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SITE PROFILE

Cat Tien National Park

Management, governance and finance





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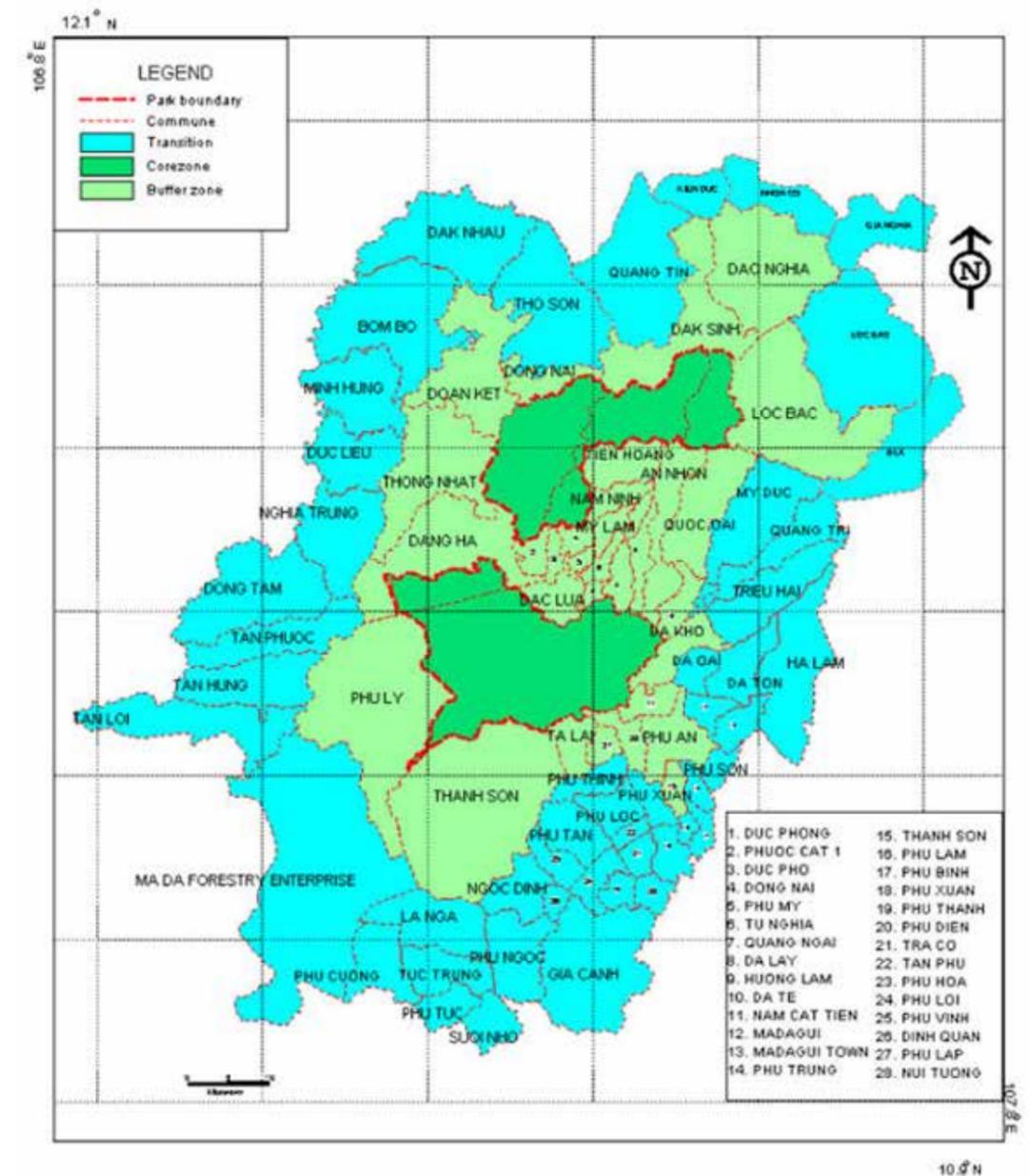
Part I: Management and governance

History and development

Cat Tien National Park is in the South-Eastern region of Vietnam, approximately 150 km north of Ho Chi Minh city. The National Park (NP) is part of the Dong Nai Biosphere Reserve. Cat Tien is the 5th largest NP in Vietnam, the current area is 71,187.9 ha. Estimated area after expansion is 82,597 ha. The Biosphere reserve covers 969,781 ha¹. Cat Tien NP is also connected to the Dong Nai Culture and Nature Reserve.

The National Park covers a range of different ecosystems, including closed evergreen, semi-evergreen, mixed timber-bamboo and bamboo forests, and wetlands. These forests and the Bau Sau wetland host a wide range of animal and plant species, including threatened and endangered ones. Cat Tien also protects the rich cultural heritage of the S'Tieng, Chau Ma and Chau Ro peoples, and contains historical sites.

Figure 1: Cat Tien National Park within Dong Nai Biosphere Reserve



Frequently used acronyms

CPC	Commune People's Committee
DARD	Department of Agriculture and Rural Development
DONRE	Department for Natural Resources and the Environment
FPD	Sub-Department of Forest Protection
NP	National Park
NTPP	Non-Timber Forest Products
MARD	Ministry of Agriculture and Rural Development
MONRE	Ministry of Natural Resources and the Environment
MOST	Ministry of Science and TECHNOLOGY
PFES	Payments for Forest Ecosystem Services
PPC	Provincial People's Committee
VNFOREST	Vietnam Administration of Forestry

¹Includes 212,700ha core zone, 306,350ha buffer zone, and 450,710ha transition zone in the BR. The Dong Nai Culture and Nature Reserve covers 140,790ha. (Dong Nai BR, 2011)

The “forbidden” forest South Cat Tien area was established in 1978 with total area of 31,000 ha located in Tan Phu district, Dong Nai Province. The Management Board of South Cat Tien Forbidden Forest was established in 1986, taking over the responsibility of forest management from the army - Division 600. The protected area was declared a NP in 1992.

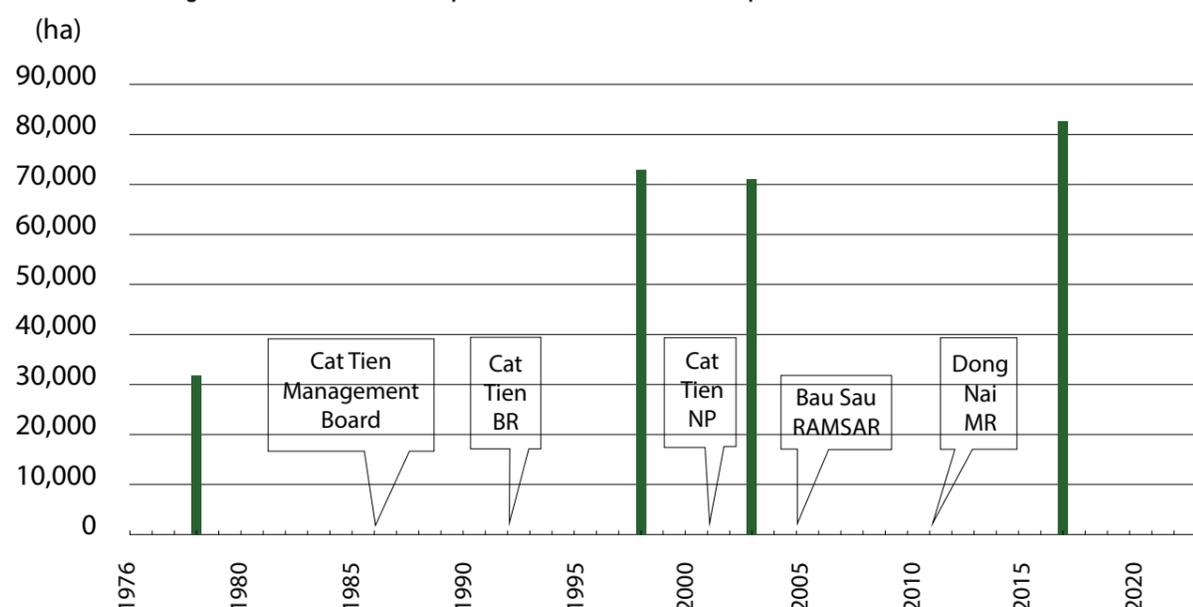
In 1998, three areas (Nam Cat Tien, Tay Cat Tien, and Cat Loc) were consolidated in the Cat Tien NP. The NP boundary was re-planned in 2003 to remove populated areas and assign forests of low biodiversity to local authorities for management. Today, the NP is located in Đồng Nai, Lâm Đồng, and Bình Phước provinces.

71,188ha have been officially assigned to the National Park since 2011². Of this area, 76% are reserved for strict conservation, 21% are regeneration areas, and the remaining 3% are administrative areas. Another 11,409ha is the planned expansion area³.

Cat Tien NP was recognized by the UNESCO as Cat Tien Biosphere reserve in 2001. The Bau Sau wetland (Crocodile Lake) was recognized in 2005 as Vietnam’s second RAMSAR site. In 2011, the Dong Nai BR was established. The NP is one of the BR’s three core zones⁴.

In 2012, the NP received the title “Special National Site” from the Government of Vietnam.

Figure 2: Cat Tien area development and formalisation of the protected area status over time



People and land use

According to the current boundaries, there is no population living in the core area of the NP. But there are dedicated residential areas within the core zone, particularly in such as Dong Nai Thuong and Phuoc Cat 2 communes. The population of the buffer zone has 11 different ethnic groups. The S’Tieng, Chau Ma, and Chau Ro peoples have lived in the area for centuries. Other groups include ethnic minorities from the northern provinces (e.g., Tay, Nung, Dao) 31 communes live within the buffer zone of the NP. These communes have a direct influence on the conservation of the NPs natural resources.

The resettlement of people from the core to the buffer or transition zone creating a rich cultural heritage of ethnic groups. The influx of different groups further emphasizes the need to preserve the culture and traditions of the original peoples

The livelihoods of people living in Cat Tien are based on agricultural activities. Traditional crops include rice, cashew nuts, maize, and cassava. Most households keep livestock, including cattle, buffalo, pigs, and chicken. Businesses and shops are mostly owned by Kinh people and other immigrants. Other occupations include weaving and administrative jobs. Hunting of wildlife and the collection of non-timber forest products (e.g., bamboo, rattan, fuel wood, resins, and medicinal plants) for subsistence and sale is important for many households. Recently settled groups rely to a larger extent on natural resources but are gradually placing stronger focus on farming. To increase income from agriculture, people are shifting from the traditional staple food crops to cash crops such as coffee and pepper. The development of these cash crops is associated with high use of fertilizers and pesticides, and illegal logging for poles. Free grazing of livestock in forests and natural grasslands contributes to the degradation of these areas.

A survey of 11 communes in the buffer zone indicates an average annual income of VND 46 million per capita. On average, about 40% of the per capita income stems from agriculture and forestry. Up to 11% of persons in a commune are considered poor to near poor.

Table 1: Per capita income by source in in Cat Tien NP

	Income per capita and year				Share of agriculture & forestry income	Poor & near poor people*
	All income sources		Agriculture & forestry			
	million VND	USD	million VND	USD		
Communes with data	8		10		7	6
Average	46	1,959	20	855	43%	6%
Lowest average value	18	770	6	237	9%	1%
Highest average value	64	2735	34	1,441	87%	11%

*Poor: annual income per capita income ≤ VND 21 million (USD 920); Near poor: annual income per capita income ≤ VND 28 million (USD 1,230) Source: Cat Tien SFMP, 2021

The growing population and unsustainable land management practices result in deforestation, habitat destruction and fragmentation, and pollution of water resources within and outside the NP. Hunting and trapping of wild animals is one of the major issues in Cat Tien. Other activities directly threatening flora and fauna include NTFP collection (bamboo shoots and rattan), and illegal timber logging. The free-grazing of livestock within the park exposes wildlife to diseases, reduces forage available to wildlife, and leads to hybridization of genetic resources with other species. The fragmentation of habitats also leads to increasing human-wildlife conflicts, e.g., elephants are commonly found in agricultural areas and destroy crops.

² PM’s Decision 1535/QĐ-BNN-TCLN dated 11/7/2011 of MARD

³ Cat Tien SFMP, 2021.

⁴ Dong Nai BR, 2011. Dossier of upgrading and renaming Dong Nai Biosphere Reserve. Other core zones are forests/forest land covering 67,900ha and Tri An Lake area with 72,890ha.

Conservation and sustainable use

Cat Tien NP is an important biodiversity hub. The Park protects one of the largest remnants of the tropical seasonal rainforests in Vietnam, including different forest biomes: evergreen, semi-evergreen, and mixed bamboo forests. The Bau Sau wetland and seasonal floodplain is an important freshwater complex and transition zone between the Great Annamite ecoregion and the lower Mekong Delta.

The Park is home to more than 1,700 plant and 700 animal species, and a wide range of insect species. It contains 40 animal and 34 plant species that are threatened or endangered globally. Amongst the threatened and endangered mammal species found in the park are Gaur (*Bos gaurus*), Asian Elephant (*Elephas maximus*), Yellow-Cheeked Gibbon (*Nomascus gabriellae*), and Black-shanked Douc (*Pygathrix nigripes*). The Park is also well known for its population of deer (*Rusa unicolor*).

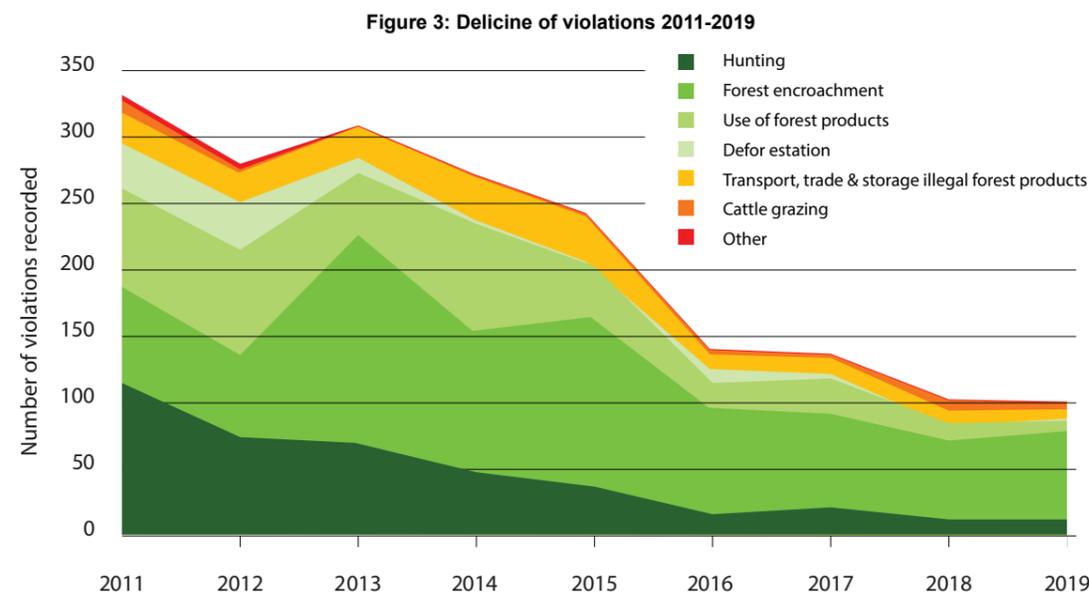
Forest ecosystems in Cat Tien

A population of the Javan rhinoceros (*Rhinoceros sondaicus annamiticus*) survived in the northern part of the park until 2010. The extinction of the species in Vietnam is attributed to habitat loss and poaching⁵. The loss of this species highlights the need for continued protection of habitats and species.

The high conservation value of the park is reflected in its status as RAMSAR site and listing as an “Important Bird and Biodiversity Areas (IBAs)” (BirdLife International, 2021⁶). Apart from its biodiversity value, the park provides other important ecosystem services, including but not limited to:

- carbon storage
- non-timber forest products (from 538 species, used for medicine and food)
- protecting the water resources within and surrounding the park from sedimentation and pollution.

The NP management collaborates with the local population and other organizations (see stakeholder map on page 11 below) to protect the park. Protective measures have resulted in a sharp drop of illegal activities.



Source: Cat Tien SFMP, 2021

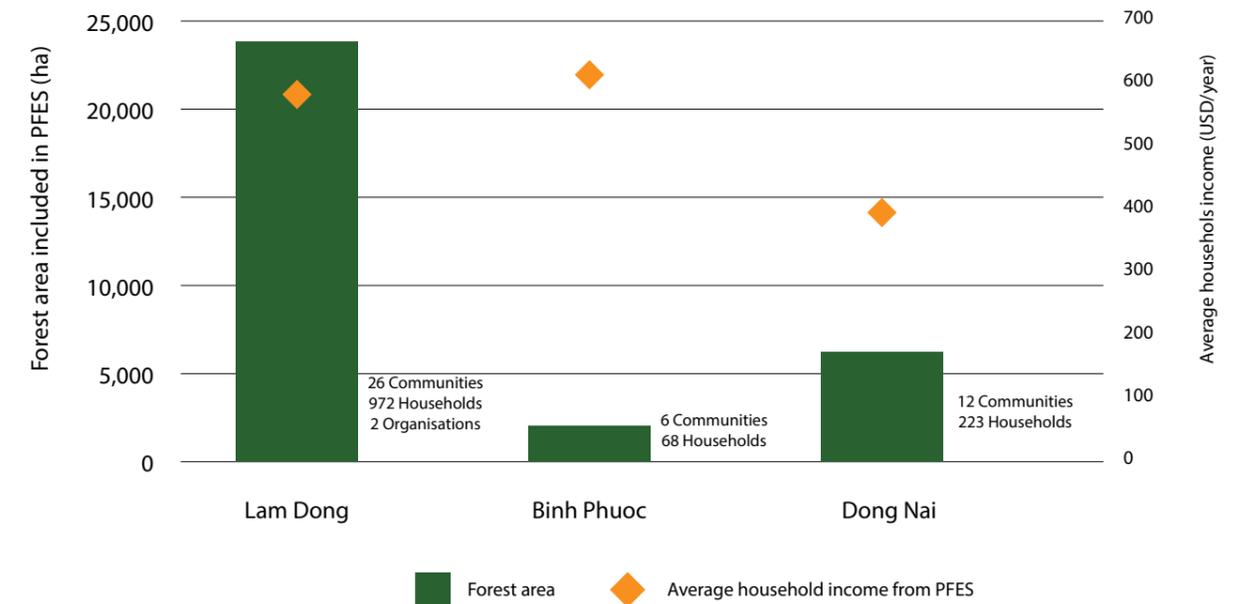
Payments for forest environmental services (PFES) is an important instrument to engage the communities actively in the conservation efforts. In 2018, the management of 31,607 ha of forest in Cat Tien NP was assigned to 44 communities, 1 district police and 1 district military unit. Another 37 villages adjacent to the NP received USD 1,750/VND 40 million per year for the construction of welfare facilities and livelihood development⁷.

⁵ https://www.panda.org/wwf_news/?2202074/Inadequate-protection-causes-Javan-rhino-extinction-in-Vietnam

⁶ Source: <http://datazone.birdlife.org/site/factsheet/nam-cat-tien-iba-vietnam>

⁷ Decision No. 24/2012/QĐ-TTg dated 01/06/2012 of Vietnam Prime Minister on investment policy for special-use forests development in the period 2011 – 2020.

Figure 4: Payments for forest environmental services in Cat Tien NP: Forest area and income



Source: Cat Tien SFMP, 2021

In addition, special conservation initiatives in Cat Tien include:

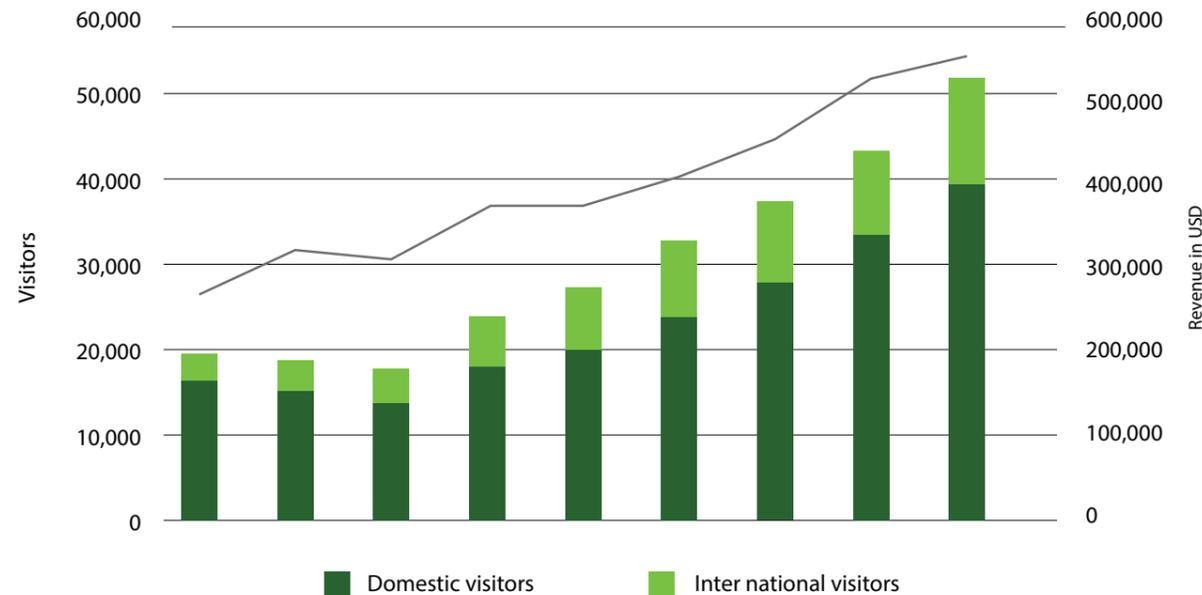
- Endangered primate species center donated by Monkey World, facility on Dao Tien Island, about 10 min by boat from Cat Tien HQ
- Carnivore and Pangolin Conservation Programme
- Wild Bovid conservation project
- Cat Tien Bear Sanctuary; Save the Bear
- Tree planting
- Vietnam-Russia Center for Tropical Research



Tourism

The attractiveness of the landscape, opportunity to observe rare species in their natural environment or in one of conservation centers, and the culture of the local people make Cat Tien an attractive touristic destination for domestic and international visitors. Of particular interest are the Bau Sau area (Crocodile Lake), forest walks, Dong Nai river tours, and visits to the traditional villages. The Cat Tien visitor center offers insights in the biodiversity of NP. The number of tourists visiting Cat Tien has increased steadily since 2015. In 2019, over 50,000 people visited the park, generating over 500,000 USD revenue.

Figure 5: Visitors to Cat Tien NP and tourism revenue



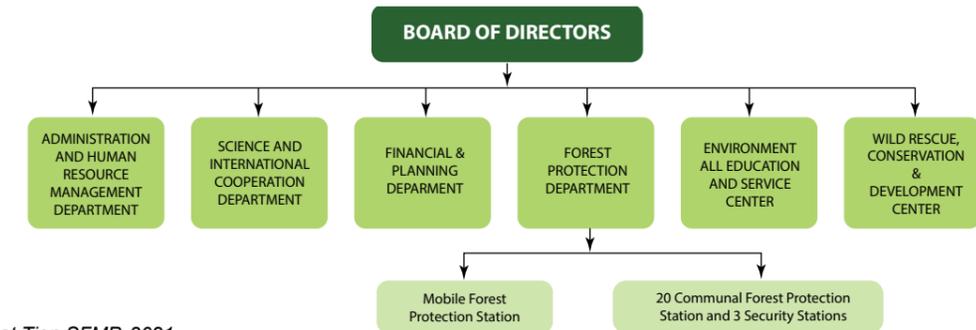
Source: Cat Tien SFMP, 2021



Park management and stakeholders

The NP is managed by MARD through Vietnam's Forestry Administration (VNForest). The Management Board of Cat Tien NP is assigned by the VNForest and carries the overall responsibility for sustainable forest management and biodiversity conservation. The relevant departments of VNForest (figure) cooperate closely with the local government authorities in the three provinces and relevant national agencies (Forest Protection Agency (FPD), Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) management authority, Nature and Biodiversity Conservation Agency (NBCA, MONRE). VNForest approves all forest management, protection, and development plans for the NP. The Park employs 200 people, 75% are long-term employees, the remainder are working in the framework of service contracts.

Figure 6: Cat Tien NP Management structure



Source: Cat Tien SFMP, 2021

NP forest protection stations operated by the Forest Protection Department are located at critical points in and around the park. Each station cooperates with one or more communes in forest protection. Their focus is the protection of forest resources, i.e., controlling the use/exploitation of timber & non-timber forest products, and forest fire prevention. The stations exercise the state's role in forest protection.

The stations are also responsible to raise awareness on forest protection in local communities and to support the park and Commune People's Committees (CPC) in organizing and supporting community forest protection groups under the PFES scheme. The payments to communes and households participating in the PFES is channeled through mobile payments directly to households.

The management of Cat Tien NP is working with other stakeholders. Stakeholders include government bodies at national, provincial and district level, Vietnamese and international civil society organizations, public and private sector companies, and the people living in villages close to the park. To formalize the relationships, 25 Memorandums of Understanding (MOUs) have been signed with concerned organizations and agencies at district and commune level. Socio-political organizations at district level are also important stakeholders (Farmers' Association, Women's Union, Youth Union, Committee for Ethnic Minorities).

The stakeholder map below shows stakeholders currently involved in Cat Tien NP management and conservation. Stakeholders can be categorized by their relationship to the NP: (i) direct management/administration within the forestry sector (ii) state management by locality (i.e., people committees) and non-forestry sectors; and (iii) collaboration, research or specific conservation efforts.

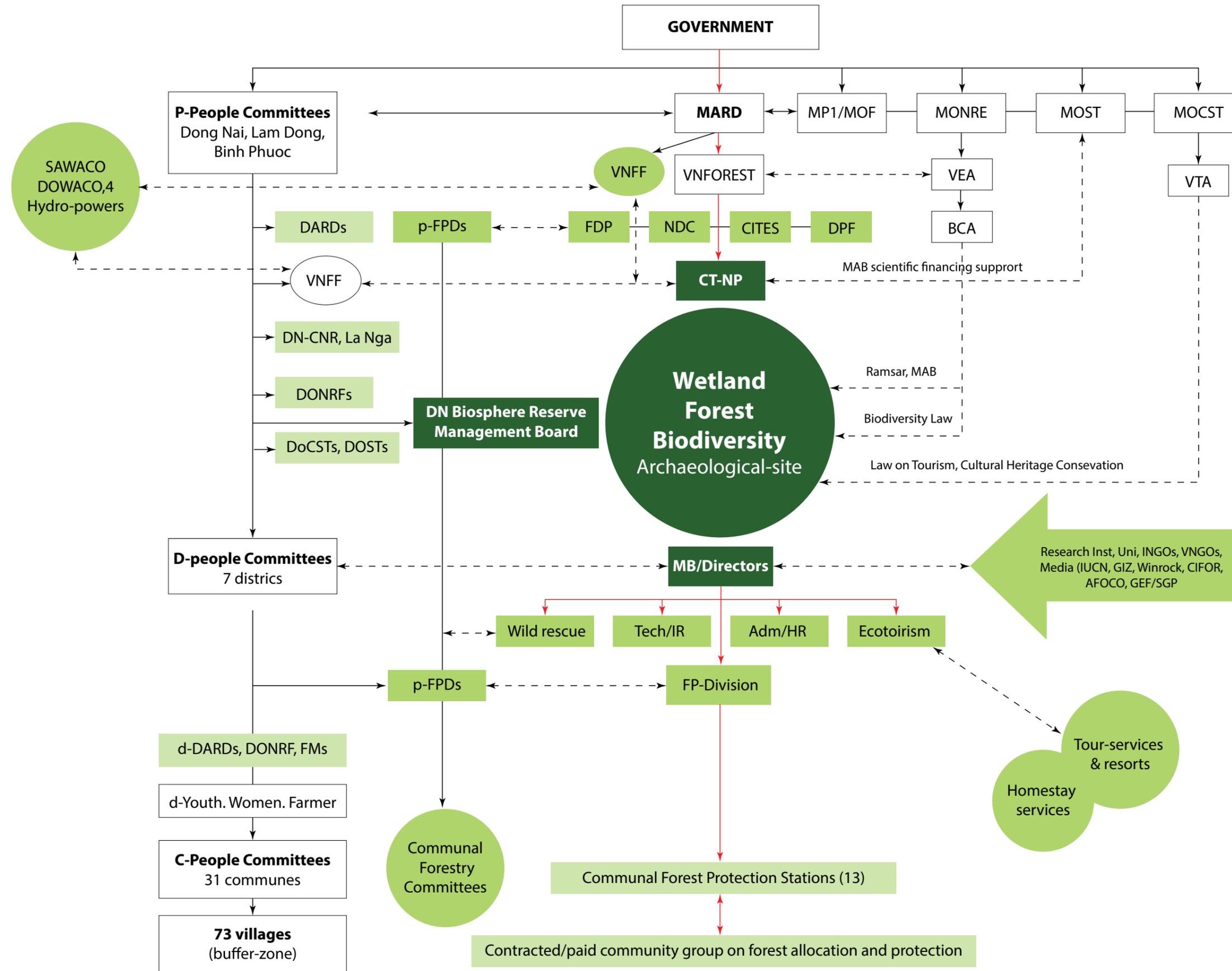
The Commune People's Committees and its bodies are an important stakeholder group - all national and local policies on forest protection and land management are implemented through the CPCs. Specific CPC bodies are the Forestry Committees. Biodiversity conservation is normally grouped under the umbrella of "forest protection" at the commune level. Commune police supports the CPCs in dealing with any violation of the forest management & conservation regulations.

Small and medium enterprises benefit from the natural resources in the NP. Businesses include tourism companies, households offering homestays, and sand mining on Dong Nai river. However, most SMEs have little direct connection with the park and forest resources, but may benefit indirectly, e.g., providing services to travelers passing through.

The management and operation of Cat Tien NP is regulated by many laws, notably the Forestry Law (with MARD as the focal point), Biodiversity Law, Environment Protection Law, and Land Law (MONRE), Tourism Law (MoCST). The Public Investment Law (MPI), State Budget Law (MoF), and Planning Law (MPI) are key legal references for investments for protected area development. Scientific research related to conservation can be financially supported by MoST.

Cat Tien NP has received several national awards, including the "Vietnam Environment Award" (MONRE) in 2009 and 2019 and the Best National Park Management Board in 2019 (Vietnam Association of National Parks and Nature Reserves). MONRE honored the NP as an organization with many contributions to wildlife conservation in Vietnam in the period 2010 – 2020.

Figure 7: Cat Tien NP stakeholder map



Conservation challenges and way forward

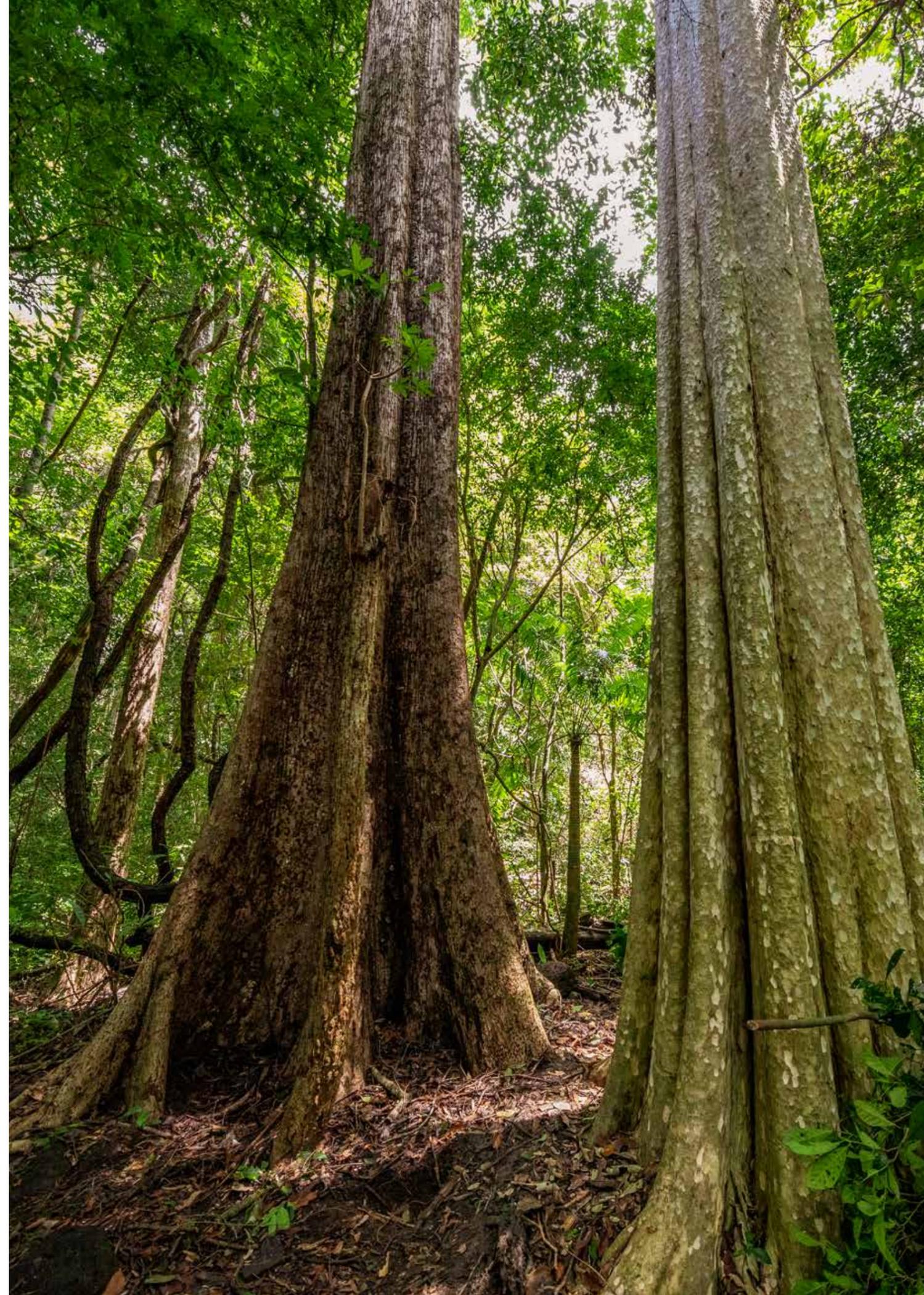
Despite the expansion of the NP and achievements made in protecting biodiversity and natural landscape, many challenges remain. Further efforts need to be made to ensure effective and equitable management of Cat Tien NP.

Governance

- Development of inter-provincial and multi-district governance would support the development of long- and mid-term management and business plans, and enhance effective decision making for the NP; furthermore, allowing performance monitoring of the NP against the set targets in its management plan.
- Improving coordination between Cat Tien NP management and district/communal authorities can contribute to improved alignment of local development targets and objectives (e.g., livelihood & poverty reduction) with the conservation objectives and efforts of the park.
- Enhanced knowledge management (i.e., comprehensive assessments/baselines of natural status, socio-economic conditions, institutions and their capacity, or ecosystem service valuation, among others) could supported the shift towards more integrated planning, investment, and management decisions.
- Formal guidance and capacity building for stakeholder consultations can further enhance interaction with international (RAMSAR, UNESCO, IUCN, donors), national (MONRE, MOST, MOCST), and provincial actors, as well as communities and private sector companies.

Conservation

- Enhancing the connectivity with other relevant ministries and their line agencies, (e.g., MONRE responsible for biodiversity, wetland, and water resources; MOST for scientific research; and MOCST for the preservation of cultural values and archaeology) could further strengthen conservation activities towards an integrated/ ecosystem-based landscape planning and management approach.
- Strengthening community engagement and co-management practices through considering traditional rights of the local ethnic groups (S'Tieng, Ma, Xe Dang) to utilizing NTFPs of regeneration forests, to customary land use, and to fishing could further reduce land-use conflicts between the NP and 600 households living or cultivating land within the park territory (particularly in Dong Nai Thuong, Ta Lai, Dak Lua communes).
- Capacity building for NP managers and staff, and their local counterparts (e.g., Communal Forestry Committees) to enhance community engagement and livelihood support channeled through the NP could ensure that financial resources for these activities are used more effectively. This should benefit all households and people, regardless of ethnicity, gender, and socio-economic status equally.
- Guidance on public-private partnerships, suitable business models, benefit sharing, application of environmental and social safeguards for the development of ecotourism businesses can contribute to increasing local communities' benefit from the park without compromising its conservation objectives.



Part II: Finance

Methodology

The financing assessment was initially conceived as an in-depth, flexible and iterative process. However, due to the restrictions on travel resulting from the global COVID-19 pandemic, this was not possible. It was therefore redesigned as a more structured exercise, based on checklists that can be filled in with PA staff and other key stakeholders.

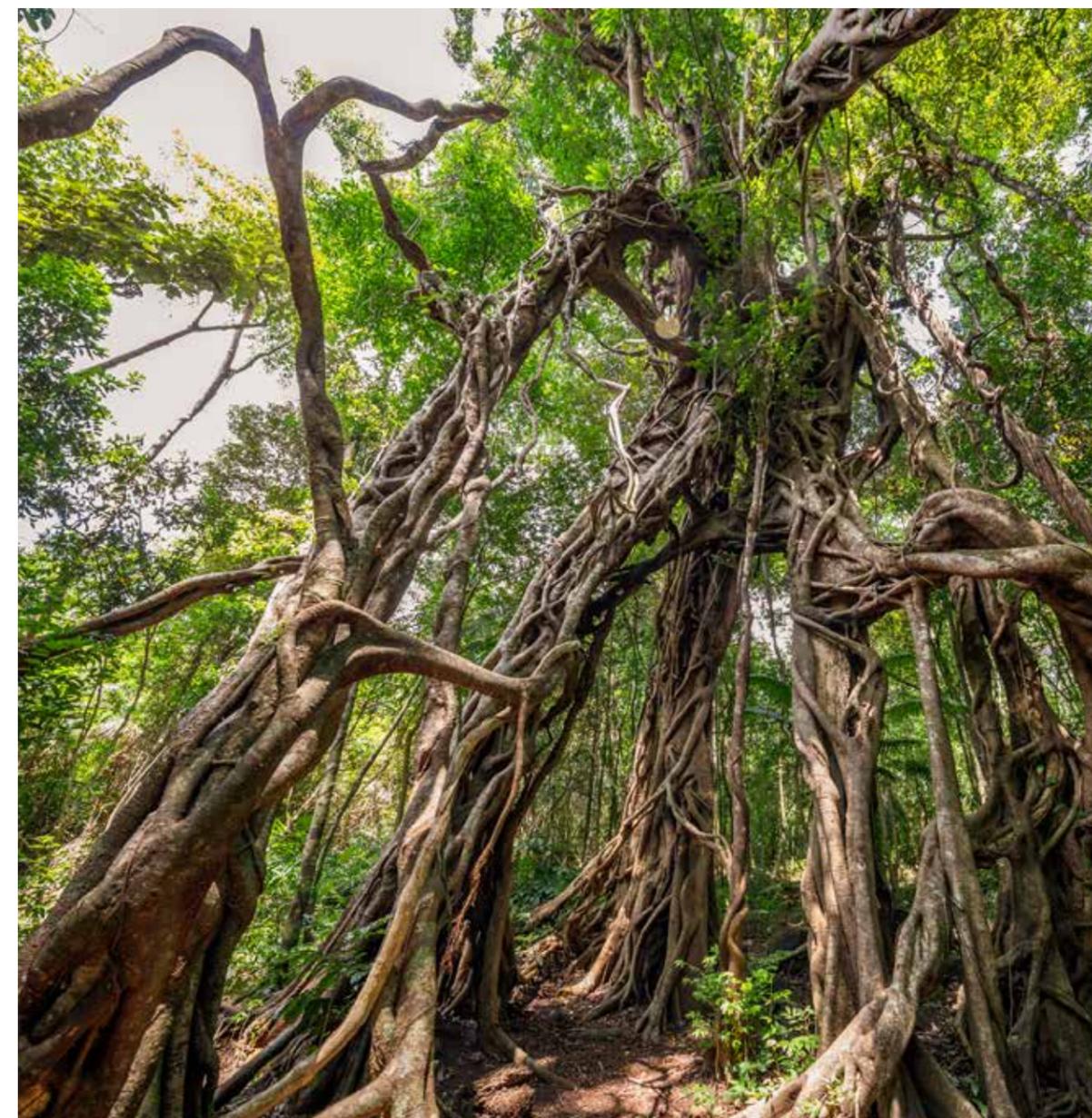
A 'PA Financing Self-Assessment Tool' (PAFSAT) was developed, to be completed with key stakeholders in and around BNNBP and CTNP. It assesses the overall financial status of the PA in both qualitative and quantitative terms. As well as collecting budget data and other financial information, it assesses the perceptions of PA managers, finance and budget planners, and local communities about PA financing needs, challenges and opportunities (Table 1). The PAFSAT is administered via interviews with three sets of expert stakeholders: PA Management Boards, Finance Departments of VNForest (for centrally-managed PAs) or Provincial People's Committees (for Provincially-managed PAs), and Buffer Zone Commune Authorities. The aim is to get different perspectives on PA financing from the main agencies that are responsible for funding and managing conservation activities in and around the PA.

Table 2: Information collected via the PAFSAT tool

PA Management Boards	Finance Departments	Buffer Zone Commune Authorities
<ul style="list-style-type: none"> Funding flows and composition Funding adequacy and gaps Past and projected future funding trends Expenditure levels and composition Past and projected future expenditure trends Self-generated income levels and composition Past and projected future income trends Mechanisms for income management and retention Financial constraints Financial advantages, opportunities and areas of potential Ideas for improving the financial situation of the PA Strategic documents, plans, by-laws and regulations on PA financing 	<ul style="list-style-type: none"> Total expenditures and proportion allocated to PAs Past and projected future trends in spending overall, and on PAs Process of PA budget planning, requests, approval and allocation PA revenue retention needs and mechanisms PA financial self-sufficiency PA financing constraints PA financing opportunities and potential 	<ul style="list-style-type: none"> Expenditures and funding for biodiversity and nature conservation Total expenditures and proportion allocated to biodiversity and nature conservation Past and projected future trends in spending overall, and on biodiversity and nature conservation Access and adequacy of funding for biodiversity and nature conservation Budgetary priority given to biodiversity and nature conservation Opportunities and potentials to source more funding for biodiversity and nature conservation Community participation in PFES and other income/funding activities associated with the PA, biodiversity and nature conservation Ways in which the PA benefits the local economy and community Ways in which the PA causes costs and losses to the local economy and community Opportunities and potentials to improve the positive financial and economic impact of the PA to the local economy and community

In CTNP, the PAFSAT was administered to the PA Management Board, and to authorities in Phuoc Cat 2, Ta Lai and Dac Lua Communes. The Finance Department of VN Forest was unable to meet with the study team.

The PAFSAT has wider applications than the current project alone. It offers a framework that can be replicated elsewhere and used to compare and aggregate site-level data between PAs, and/or applied to track and monitor change over time. It draws on other existing PA assessment, tracking and scorecard tools that are already in common usage in Viet Nam and worldwide, such as the PA Management Effectiveness Tracking Tool (METT) developed by WWF and the World Bank, the PA Financial Sustainability Scorecard developed by UNDP⁷, and Protected Area Benefit Assessment Tool (PA-BAT) developed by WWF⁸. While including some overlapping information, it can also be applied as an add-on or plug-in, alongside these other tools.



⁶ See https://wwf-eu.awsassets.panda.org/downloads/mett2_final_version_july_2007.pdf

⁷ See https://www.undp.org/content/undp/en/home/librarypage/environment-energy/ecosystems_and_biodiversity/financial-sustainability-scorecard-for-national-systems-of-pas---2010.html

⁸ See <https://wwf.panda.org/?174401/PABAT>

Summary of financing self-assessment

Status/score	↓ (0)	→ (1)	↗ (2)	↑ (3)
Financing constraints and enabling conditions				
Adequacy of funding to meet needs	Inadequate even for basic management & conservation	Covers only minimum management & conservation activities	Covers an adequate level of management & conservation, but still leaves some gaps	Enough to cover all PA needs
Range (diversity) of funding sources	PA relies on only one source of funding	PA relies almost entirely on government & international funding	PA funding also combines self-generated revenues & private contributions	PA funding also integrates several non-traditional financing mechanisms
Budgetary and political priority given to PAs	PAs are far below other sectors	PAs are low priority	PAs are given some priority and attention	PAs are one of the highest priorities
Predictability and stability of funding	Budgets & funding fluctuate widely and unpredictably every year	Budgets & funding fluctuate every year, but are known in advance	Budgets & funding are relatively stable	Budgets & funding are very stable, and can be well-planned in advance
Cost-effectiveness of spending	There is a lot of unnecessary wastage in spending	Spending is not always cost-effective	Spending is usually cost-effective	Explicit efforts are made to ensure that spending is cost-effective
Timing of funding flows	There are major delays in receiving funding	There are minor delays in receiving PA funding	PA funding is usually, but not always, received on time	PA funding is always received on time, when it is needed
Targeting and alignment of PA budgets with conservation needs and priorities	Budgeting and conservation planning processes are completely separate	There are some efforts to reflect conservation priorities in budget planning	Budget planning considers conservation and PA management priorities	PA conservation and financial planning are completely integrated
Adequacy/coverage of budgeting categories and accuracy of cost norms	Core expenditure items are omitted, and all cost norms are too low	Non-core expenditure items are omitted, and most cost norms are too low	Most expenditure items are included, and cost norms are mainly realistic	All expenditure items are included, and all cost norms are realistic
Revenue retention	All revenues are required to be remitted centrally	PA allowed to retain less than half of revenues	PA allowed to retain more than half, but not all, revenues	PA allowed to retain all revenues
Capacity of PA staff in sustainable finance	No financial expertise or qualifications	Include qualified financial experts	Have been trained in sustainable financing planning & mechanisms	Are qualified and experienced in sustainable financing
Integration of biodiversity conservation in sectoral budgets	Line agencies & local authority budgets exclude biodiversity conservation	Conservation is a minor priority in line agencies & local authority budgets	Line agencies & local authority budgets include biodiversity conservation	Line agencies & local authority budgets make good provisions for conservation
Local stakeholders' access to conservation funding and Incentives	No funding/financial incentives available	Only a very small amount of funding/financial incentives are in place	Several sources of funding/financial incentives, but more needs to be done	Sufficient funding/financial incentives in place
Trends over time				
Funding availability	Decreased/got worse	Stayed the same	Increased/improved a little	Increased/improved significantly
Diversity of funding sources	Decreased/got worse	Stayed the same	Increased/improved a little	Increased/improved significantly
Adequacy to meet needs	Decreased/got worse	Stayed the same	Increased/improved a little	Increased/improved significantly
Amount of spending	Decreased/got worse	Stayed the same	Increased/improved a little	Increased/improved significantly
Amount of income	Decreased/got worse	Stayed the same	Increased/improved a little	Increased/improved significantly

Funding status and trends

In 2019, CTNP received total funding of VND 69,647 million, of which VND 36,912 million or 53% came from the annual allocation from the public budget and the remaining VND 32,734 million was earned in revenues (Table 3). This translates into spending of VND 97.61 million per km².

Table 3: Income & expenditures 2014-19 (constant 2019 VND billion)

	2014	2015	2016	2017	2018	2019
Expenditure						
Capital	-	-	-	-	-	-
Recurrent	30.92	35.79	25.61	28.81	27.17	35.34
Of which:						
Staff costs	28.22	30.69	24.10	26.12	23.44	28.90
Office running & maintenance	2.70	5.11	1.51	2.69	3.73	6.44
Other	12.18	10.52	7.40	34.20	40.12	34.31
Total	43.10	46.31	33.02	63.01	67.29	69.65
Funding sources						
Capital budget	42.37	37.32	31.26	34.29	36.51	36.91
Recurrent budget	-	-	-	-	1.31	-
Total	42.37	37.32	31.26	34.29	37.82	36.91
Income						
Tourism	0.73	0.42	1.42	0.58	2.43	2.00
Other	-	8.57	0.34	28.15	27.03	30.73
Total	0.73	8.99	1.76	28.73	29.46	32.73

Apart from a pronounced dip in 2016, both expenditure and income have been rising steadily in real terms⁹ over the last six years (Figure 8, Figure 9). The increase has been particularly apparent since 2017, and is largely enabled by the sudden growth in 'other' sources of income. Over the last three years, income has come contribute almost half of CTNP's total funding (Figure 10). While staff costs continue to dominate spending, their contribution to total expenditures has decreased over recent years (40% or less) as compared to the period 2014-16 (60% or more) (Figure 11).

Figure 8: Expenditure

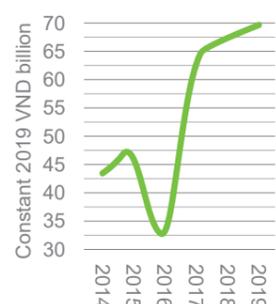


Figure 9: Income

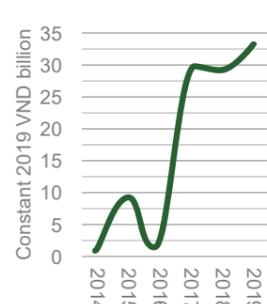


Figure 10: Income as % of expenditures

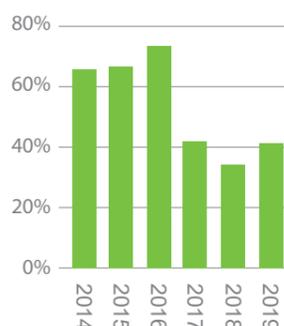
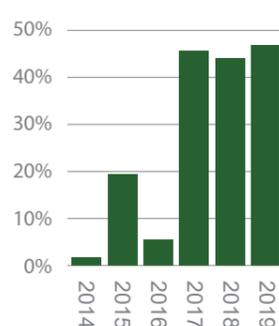


Figure 11: Staff costs as % of all expenditures



⁹ In order to adjust for inflation and make the data comparable over time, all figures are expressed as constant 2019 VND. This has been done by applying a deflator based on the average consumer price index for each year.

As well as the government budget, CTNP has benefited from a number of externally-funded projects over the last 12 years, including:

- 2009-2011 Pilot Project on Developing Ecotourism at Cát Tiên National Park, with funding of USD 324,085 provided by the Danish International Development Agency (DANIDA);
- 2010-18 support to the Bear Rescue Centre, with funding of USD 1,579,591 provided by Free The Bears;
- 2008-22 support to primate rescue provided by Monkey World (England);
- 2016-18 research on biological characteristics and fertility to raise and develop peacocks, with funding of VND758,170,000 provided by Dong Nai Department of Science and Technology and VND 384,020,000 provided by CTNP;
- 2019-21 project on improving the efficiency of payment for forest environment services and improving livelihoods of ethnic minorities in the buffer zone, contributing to forest protection and development and biodiversity conservation of Cát Tiên National Park, with funding of VND 1,160,100,000 provided from GEF, VND 1,397,050,000 provided by the District People's Committee, Communes People's Committee and local communities;
- 2021-25 project on conservation and development of biodiversity of Cát Tiên ecosystem, with funding of USD 1,132,000 provided by Asian Forest Cooperation Organization (AFoCO) and USD 100,000 provided from the Government of Viet Nam;
- 2020 project to improve community participation in conservation and sustainable use of the Ramsar - Bau Sau wetland ecosystem integrated with environmentally friendly agricultural practices in buffer zone communes, with funding of USD 10,000 provided by Ramsar Research Centre East Asia, USD 3,956 provided by CTNP, and USD 652 provided by Cat Tien, Dac Lua and Ta Lai Communes.

This funding is not sufficient to meet needs, and is adequate to cover only a minimum level of PA management and conservation activities. The greatest funding gaps are for research, species rescue and conservation, and ecotourism. Even though the Department of International Cooperation and Science manages to carry out some research and data collection, it does this with no funding. There is not enough budget to build key tourism infrastructure (such as roads, rooms and other facilities), or to train staff in tourism-related skills.

The range and diversity of funding is perceived to have remained stable, mainly because there are now few international projects. Although there has been little or no change in the range (diversity) of funding sources received over the last 5 years or in the adequacy of funding to meet management and conservation needs, there has been some improvement in the amount of funding received. PA managers also express a hope and expectation that all of these aspects will improve over the short-term, although are doubtful whether funding can ever be fully adequate under the current system of PA financing. It is likely that there will continue to only be enough funding to carry out basic forest protection and management activities, such as patrolling trails and guarding from forest ranger stations.

In 2019, CTNP expenditures totaled VND 69.65 billion. Over the last five years, PA managers perceive that expenditures have increased a little overall, especially for infrastructure, staff, protection/enforcement, tourism, fire prevention, forest management and rehabilitation, and for PFES. They have stayed the same for scientific studies, activities with buffer zone communities, and for awareness and education. Over the short-term, it is expected that most categories of expenditure will increase significantly.

In 2019, CTNP earned more than 32.73 billion in income, including VND 2 billion from tourism and more than VND 30 billion from other sources. Over the last five years, PA managers perceive that revenues have increased a little, especially tourism fees and charges (they cite a figure of 10-15% a year – mainly due to an increase in the number of tourists visiting CTNP). Income from PFES is also said to have increased, as power plant production (and hence payments) has risen. It is anticipated that income from tourism, PFES and – potentially – new sources will increase significantly into the future.

Constrains and enabling conditons for sustainable financing

The most severe financial constraint in CTNP is the legal barriers that exist against attracting investors. At the moment only external donors and supporters can provide funds freely, but these funding flows are reducing. Another key constraint is that the park infrastructure is in a bad state of repair, including buildings, tourist rooms, restaurants and vehicles. There is also a need to construct new (tourist) infrastructure, such as a bridge connecting the visitor centre to the wharf. A third set of challenges relate to the weak human resource capacities in tourism. The PA staff lack the training and experience to run a visitor centre, operate a website, and carry out other key functions to promote and improve tourism in CTNP.

In addition, there is very little funding available for species rescue programmes and centres. Funding for biodiversity monitoring is also very small. This is partly because MONRE is the ministry that is responsible for biodiversity monitoring, but not for national parks. So national parks do not receive adequate budget lines for monitoring.

The diversity of funding sources is considered to be quite good, and does not pose a major constraint to PA management. The state budget covers the salaries of the management board, while tourism revenues provide for the salaries of tourism service staff. The budget is also stable, and so PA managers do not feel that they rely on a risky financial base. It is possible to plan for salaries and activities in advance, not just through the annual workplan but also through the 5-year plan.

Salaries and operating costs are calculated according to fixed formulae. They rely on cost norms which are applied depending on the number of staff in the park and the activities that are proposed in the annual workplan. These cost norms and budget planning expenditure categories are realistic and reflect the true costs of carrying out activities. They allow for the budget to be planned accurately, and to include all the items and funding that is needed to carry out the workplan.

Rather, the problem is that the budget is insufficient to meet needs. The state budget is not enough to cover all the conservation needed. It is also a challenge that salaries for rangers are low. Most local people are not attracted to these jobs because of the low salaries – they can earn better income in other jobs. So, most of the forest rangers are migrants from the north of the country.

PA have no expertise or training in sustainable finance planning and mechanisms.

Budget planning and funding allocations are not very closely-aligned with PA conservation needs and priorities. There are only minor efforts to reflect conservation priorities in budget planning. Biodiversity conservation is also not well-mainstreamed into the budgets of other line agencies and local authorities that operate close to the PA, or otherwise impact on it. The local authorities and line agencies do not have responsibility for biodiversity conservation, or for funding the national park. CTNP is managed by MARD, and therefore it is MARD that is responsible for providing the budget. Local authorities just contribute very small amounts for forest protection (VND 15-18 million a year). Because the MARD budget is for activities in the national park, and other line agencies and local authorities are not responsible for conservation, there are no sources of funding or incentives to support conservation among other stakeholders that use and impact on CTNP biodiversity.

Some of the revenues earned by CTNP can be retained, after deducting payable amounts (for example from tourism). However, that revenue is not enough to meet the shortfall or funding gap between what is given by the state budget and what is needed to be spent on management activities.

Key financing opportunities

Tourism is emphasised as the main opportunity to generate revenues, and to increase funding for conservation. It faces both constraints and opportunities. Although there is a basic tourist infrastructure (accommodation, restaurant, visitor centre, trails, etc.), these facilities are old and degraded. The accommodation is not comparable with private facilities. At the moment there is not enough budget to improve the tourist facilities, or to maintain it properly. The revenue from tourism is just enough to do small repairs.

The PA management board would like to invite private sector investment into the tourism facilities in the national park, but cannot do so. It is not allowed to lease out state assets, and there are no instructions or regulations on how to develop public-private partnerships or to share revenues between the public sector and private sector. Even though CTNP is not permitted to lease land, there are a few coffee shops on the riverbank near the wharf, on national park land.

The greatest financial advantages, opportunities or areas of potential for the PA include that CTNP is close to Ho Chi Minh city, so many visitors come to stay, especially on weekends and holidays. It has an attractive landscape, with a rich biodiversity which is unique in Vietnam. Although it is currently in a state of some disrepair, CTNP contains a fairly good basic visitor infrastructure and facilities.

In addition to tourism, carbon funding associated with the World Bank was identified as a potential source of new finance for CTNP.

Financing for biodiversity conservation in the buffer zone

None of the communes interviewed have undertaken or participated in any biodiversity or nature conservation projects – either those carried out CTNP, or those funded by government, NGOs, international organisations, private sector, etc. The communes also do not receive any funding or in-kind support from the PA.

Each of the communes allocates a small budget for the forest protection activities carried out by the Commune Forestry Board. For example, in 2019 VND 18 million was provided in Phuoc Cat 2 and Ta Lai communes (0.21% and 0.13%, respectively, of the total annual commune budget for that year) and VND 15 million in Dac Lua (0.12%). This is spent on activities such as propaganda, forest patrol, protection, advising the Commune People's Committee on forest inventory implementation, fire prevention, prevent violation on forestry, etc. It is a very small amount of funding, and not enough to support all of the Forestry Board's activities and financial requirements.

Except for this spending on Forestry Boards, there is no dedicated commune budget for biodiversity and nature conservation activities. One of the communes, Dac Lua, stated that it would like to receive funding for conservation activities, including petrol for motorbike patrols, and activities to raise awareness among the communities that live near to the forest.

The reason that communes receive and spend no funding/budget on conservation and nature protection is that it is not the mandate of the commune people's committee to undertake these activities. It is not their duty.

There are, generally, few interactions between the communes and CTNP, and also perceived to be few direct economic benefits for local communities and economies from the PA. There are several reasons for this (in addition to the fact that communes are not seen as being responsible for biodiversity and nature conservation). One is that the buffer zone covers a large area, and that the majority of residents are engaged in agriculture, business and other activities. Many communes stretch a long distance away from the PA – for example, Phuoc Cat 2 is quite far from CTNP, so the contribution of tourism to the local economy is negligible. In Ta Lai there is however an ecotourism group, with 12 members. It runs Ka Hoai traditional house, and offers meals, souvenirs, bicycle rental and guides. Around 250 households in Phuoc Cat 2 participate in PFES activities (out of a total of 646 households in the commune), 5 households in Ta Lai (of 2005 households), and 48 households in Dac Lua (of 1630 households).

For the most part, CTNP is also not perceived to impose any direct costs, losses or economic disadvantages to the local community. There is however a recognition that the land and resource use restrictions associated with gazetting the area as a national park gives rise to some level of opportunity costs. The commune authorities in Phuoc Cat 2 and Ta Lai stated that most local people don't collect forest products or carry out other activities in CTNP because if they break the law they will be fined and/or go to jail. In Dac Lua commune, it was stated that, since the park was closed, people have not been able to not enter the forest to collect timber, firewood, and non-timber forest products such as medicine, bamboo shoots, honey, etc. This meant that the income of local people decreased and was badly affected.

There is also the expectation that if tourism in CTNP increases or develops, there could be opportunities for greater local participation and income-generation. This would include both direct jobs and business opportunities (restaurants, accommodation, guiding, sales of souvenirs, etc.) and indirect or secondary/support industries (transport, selling agricultural products and other services, etc). For example, Dac Lua commune sees the potential to develop local nature tourism, as it contains a beautiful stream and river system. It would like to build homestays, sightseeing tours and other activities, and to encourage the participation of local people. However, the main constrain is the lack of funding and investment capital – especially for large and costly aspects such as the construction of tourism infrastructure. The commune cannot mobilise this funding, and will need help from CTNP.

Couclusions for the development of the sustainable finacing strategy

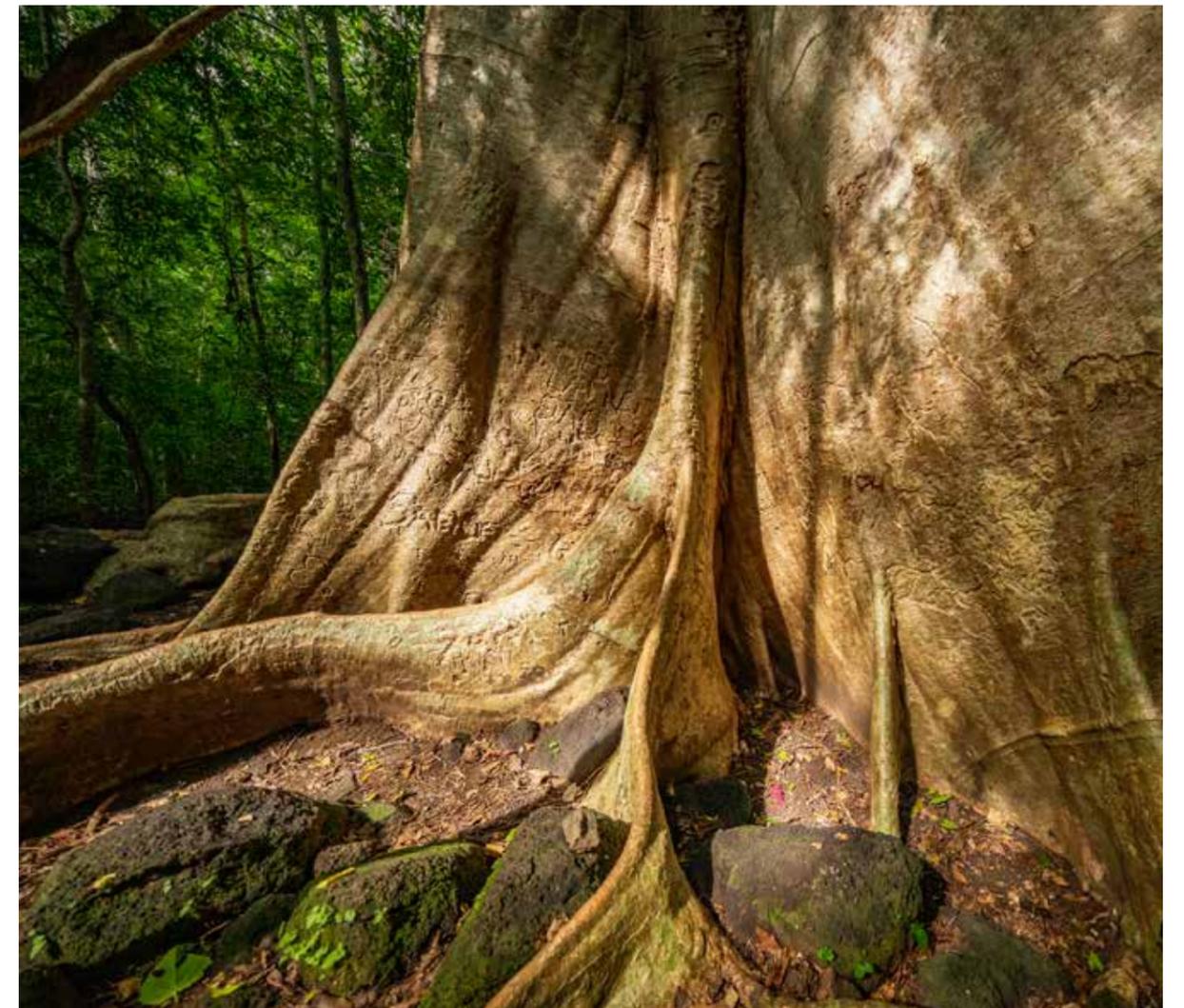
The CTNP sustainable financing strategy will include eight main sections (Figure 5). This generic format will be further refined during the next stage in the development of the sustainable financing strategy: strategic planning for financial sustainability. During the strategic planning process, the findings of the assessments will be discussed and validated, and concrete mechanisms for enhancing PA financial sustainability and mobilising funding will be identified. The exact content and format of the strategy document will also be agreed and finalised. The content will be tailored towards the key issues that have arisen in the course of the financing assessments, as summarised below.

Table 4: Annotated outline of CTNP sustainable financing strategy

Chapter		Content
1	Management context and situation	Summary of biodiversity and ecosystem services, conservation values and challenges, management approach and priorities (drawn from the SFMP)
2	Financial status, constraints and opportunities	Review of current and past funding portfolio and spending, analysis of key non-monetary financial constraints, assessment of potential and untapped financing and funding opportunities
3	Management costs and financing requirements	Statement of the projected costs, budgetary and financial needs for the planning period (drawn from the SFMP), as well as already secured funds
4	Funding gaps and unmet financial needs	Identification of requirements for enhanced financial conditions, including new and additional funding, to deliver key aspects of the SFMP
5	Strategy for enhancing financial sustainability	Summary of the priority funding and financial needs to be addressed, and the responses and solutions that are being proposed to meet them
6	Financing mechanisms, funding sources and enabling conditions	Description of financing mechanisms, revenue and income streams to be developed, and of their sources, donors or investors. Identification of broader conditions that are required or in place to enable the identified financing mechanisms and funding sources
7	Plan for financing and resource mobilisation	Framework of actions, milestones and timeline for the development and delivery of the identified financing mechanisms, funding sources and associated enabling conditions
8	Business case for PA sustainable management	Brief economic and investment rationale and justification for supporting PA sustainable management (to be used to support the 'marketing' of the SFMP and financing strategy)

- It is clear that, in CTNP, lack of funding remains a major constraint to effective PA management. There is an urgent need to identify mechanisms that can generate additional funding for priority conservation activities, as well as diversify the PA's overall financial portfolio.
- CTNP already has the capacity to retain and reinvest its self-generated revenues (for example, the use of tourism revenues to pay staff salaries). It will be important to ensure that new income and funding can similarly be held and utilised by the PA Management Board, and reinvested directly in on-the-ground activities and infrastructure. Species rescue, research and monitoring, and tourism have been identified as priority areas that face particular funding gaps.
- There is also a perceived need to build PA staff capacity in financial planning and mechanisms, as well as in key skills that are required to develop and apply business approaches and manage commercial activities (such as tourism).

- Broader financial planning, administration and management conditions are generally perceived to work well, and not to pose constraints to effective PA management. There is however a need to streamline the budgeting process to better integrate and harmonise with conservation priorities. In addition, it is also important to ensure that budgeting and spending supports financial sustainability concerns. One key area is to ensure that there is sufficient (re)investment in the basic infrastructure and facilities that provide the means of generating revenues in the first place. This is particularly important in the case of tourism – to directly channel any new income and funding into maintaining and improving visitor facilities, upholding the quality and credibility and soundness of the nature-based tourism offering and experience, and training and retaining qualified staff.
- While PA funding is relatively stable, and incorporates a variety of sources (state budget, retained revenues, donor projects and external support), it is important to maintain this diverse portfolio. New additional funding mechanisms should draw on a variety of sources and income streams.
- There has recently been something of a downturn in donor funding. It will be important to get external projects back on board, and also investigate non-traditional sources of international and domestic funding. Examples include forest carbon finance, biodiversity offsets and various forms of payments for ecosystem services.
- Market-based instruments and private sector investments, too, are seen as having great potential as sources of funding for CTNP, particularly in relation to tourism. The current lack of experience and precedent in developing public-private partnerships to invest in and operate PA infrastructure and facilities would need to be overcome, perhaps by using CTNP as a model for piloting these kinds of arrangements, approaches and guidelines.
- In addition to mobilising new funding for CTNP, and for reinvesting in its tourist infrastructure, staffing capacities and overall offering, novel funding arrangements (such as joint ventures and public-private partnerships) offer opportunities to better mainstream PA investments into sectoral spending, as well as to better involve and benefit local communities.



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SITE PROFILE

Cat Tien National Park

Management, governance and finance

Programme on Conservation, Sustainable Use of Forest Biodiversity and Ecosystem Services in Viet Nam

Unit 021, 2nd Floor, Coco Building
14 Thụy Khue Str., Tay Ho District, Hanoi, Viet Nam

T: +84 24 39 32 95 72

E: office.biodiversity@giz.de

I: www.giz.de/viet-nam

