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Implemented by:



Forest Protection – Vietnam

Afforestation and preserving biodiversity with the support of the population

Forest areas in Vietnam have shrunk substantially as a result of war and destruction. Population pressure, slash-and-burn and illegal logging continue to deplete the country's natural resources. The Vietnamese government wants to rehabilitate, reforest and considerably increase the forest surface area. KfW Development Bank has been supporting the government's efforts for many years now.

The population is involved directly, as the programme promoted by KfW not only aims to reforest and preserve the forest, but also to improve the living conditions of villagers living in rural areas.

Project approach

The project aims to rehabilitate, reforest and manage forests sustainably in Vietnam. This is being achieved by directly involving the people living in the project regions – the locals should assume responsibility for the areas, and plant and tend trees themselves. Within this context, the project pursues an innovative incentive

Context

Forest areas in Vietnam have declined sharply since the 1970s, mainly because of the long-running war, but also due to illegal logging and slash-and-burn. Without the protection of the trees, more and more fertile soil has been eroded, particularly in the rainy season. This in turn makes it much harder for people to farm the land, with agriculture being their main source of income.

The Vietnamese government has therefore set the objective of increasing the proportion of forest area again. It has already achieved significant success in this regard, with forest cover having increased from only around 27% to roughly 38% in 2013. This figure is expected to have risen to 42% already in 2015. Since the mid-1990s KfW Development Bank has been supporting the measures taken by the Vietnamese government to rehabilitate and restock the forests. In this context, KfW is working closely with the Vietnamese Ministry for Agriculture and Rural Development (MARD).

Forest rehabilitation and sustainable forest management is promoted primarily in Northern and Central Vietnam.

Project name	Forest rehabilitation and sustainable forest management
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Country/Region	Vietnam
Lead executing agency	Ministry for Agriculture and Rural Development (MARD)





Tan Van Nguyen, a 53-year-old Vietnamese forest farmer, is proud of "his" land: he planted one hectare of the indigenous species of tree, Hopea. Source: KfW/Michael Ruffert

scheme, whereby forest farmers are granted rights to use the land. These land use rights are confirmed in Red Book Certificates – named as such because of their colour.

They plant seedlings from plant nurseries on the land and receive financial support in return. People receive "green savings books" with credit balances of up to USD 250 depending on the size of the managed forest.

Interest is paid on the credit balance and is paid out over a period of six to nine years. Smallholder farming families benefit from the land use rights and additional income, while entire village communities also reap the rewards in the municipal forest management component of the project. The project also supports the construction of forest paths and roads, to grant people better access to their forest areas.

Impact

Tan Van Nguyen, a forest farmer, is still wearing his moped helmet and carrying a scythe. He points proudly to his mature trees. He planted one hectare of Hopea, an indigenous species of tree, on a plot of land in the Vietnamese province of Quang Nam, for which he now holds the land use rights. His Red Book is stored away safely at home.

He sees the land as an "investment in the future" – he says it provides him with security. Even his grandchild-

ren will benefit from the forest one day. Many farmers in the project regions talk about similar, positive experiences.

In the Central Vietnamese provinces of Quang Nam, Quang Ngai, Binh Dinh and Phu Yen alone, KfW Development Bank has contributed to the reforestation and rehabilitation of an area spanning almost 23,000 hectares since 2006 with the "KfW 6" project that was concluded at the end of 2014.

In this area, the project was implemented in 144 villages in 12 districts in the four participating provinces. The authorities issued land use certificates for almost 15,000 families and village communities. Collectively, a total amount of EUR 2.88 million was allocated to the savings books of those participating in the KfW VI project. In addition, more than 50 kilometres of forest paths and roads were built or maintained in the project area, with 23 villages already benefiting from this.

KfW has meanwhile reached an estimated 125,000 families across the country with similar programmes. Economic progress for the people and environmental protection go hand-in-hand. Soil erosion is declining in the sustainably managed regions, while soil fertility is growing. This allows people to run their farms more successfully and generate a higher income on the one hand. In turn, biodiversity is increasing at the same time.

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