Union funded process of REDD+ design and implementation in in Kon Plong District, Kon Tum Province, since 2010. During 2014-15 FFI has been supported by the European Union REDD+ Facility, European Forest Institute, to gather together lessons learnt from FFI's own REDD+ demonstration work and that of other development partners, with UN-REDD, FCPF and the VRO, in pursuit of best practice REDD+ implementation.

FFI facilitated a joint VNFOREST/VRO national lessons learnt workshop at which project-level experience of REDD+ implementation were explored and shared with key national and local/provincial-level decision and policy makers in the agriculture and forestry sectors.

Arranged in cooperation with the most relevant agencies and organizations involved in piloting REDD+ at sub-national level, the workshop aimed to summarize this experience for the benefit of: (i) National REDD+ implementation, in particular for ER-PIN development, and including approaches to nested implementation; and (ii) Sub-national

REDD+ developments, and particularly in the context of the emerging Provincial REDD+ Action Plans.

All lessons learnt from project-level piloting and the conclusions of the workshop were collated and made widely available in five, dual language policy briefs, this workshop report and accompanying press releases. These outputs form the potential basis for further integration of knowledge from FLEGT development, PFES, REDD+ piloting and national REDD+ policy development in Vietnam to be hopefully showcased at a side-event at UNFCCC COP 21 (in Paris, 2015), if additional funding can be secured.

III. Workshop Goal and Objectives

The goal of the workshop was to harness experience from sub-national REDD+ piloting to inform national REDD+ policy development through access to and discussion with key REDD+ and FLEGT stakeholders in Vietnam.

Objectives:

- Share experience, tools and lessons learnt to date on all aspects of REDD+ piloting where they are relevant to national implementation, including:
    - Benefit sharing; monitoring, reporting and verification; sub-national (jurisdictional) approaches to REDD+, as part of a phased and nested approach to national level implementation; safeguards and safeguard information systems; carbon accounting; design of incentive and disincentive schemes; enabling conditions / governance; law, tenure and rights; forest land allocation; sustainable forest management; validation and standards (auditing); credit issuance, contracts and Emission Reduction Purchase Agreements (ERPA)
- Build stronger networks of peer support between participants addressing key policy, design, social, biodiversity and carbon aspects of REDD+
- Provide the basis for documentation and dissemination of lessons learnt and good practice approaches required for national REDD+ policy and implementation arrangements

IV. Agenda

FFI and VRO facilitated a one-day, National REDD+ Lessons Learnt Workshop in the Army Hotel, 33 Pham Ngu Lao St, Hanoi, on 5th March 2015. The workshop was chaired by Dr. Nguyen Phu Hung, Chief Officer of Vietnam REDD+ Office.

Table 1. Event Programme

Time	Section	Methodology	Lead/speakers
08:00 – 08:30	**Registration**		**VRO/FFI staff**
08:30 – 08:35	Welcome & introduction Workshop agenda	Speech	Truong Tat Do, VRO / Facilitator
08:35 – 08:45	Opening remarks	Speech	Dr. Nguyen Phu Hung VRO
08:45 – 09:10	Legal framework for REDD+ development: The National REDD+ Action Plan	Presentation, including 5-10 min for Q&A	Pham Quoc Hung, VRO
09:10 – 09:35	REDD+ pilot case study in Kon Tum: FFI's experience with REDD+ piloting in Hieu Commune and links to national REDD+ readiness	Presentation, including 5-10 min for Q&A	Dang Thanh Liem, FFI
09:35 – 09:50	REDD+ pilot case study in Thai Nguyen	Presentation and Q&A (15 mins)	Mrs. Vu Thi Hien, CERDA
09:50 – 10:05	REDD+ pilot case study in Dien Bien	Presentation and Q&A (15 mins)	Baku Takahashi, JICA
10:05 – 10:25	**Tea break**		
10:25 – 10:40	Safeguards	Presentation and Q&A (15 mins)	Ly Minh Hai, SNV
10:40 – 10:55	Quang Binh REDD+ Pilot	Presentation and Q&A (15 mins)	To Thi Thu Huong, GIZ
10:55 – 12:20	<u>Thematic presentations:</u> - Tenure issues & rights, forest land allocation **(Liem)** - Consultation, participation & FPIC **(Liem)** - Scaling-up, JNR and nesting within national REDD+ **(Josh)** - Carbon finance as part of sustainable landscapes **(Josh)** - Carbon accounting and methodologies **(Samantha Citroen)**	5 presentations (10 - 15 mins each) and including plenary discussion (Q&A)	Dang Thanh Liem Josh Kempinski Samantha Citroen
12:20 – 12:30	Reflections on key themes and lessons - 5 key messages	Plenary	Dr. Nguyen Phu Hung
12:30 – 13:30	**Lunch break**		
13:30 – 13:45	Introduction to the afternoon session	Presentation	Josh Kempinski
13:45 – 15:45 **- with break**	Discussion in small groups on key learning, by theme	Break-outs	Group work / Josh Kempinski
15:45 – 16:45	Key findings and lessons to share	Plenary	Rapporteurs
16:45 – 17:00	**Next steps and closing speech**	**Speech**	**Dr Nguyen Phu Hung VRO**

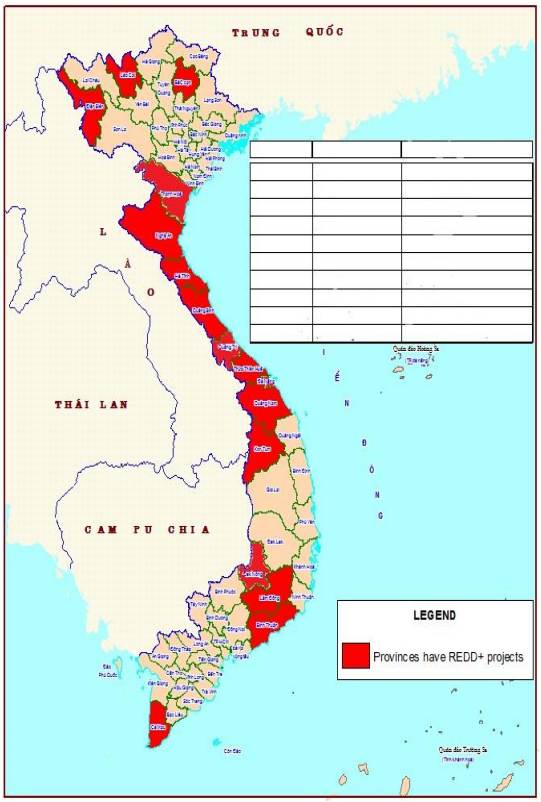
V. Processes and results from REDD+ projects

This section presents a summary of key lessons, from presentations and discussions, from the March 2015 workshop in Hanoi, on REDD+ piloting and lessons learnt.

1. REDD+ development process in Vietnam

Under this topic, Dr. Pham Quóc Hung, currently a senior advisor of UNDP Vietnam (and a former officer of VRO) gave a presentation on the National REDD+ Action Plan (NRAP); REDD+ implementation; and prioritized orientation and next steps, for the coming years.

The National REDD+ Action Plan (NRAP) is divided into two main stages. The first stage called 'preparedness' was undertaken 2011-2015 with piloting at 15 provinces, and intended to focus on capacity building, institutional development, MRV, BDS, RLs/RELs and national REDD+ fund development. The second stage, set to run from 2016 to 2020, concentrates on REDD+ implementation and the improved participation of institutions, individuals, households and communities.



Mr. Hung updated the invitees on the completed or ongoing activities across 15 pilot provinces (see the map). Provincial REDD+ Action Plans (PRAP) have so far been completed for Lam Dong and Dien Bien provinces only, with Kon Tum currently in provisional form (a PIN or 'Project Idea Note'), developed by FFI.

As per the orientation of the first stage, a series of national REDD+ locations and activities, under a performance-based payment approach, were planned (as a priority) - see below:

- Determine a national REDD+ approach at a scale (national or subnational levels) that lends itself to developments of technical requirements for REDD+, National Forest Monitoring System (NFMS), MRV and RLs/RELs, BDS and safeguards.
- Establish Vietnam REDD+ fund and payment mechanisms
- Develop national guidelines on Provincial REDD+ Action Planning
- Identify effective strategies to secure finance sources towards performance based payment

- Continue to develop ER Program document, to negotiate carbon purchase with CF/WB (ER-PIN was adopted at the 10th conference held at Bonn dated 16-19/6/2014)

A number of potential sources of finance were also identified, including multilateral development partners (FCPF, UN-REDD, Green Climate Fund, World Bank Carbon Fund and BioCarbon Fund), bilateral cooperation (e.g. GIZ and JICA) and private investment / international carbon market.

2. FFI REDD+ pilot case study in Kon Tum

FFI's experience with REDD+ piloting in Hieu Commune and links therein to national REDD+ readiness were a focus for the workshop. FFI firstly developed a concept for provincial-level REDD+ in Kon Tum in 2010 (Project Idea Note), with the objective of linking with national REDD+ policy development. However, in step-wise approach, a sub-sub-national level approach to REDD+ was piloted in Hieu Commune (as the first step), under FFI's ASEAN REDD+ Community Carbon Pool Programme 2011 – 2014.

FFI's aim in Kon Tum was to develop REDD+ project activities in the form of best practice forest conservation, using a participatory, equitable, replicable and sustainable approach. The project is designed to explore, test and refine REDD+ mechanisms with a view to scaling up and support national level implementation Vietnam: Supporting UN-REDD and FCPF readiness and NRAP processes. In this way, the project is helping to develop the foundation 'infrastructure' of REDD+ mechanisms in a way that allows access to a range of sustainable public and private funds, not limited to climate finance.

Mr. Dang Thanh Liem, FFI Kon Tum project manager introduced an overview of the project and its four activity areas: (i) Community engagement; (ii) community forest management and governance; (iii) forest monitoring and carbon accounting; and (iv) high-conservation value (HCV) forest assessment. Although ongoing activities are still underway, a certain level of REDD+ readiness has been established through the improved commune-level (community) forest governance, as follows:

- 11 Village forest management boards and overarching inter-village Community forest management board established
- 11 Village Forest Protection and Development Funds established and operationalised
- Forest protection patrol teams established and operationalised
- Participatory land use planning has been completed
- Participatory forest land allocation (ongoing)
- Forest management planning and sustainable timber harvesting (ongoing)
- Grievance mechanism developed

3. CERDA REDD+ pilot case study in Thai Nguyen

As per CERDA Director, Mrs. Vu Thi Hien's presentation, the Norad funded REDD+ pilot project is ongoing (06/2010 to 12/2015) for 1,168 ha forestland. The project has the involvement of 60 self-managed household groups in a total of 20 villages, in Binh Long commune, Vo Nhai District, Thai Nguyen province. Initial achievements, to date, as below:

- 1.168 ha forestland allocated to 60 household groups (red books) is, according to CERDA "currently well-protected from illegal logging on the basis of approved village forest regulations". The project has financially and technically supported allocation of forests while the remaining allocation of land has been undertaken by local government.
- 60 household groups are incorporated into 2 cooperatives becoming legal entities which are eligible, according to Civil Law, to make payments to participating communities for forest management. The two cooperatives are trained to carry out REDD+ activities such as FPIC, database on land use and forest cover change, biodiversity assessment, etc.
- The approach to forest land allocation and community forest monitoring piloted by CERDA in Binh Long commune is now being extended to four more communes in Vo Nhai district during 2015-16, with funding from the EU REDD Facility, European Forest Institute, with an additional aim of contributing to Thai Nguyen Provincial REDD+ Action Plan. There will also be support from ICRAF for land use planning and from the Vietnamese Academy for Forest Sciences for community forest and carbon monitoring.

4. JICA REDD+ pilot case study in Dien Bien

REDD+ in Dien Bien has been developed in three stages: (i) Preparation for REDD+ was started indirectly through the JICA REDD+ study from 2009 onwards; (ii) The PRAP preparation was started in 2012 through JICA REDD+ pilot project ('planning support'); and (iii) PRAP pilot implementation that started from early 2013, through the JICA SUSFORM-NOW project.

Dien Bien province is a pioneer in developing PRAP in Vietnam. Its PRAP consists of the following key components:

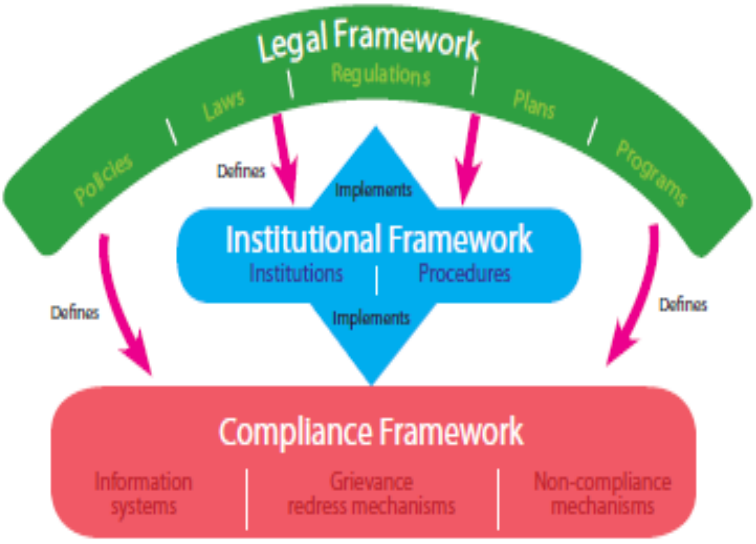
- Policies and institutional arrangement for REDD+ implementation and safeguards
- Strengthening of forest protection implementation including Special Use Forest (SUF - i.e. protected area) Management
- Livelihood development
- Promotion of private sector investment

- Improved provincial forest monitoring system (PFMS)
- Capacity building
- Identification of funding sources

A tablet-computer based forest change, data collection system, by commune forest rangers (measurement and initial reporting), was also developed. It is regarded as an innovative monitoring and reporting tool. As an all-in-one system (including GPS, camera, compass, field notes, etc.) it is relatively easy for forest rangers to learn and use, and is already reducing the cost of monitoring (equipment and time). Technically, it can also reduce human-induced errors (missing entries, inappropriate entries, unreadable texts, input mistakes, etc.) in data collection and input, reduce time needed for data entries as the tablet can send digital data directly to the server. At provincial level, a centralized data management system (i.e. provincial server – to be linked to the national one) is to be established with operation of Q-GIS based database system (instead of ArcGIS / MapInfo that is more costly).

5. SNV - Safeguards

Under the title "Developing REDD+ safeguards for Vietnam", Mr. Richard Rastall, SNV presented on safeguard issues in REDD+, international REDD+ safeguard requirements, challenges in operationalizing international safeguard requirements and Vietnam country safeguards: Approach, current status and next steps.



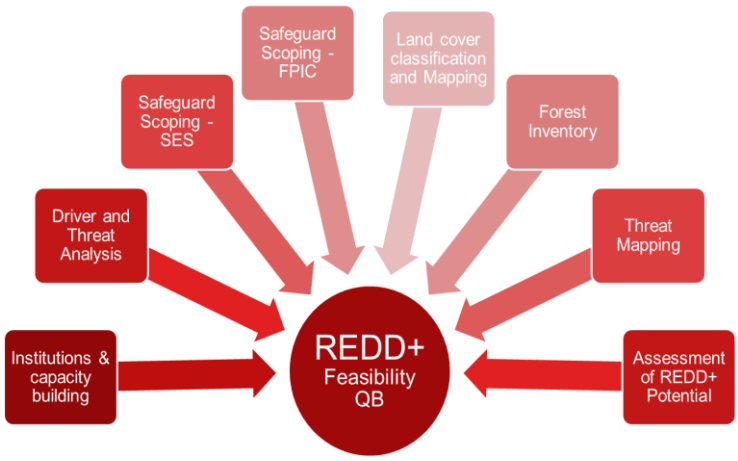
A country-led/level safeguard approach is required for REDD+, and will have to resolve some specific challenges. For example, differences between international safeguard requirements and country legal/institutional frameworks or limitations of the existing legal frameworks. It is suggested that it be a country-led and proactive approach that need not be limited to REDD+ alone. Existing institutions and structures should be used and rebuilt rather than creating additional requirements and systems in line with demands from international donors, investors and programmes. A country-led safeguards system consists of three elements: (i) Legal; (ii) institutional and; (iii) compliance frameworks (see diagram, above).

In Vietnam, the sub-technical working group (STWG) on Safeguards was established in 2012 and is co-chaired by SNV and VRO. Vietnam's STWG on REDD+ Safeguards reviewed three major international safeguards frameworks, as part of the process to develop a national system; The World Bank/FCPF, UN-REDD and the REDD+ SES. VRO, with support from SNV took the crucial first step of conducting a gap analysis of existing national policies, laws and regulations vis-à-vis the Cancun safeguard requirements. Accordingly, Vietnam's REDD+ safeguards roadmap v2.0 (2014) was developed including recommendations for improving Vietnam's legal framework towards meeting each of the Cancun safeguard requirements.

According to the roadmap, further review and analysis of legal, institutional and compliance frameworks have been scheduled for the coming time.

6. GIZ Quang Binh REDD+ Pilot

The presentation by Ms. To Thi Thu Huong, covered the GIZ supported pilot project, which is now followed up by both FCPF and GIZ. The project is designed to be operational at all levels using a participatory approach in line with national REDD+ methods. All activities were designed to also support the Province in other relevant areas, e.g. biodiversity monitoring, forest mapping, national forest inventory and the development of a "*no regrets approach*" in which REDD+ adds value, in terms of improved forest governance/management, regardless of an eventual carbon finance mechanism. Besides, an evaluation of the potential of REDD+ for Quang Binh Province, ("REDD+ Feasibility in Quang Binh") was carried out.



The Feasibility Study contained several components, which include: Institutional and capacity building, driver (for deforestation) and threat analysis, safeguards scoping (social and environmental safeguards, FPIC), land cover classification and mapping, tablet based forest inventory, threat mapping and assessment of REDD+ potentials. The following are some of initial achievements useful for learning at national level:

- Gap Analysis on Social and Environmental Safeguards on sub-national level experiences in Quang Binh Province;
- Guidelines on FPIC approach drafted; based on sub-national level experiences in Quang Binh Province;

- Standard Operating Procedures (SOP) for terrestrial inventory fieldwork approved by DARD was developed for carbon stock assessment and biomass inventory. An initial baseline reference level for 10 years future deforestation (model) was established;
- Review of operational, technical, financial and political feasibility of REDD+ activities in Quang Binh Province resulting in concrete recommendations for REDD+ focussed intervention areas in Quang Binh;
- Guidelines on how to conduct a holistic REDD+ feasibility assessment on subnational level

VI. Key Thematic learnings

1. Tenure issues & rights, forest land allocation

Recognised as global and national best practice, securing land tenure or forestland use rights (i.e. within the Vietnamese legal context) for forest dependent people/local communities is one of prerequisites for successful sustainable forest management.

Evidently, the limitations of Vietnam's previous forestry programmes, including policy No's 327, 661 or 30a, under the devolution process of forest management, pose some important lessons. Under these policies, ethnic minorities and local communities have not been fully able to engage in forest protection and development because the policies do not provide tenure rights for communities, only households. The current programmes/projects of REDD+, PFES and FLEGT, will require a revision of this central issue/policy, if they are to be successful (sustainable) in the long term.

From the FFI Kon Tum REDD+ pilot model, Mr. Dang Thanh Liem highlighted a number of valuable lessons learned, regarding forest land allocation and rights, as below:

- Current land tenure arrangements in Vietnam may not represent a solid basis for sustainable REDD+, PFES and other SFM project/programmes; as there is a requirement for localized, context specific (re)arrangement of tenure as a part of project design.
- Forestland allocation (FLA) should form part of a comprehensive land tenure reorganisation process, rather than a singular, one-off action. FLA requires considerable consultation and iteration, and the involvement of many stakeholders, over a long period of time.
- Different site conditions require different types of land use rights. In particular, communities managing traditional forestland should receive a community Red Book (essentially a deed or land tenure certificate) instead of Red Books to individual

households, in order to achieve genuine and long-lasting 'sustainable forest management' and associated poverty reduction.

- Forestland allocation has to be an integral part of any sustainable forest management strategy, including REDD+, at the project, sub-national (jurisdictional) or national level.

2. Consultation, participation & FPIC

From the practice of REDD+ piloting, it is recognized that not only is REDD+ still seen as 'new', but also as a complex concept. This is most evident amongst local stakeholders, where REDD+ carries significant risks, including the potential to influence ethnic minority and local community land use rights or ownership, livelihoods, welfare/wellbeing, culture and so on.

In recognition of the complexities, risks and need for clarity around REDD+, FFI successfully developed and applied a methodology for conducting on-going Free, Prior and Informed Consent consultations, as part of a participatory design process. Some of the main issues brought out by these consultations have been discussed until strong consensus could be reached including on the following topics:

1) Land use rights,
2) Rearrangement of forestland boundaries linked to forest land allocation,
3) Sustainable forest management,
4) Land use practices and participatory land use planning,
5) Forest utilization and agreements on hunting of certain species, forest zoning, seasons and quotas,
6) Forest protection regulations and enforcement, and
7) Grievance mechanisms for carbon, forest and forest ecosystem service benefits.

There are three key learned lessons drawn out and shared below.

- Consulting communities is a process, not a one-off activity. 'Consultation' should in reality be an on-going, awareness raising and participatory decision-making process, regarding all issues relating to risks, rights, obligations, responsibilities and benefits (including sharing of benefits) for forest dependent peoples and/or local communities.
- Who should be consulted, is not an easy question. Choosing the wrong stakeholders may have negative impacts on the effectiveness of project's design and implementation processes; and so it is essential to: (i) Carry out scoping work, as part of feasibility assessments; (ii) Ask national experts and local stakeholders for advice; and (iii) Undertake detailed stakeholder analyses, once a site / areas have been chosen.

- Genuine community engagement is not (and must not become) propaganda. To mobilize, explain and involve can and should lead to no more than a tentative 'agreement to proceed', at each developmental stage, rather than an outright pledge to full-scale, long-term REDD+ implementation. Genuine engagement should be continuous, step-by-step and guided by the principles of Free, Prior and Informed Consent (FPIC).

3. REDD+ piloting, Scaling-up and nesting within national REDD+

Despite the number REDD+ projects around the world continuing to grow, several key concerns remain. In particular, there is uncertainty about the optimal scale (of implementation) and doubts have been raised over the permanence of forest-based emissions reductions, including the risk of 'leakage'; the displacement of emissions from a newly protected or managed forest to another (less managed /unprotected) forest. While one of the strengths of REDD+ is that payments (for carbon credits) are performance based – i.e. contingent upon compliance to agreed and permanent emissions reductions, and socio-environmental safeguards, non-performance (non-compliance) is a risk to all stakeholders, including project developers and investors, and credit purchasers. To frame and mitigate this risk, all REDD+ projects need a responsible entity which can be held accountable for non-performance. Furthermore, mechanisms must be in place to buffer non-compliance/non-payment, which hold back a number of credits from the market, thus saving a percentage of the revenue in a reserve and/or paying into an insurance scheme.

Key lessons from existing REDD+ pilots in Vietnam include:

- It is usually seen as 'good practice' within science or policy development, to start small, test and iterate, and then scale up - as is the case for new mechanism like REDD+;
- REDD+ is a relatively new and complex mechanism that requires considerable capacity building, learning and experimentation, before it can be implemented nationally;
- A sub-national REDD+ project requires the same design processes and mechanisms, and faces the same implementation challenges, as REDD+ implemented at national level, making it an ideal testing ground, and a viable model, for development and scaling up;
- As with the implementation of all national policies, sub-national 'roll-out', management and monitoring will be required for REDD+ to take hold at national scale, especially within the context of the governance arrangements delegated to provincial and commune level;

- Piloting/testing of the Benefit Distribution System (BDS) should follow established REDD+ models that provide practical knowledge for national BDS development. Models developed by FFI (Kon Tum), CERDA (Thai Nguyen) or JICA (Dien Bien) should be included. The UN-REDD Programme is best placed to partner with these pilots on national BDS design;
- The development of Reference Emission Levels (REL) need to be developed in coordination between higher levels (national or subnational) and those at the project (commune or village) level. It is essential that lower level RELs be eligible or can be nested within national level REDD+, and that the national scheme can benefit from knowledge being generated at lower levels;
- VRO have the opportunity to convene a discussion with UN-REDD/FCPF and NGO local REDD+ implementation partners on the design on BDS, REL(s) and MRV, such that: The design is cost effective, it makes the best use of national expertise (supervised/evaluated by international experts), it is integrated among provinces, carbon measurement is tailored to different localities and/or for different forest types, a single system or approach to benefit sharing is agreed and that RELs be established for sub-national localities and integrated/nested into national REL, together with a decision on what sub-national means; i.e. regional or province or district?;
- The BDS requires a highly participatory, multi-stakeholder design process, with communities working alongside government, non-governmental/civil society actors and lawyers/judiciary. Furthermore, as there is still no guidance for finance regulation or BDS from the UNFCCC negotiations Vietnam is compelled to develop its own regulations;
- After the project development and piloting phase(s), there is critical need to secure advances of some money from buyers to incentivise and maintain behavioural change - i.e. to ‘seed’ the performance-based benefit distribution system;
- A mechanism is required, led by VRO, for feeding knowledge and technical expertise from safeguards piloting, by JICA, FFI and especially SNV, into a national safeguard information system;
- Province level guidelines/manuals should be developed for forest land allocation and community consultation, including tools for evaluation and monitoring of land conflicts, based on the work of FFI, GIZ, JICA and CERDA. Moreover, national FLA policy should be improved and approved, including allocation of forested land to ethnic minorities and local communities based on communal tenure;

- Forestland allocation, as demonstrated by FFI in the Hieu Commune pilot, should be an integral part of a sustainable forest management strategy, cutting across SFM, REDD+, PFES, FLEGT and so on; and
- The national FPIC guidelines, currently under development, should be finalised and approved as a priority. These should include lessons learned from local implementation/piloting, as well as the provision of widespread capacity building/training on its use, across the country.

4. Carbon finance as part of sustainable landscapes

REDD+ projects should be designed within an integrated business model for sustainable, low carbon, high biodiversity landscapes, that facilitates greater access to climate and other finance opportunities. This holistic and bundled approach to sustainable landscapes can be achieved through, but not limited to, the design and piloting of:

i) High-yield, climate-smart agriculture, around areas of high biodiversity/high carbon stock forest, to reduce exploitation pressure and associated emissions of greenhouse gases;
ii) Investment frameworks and investment (business) plan(s) that facilitate the flow of climate finance, within broad financially sustainable business plans; and
iii) The design of tools and approaches to share lessons and foster south-south learning in order to scale-up and replicate the investment plans and farming modalities which will add value to the (REDD+) project and its outputs.

The development of an investment plan/business model(s), piloted in key (high carbon/high biodiversity) landscapes is crucial. The emphasis here should be placed upon on the value of developing a country-relevant model that can accelerate and enable replication by others, across Vietnam, in addition to the local (climate, social and biodiversity) co-benefits at the site level.

One of the most important lessons learnt from piloting REDD+ (in Hieu Commune, and other FFI pilot sites around the world) is that the risks associated with (depending upon) climate finance can – in theory – be significantly mitigated by layering climate finance with other income streams. And moreover, that the development of REDD+ provides the mechanisms and foundation for securing these green business opportunities. At present, the only additional income, to combine with (potential) carbon finance, which has been identified in Kon Tum, is Payments for Forest Ecosystem Services (PFES). However, Kon Tum is already collecting an estimated VND 140 billion/year ($6,514,200 USD) for watershed protection, meaning that the burden of funding forest protection is already

being significantly shared between the public and private sectors, and will thus not fall entirely on the shoulders of carbon (REDD+) to resource.

For the landscape-level / jurisdictional pilot, as a microcosm of the wider, national context, the investment plan will bring together, and 'bundle' various incomes, including carbon (sale of credits), investment in climate-smart, low carbon or carbon neutral agriculture, value chains associated with certified commodities (e.g. rubber) , potential for mining offsets and other public and private sector opportunities.

With regard to sustainable commodity production, business planning can include the securing of zero net deforestation commitments from the agribusiness sector/investors, working with government and development partners on the use of standards, like RSPO for oil palm, and joining/adhering to pledges/obligations such as the Consumer Goods Forum and the TFA 2020 and finding buyers who are willing to (only) source commodities that meet these standards.

Key lessons from the role of REDD+ in sustainable landscapes include:

- Forests do not exist in a vacuum, nor are they islands; forests are intricately and deeply woven into wider socio-environmental landscapes and it is from here that drivers of deforestation usually originate. Forest conservation activities must therefore face outwards, addressing the wider human context and landscape
- The conservation of globally significant areas of forest, and associated emission reductions, can only happen if very large areas of land are comprehensively managed
- Working at scale, at the landscapes level, means that deforestation drivers can be addressed, trade-offs found and investment opportunities identified, under the auspices of holistic, integrated and sustainable land-use and business planning
- Only solutions to deforestation that combine climate finance with green growth, built around sustainable commodities production, and innovative public and private investment, will likely succeed in the long term
- The REDD+ development process provides the foundations and enabling conditions required for a range of complimentary approaches to forest conservation, both state-funded or market-based, including and/or beyond carbon finance, like Payment for Ecosystem Services (PES), sustainable forestry, tourism, impact investment and forest bonds

5. Carbon accounting and methodologies

Forest cover monitoring methods and technology have progressed rapidly in recent years, in part as a by-product of the global application of REDD+ and related MRV frameworks. Since 2011, FFI has worked to analyse forest cover change, considering

both deforestation and forest degradation, at the Commune-level scale (pilot project) and the District-scale (sub-national jurisdiction) in Kon Plong District, Kon Tum Province, Vietnam.

From these piloting activities, the following key lessons are presented:

- REDD+ projects in Vietnam need to consider monitoring forest degradation: Degradation represents a major threat to ecosystem function in the central highlands of Vietnam. This study presents a high-quality analysis of historical degradation in Kon Plong District, and by comparing this with the results of lower resolution analyses, it also considers the future needs for accurate detection of degradation in specific intervention areas in Vietnam.
- Replicating Commune-level REDD+ pilots is a potentially feasible and valuable approach to scaling up REDD+ activities to sub-national jurisdictional level(s): The results of FFI's work piloting REDD+ in Hieu Commune (Kon Plong District) demonstrate that there is future potential for emissions reductions to be achieved in Kon Plong District through replication of the Commune-level multi-stakeholder forest governance and management approach. This in turn also highlights the prospective value of developing and utilising District-level Jurisdictional (nested) REDD+ frameworks in Vietnam.
- There is a need to quantify the trade-offs between data quality and cost: Amongst practitioners attempting to Reduce Emissions from Deforestation and forest Degradation (REDD+), it is acknowledged that a higher level of investment in quantifying forest cover change will produce more detailed and accurate results. However, determining the optimal and most cost-effective level of investment is a complex process, as it requires that many costs and benefits be weighed against each other. This case study presents the results of different methods and levels of investment for detecting forest cover change in Kon Plong District, covering an area of approximately 138,000 ha in the Central highlands of Vietnam. In doing so it provides an analysis of implications and tangible trade-offs for remote sensing investment for determining baseline reference emissions levels in Vietnam.

VII. Plenary discussions - Summary findings / lessons shared

This section summarized the results of plenary discussions which took place after each of presentations into the following thematic areas.

Land tenure/land allocation

At the workshop, it has been recognised that the current land tenure arrangements do not represent a solid basis for sustainable REDD+ or PFES projects/programmes. Land conflicts are common including in protected areas/special use forest. Dr Nguyen Phu

Hung (VRO) concluded that land tenure is an extremely important and prominent issue and must be regarded as a social safeguard that needs to be reconsidered at practice and policy levels.

Allocation of natural forests in REDD+ Thai Nguyen is a typical example as an initial "solid" background for REDD+. Natural forests totalling 1,168 ha were allocated to groups of households (in the form of Red Book land use/hold/ownership certificates), specifically 60 groups in two villages that were then incorporated into two cooperatives, and who are now recognized as the legal entities eligible for making payments for carbon conservation.

In response to the question by Nguyen Quang Tan, RECOFTC: "Why is REDD+ following a Community Forestry approach?", Mr. Dang Thanh Liem said that community forestry is global and national best practice with an adaptive and specific intervention strategy over community-level, traditionally managed forestland and that it needs a long-term financial mechanism, such as REDD+. As a result of consultation exercises, in Hieu Commune, local communities' have achieved consensus on managerial and technical alternatives. These are in line with REDD+ requirements of the VCS/CCB Standard; for example, shifting conventional practice of unsustainable timber harvesting practice into sustainable and low impact logging approach or stopping slash and burn on fallow land for carbon conservation in return for livelihood improvements. Therefore, Community Forestry and REDD+ should be seen as aligned.

Safeguards

A question from Baku Toshihada (JICA) concerned Vietnam's safeguards: "How to incorporate experiences and lessons from local REDD+ implementation and SNV's recent developments for national safeguards development?"

It was argued that safeguard development should be in line with International requirements, and emphasised that NGO-lead projects be assigned for safeguards development while state organizations (i.e. VRO) should take on the role of ensuring linkages. Mr. Pham Quoc Hung recommended that safeguards should be assigned to National Forest Protection Department and VRO.

Carbon measurement and accounting

There was an agreement over the need to further understand carbon measurement, and ensure all stakeholders have the same level of understanding, on issues such as:

- Emerging issues in the measurement in relevant Standard Operating Procedures (SOPs) for forest carbon measurement.

- Carbon inventory and accounting should be affected by the diversity of Vietnam forest types, and that requires different sets of allometric equations.
- Whether output data are produced annually with application of remote sensing in forest cover change monitoring or over different timeframes (e.g. quarterly or bi-annually)? There is a need to harmonize data acquired from different methods and at different levels.
- The need to harmonise carbon measurement and accounting; and reduction in emissions. This will include working out the application of accounting for different localities and for different forest types, and how to nest these within high level, jurisdictional and/or national systems.

Carbon finance

- There are risks in seeking investment sources for REDD+ implementation in term of voluntary market even though carbon commodity (tC) is produced by land users/local communities. How would we deal with the situation if carbon credits remain unsold? How would we deal with input costs for REDD+ (producing carbon) are higher than output (carbon credits paid)?
- Piloting/testing BDS should be based upon the established REDD+ models that would provide practical lessons for national BDS development, and existing models like FFI's REDD+ Kon Tum, CERDA's Thai Nguyen or JICA's Dien Bien should be included.
- Whether RELs at higher levels (national or subnational) can be applied for commune or village level REDD+? Or should REL be established for each commune or village based project level REDD+?

Measuring, Reporting and Verification (MRV)

Mr. Pham Hong Luong especially appreciated the ongoing demonstrated application of tablet-based (e.g. iPad) technology for data entry and reporting, suggesting that this needs to be assessed and replicated. Regarding this, there is a need to further understand, specifically:

- In relation to the costs for establishing MRV, cost and efficiency should be taken into account for. A key question raised here is whether MRV can be developed and implemented by domestic technical experts and supervised/evaluated by International experts, as opposed to being only handled by external (international) experts.
- Whether and how should provincial MRVs be integrated among provinces, and on up to national level (nesting)?
- How should RELs be established for localities and integrated/nested into national REL? What does locality mean: Regional or province or district?

- How is payment undertaken for local people who are involved in MRV operations, as part of the BDS?
- Whether transaction costs, including consultancies for MRV and GIS, will be too high to be covered by the sale of carbon credits, at $5 USD/tC, as was the theoretical (price) case of REDD+ Thai Nguyen?

VIII. Group discussions

Following the plenary discussion, break-out sessions encouraged the participants, in three groups, to discuss a topic, of combined topic, that they felt was of the utmost importance to REDD+ development in Vietnam, and specifically where REDD+ piloting could help inform the design of national REDD+ policy, as follows:

Issues and challenges discussion group 1 – Finance and Benefit Distribution System

The discussion identified the following as key challenges and respectively recommended solutions related to Finance and BDS in Vietnam:

a) In reality, there is lack of finance for REDD+ development as many potential forestland areas are still out of the current national REDD+ programmes/projects in term of preparedness/readiness.
   Solution: Various funding sources or an advance from international organizations/national governments like World Bank, as encouragement for investment.
b) Finance/fund sources for direct payment to REDD+ activities are unclear up to date (who pay? how much? etc.).
   Solution: REDD+ should be integrated into province FPDF and if so, a decree is legally required to be issued (REDD+ law that combines REDD+ and PFES, etc.).
c) Carbon finance/climate finance mechanisms are unclear and are yet to fully mature (e.g., the Green Climate Fund).
   Solution: Foreign enterprises/private sector should be encouraged in terms of policy, alongside continuing to advocate for bilateral / public sector support to seed performance-based payment mechanisms.
d) There is not (yet) a benefit distribution system (BDS) in terms of legislation, that covers REDD+ at any/all scales.
   Solution: BDS development should be regarded as a participatory consultation process with participation of relevant stakeholders (households, local communities, state/private forestry organizations, governments and NGOs. Volunteer Civil Societies (VSO) and NGOs should be included in decision making process on BDS in particular and REDD+ policy/institutions in general.

Issues and challenges discussion group 2 – MRV and monitoring

The group participants included NGOs, Government, JICA, FIPI, representatives with experience across field monitoring, GIS/remote sensing and MRV systems as a whole. The discussion identified the following as key challenges related to MRV and REDD+ monitoring in Vietnam:

a) Field measurement and guidelines:

It was recognised that there was a need for more rigorous guidelines for field plot measurements undertaken as part of the national forest inventory to ensure accuracy both in the plot measurement and for extrapolation of plot data to estimate biomass. It was agreed the priority is to decide on a certain (good) practice, and make that consistent and standardised, so that it can be duplicated and cross-checked.

Note: Although not discussed in the group due to time constraints, FFI has developed detailed guidelines that address these types of issues for forest carbon inventories and has successfully adapted and applied these for forest carbon inventories in Hieu Commune. This highlights the potential value of raising awareness of these guidelines (SOPs) and their utility.

b) Carbon calculations:

There was general concern about the accuracy of carbon analytics and accounting, and issues with the extrapolation of data from plots to overarching estimates of emissions, considering the diversity of forest types and species in Vietnam, and the various ways and means of interpreting the definition of a forest.

c) Scaling up and cost-effectiveness:

While the value of higher resolution satellite imagery and analyses is recognised, the cost-effectiveness of monitoring at this scale was identified as a challenge. Ideas for incorporation technologies was also briefly discussed (e.g. LIDAR)

d) Data harmonisation:

The need for both vertical (field plots to national analyses) and horizontal (across different projects and provinces) data harmonisation were discussed.

Two particular challenges were discussed:

- Data access and sharing (in particular access to NFI data held by FIPI)
- Data integration and database creation – the need for progressing FORMIS beyond a platform for data collation, toward a more workable database.

Particular needs to help streamline and improve data harmonisation were also discussed and identified as;

- **FORMIS:** Ongoing work on FORMIS to progress the system beyond just a platform for data sharing, and to a more workable database. The JICA/Dien Bien project was cited as an example of project data integration with the system (see Baku presentation)
- **FIPI data ownership and access**: clarifying data ownership between FIPI and VN Forests and increasing access, via FIPI, to NFI data
- **Data sharing mechanisms:** improving communication between provinces and donor projects to enhance data sharing and collation into national databases i.e. FORMIS.

Issues and challenges discussion group 3 – Forestland Allocation (FLA) and FPIC

The discussion identified the following as key challenges and respective recommended solutions related to forestland allocation and FPIC:

a) There is indeed a current status of potential land conflicts under the current land tenure arrangement that requires rearrangement through land use planning and forestland allocation. The past (or ongoing) forestland allocation programmes are still ineffective in terms of both potential and open land conflicts that are not evaluated and dealt with completely.
   Solution: Province level guidelines or manuals should be developed, including tools for evaluating and monitoring of land conflicts. National FLA guidelines should be improved, including allocation of forested land to local communities.
b) Province authorities have a lack of finance for land allocation although proposed forestland schemes are ready. Besides, the state price per unit issued by MoNRE is very high and unpractical, especially for allocation of forestland to entire communities.
   Solution: Readjustment of price/unit for forestland allocation is recommended, and agree on best practice methodology(s), and/or have communities assess forest carbon stock themselves, with quality assurance of methodology from the Vietnamese Academy of Forest Sciences, as with CERDA's approach in Thai Nguyen.
c) Post allocation of natural forests, unsustainable forest harvesting for short term benefits has not been controlled (outside of some experimental REDD+ sites).
   Solution: Forestland allocation should be an integral part of a sustainable forest management strategy (SFM, REDD+, PES, FLEGT, etc.)
d) In reality, existing and ongoing land conflicts are under the current land tenure arrangement, mostly ethnic minority and local communities vs state organizations.
   Solution: Land tenure needs to be a main component of FPIC based community consultation for land rearrangement and land-use planning, under REDD+ programmes.

e) There is not a national FPIC guideline by now that guides REDD+ developers to design project level FPIC consultation schemes. Solution: A national FPIC guideline should be developed as a priority

f) The conventional practice of propaganda and top-down approach is still prevalent at local level.
Solution: FPIC guidelines including verification/evaluation and monitoring tools should be developed in line with grassroots organizations and local level (traditional) democratic mechanisms, and in-line with international best practice on community rights and participation.

g) FPIC concept is quite new and local capacity is very limited.
Solution: Training/capacity building

Annex 1 - List of participants

No	Full names	Organizations
1	Nguyễn Phú Hùng	Chief Officer of VRO and Director of Department of Science, Technology and International Relations, VNFOREST
2	Trương Tất Đơ	VRO/VNFOREST
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4	Lê Hà Phương	VRO
5	Lâm Quỳnh Nhung	VRO
6	Phạm Hồng Lượng	National Forest Protection and Development Fund
7	Nguyễn Quang Trung	National Protection Department, VNFOREST
8	Phạm Tiến Dũng	Vietnam Forestry Science Institute (VFSI)
9	Lê Văn Cường	Centre for Forestry Economic Research, VFSI
10	Đoàn Diễm	Vietnam Association of Forestry Science
11	Vũ Tiến Điển	FIPI
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14	Ngô Huy Toàn	FCPF
15	Nguyễn Thị Thục Anh	FCPF
16	Nguyễn Thanh Phương	UNEP
17	Hoàng Thành	EU Delegation
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19	Lê Minh Tuệ	WINROCK
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24	Bjoern Wode	CTA KFW8

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28	Richard Rastall	SNV
29	Baku Takahashi	SUSFORM-NOW JICA
30	Phạm Thu Thủy	CIFOR
31	Lê Ngọc Dung	CIFOR
32	Phùng Văn Khoa	Vietnam Forestry University
33	Phạm Xuân Phương	Freelance expert on forestry policy
34	Vũ Trung Kiên	Centre for responses to climate change
35	Trần Cảnh Dương	Centre for responses to climate change
36	Nguyễn Thùy Linh	Centre for responses to climate change
37	Vũ Tấn Phương	Freelance expert
38	Vũ Thị Hiền	CERDA
39	Nguyễn Việt Dũng	PanNature
40	Mai Kỳ Vinh	ICEM
41	Đặng Đức Nghĩa	CSDM
42	Võ Duy Tám	Kon Tum Department for planning and Investment
43	Hồ Thanh Hoàng	Kon Tum Forest Protection and Development Fund
44	Dương Anh Hùng	Kon Plong District People's committee
45	Lại Đức Hiếu	Kon Tum Forest Protection Department
46	Bùi Văn Hùng	UNREDD phase II, Vice Director of Lam Dong DARD
47	Nguyễn Phi Quý	UNREDD phase II, Ha tinh province
48	Nguyễn Văn Mậu	UN-REDD phase II Bac can province
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50	Phan Xuân Ngọc	FCPF Quảng Bình
51	Nguyễn Ngọc Quang	Freelance expert
52	Josh Kempinski	FFI

No	Full names	Organizations
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56	Trần Viết Đông	FFI
57	Phạm Hai Giáp	FFI
58	Lê Khắc Quyết	FFI
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Annex 2 – Workshop photographs

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VIETNAM
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HỘI THẢO CHIA SẺ KINH NGHIỆM THỰC TIỄN
TỪ CÁC DỰ ÁN THÍ ĐIỂM REDD+
WORKSHOP FOR SHARING LESSONS LEARNT
FROM REDD+PILOTING

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Disclaimer

FFI have developed this workshop report (from the 'sharing lessons learned from sub-national REDD+ piloting' event in March 2015) and five policy briefs that analyse experiences and present lessons learnt and from implementing their Community Carbon Pools REDD+ pilot project in Kon Tum province, and from other sub-national REDD+ initiatives in Vietnam. The 5 REDD+ briefings are on:

- Forest land allocation (FLA) and tenure
- PIC based community consultation
- REDD+ piloting, scaling up and nesting within national implementation
- Beyond carbon: REDD+ as innovative finance within sustainable landscapes
- Carbon accounting: Measuring forest cover and change

This report and the five briefings were developed by FFI, with input from the EU REDD Facility of the European Forest Institute, and produced with funding from the European Union and member states. The contents are the sole responsibility of the authors (FFI) and can in no way be taken to represent the views of the European Union or member states, The Government of the Socialist Republic of Vietnam, or any of the workshop participants, or the institutions they represent.