

# DECISION

## Approving the Viet Nam Forestry Development Strategy in the 2021-2030 period, with a vision to 2050

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## **DECISION**

# **Approving the Viet Nam Forestry Development Strategy in the 2021-2030 period, with a vision to 2050**

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### **PRIME MINISTER**

*Pursuant to the Law on Government Organization dated December 19<sup>th</sup>, 2015; the Law amending a number of articles of the Law on Government Organization and the Law on Local Government Organization dated November 22<sup>nd</sup>, 2019;*

*Pursuant to the Law on Forestry No. 16/2017 / QH14, dated November 15<sup>th</sup>, 2017;*

*Considering the proposal of the Minister of Agriculture and Rural Development.*

### **DECIDES:**

#### **Article 1.**

To approve Viet Nam Forestry Development Strategy for the period 2021-2030, with a vision to 2050 (hereinafter referred to as Strategy), with the following main contents:

#### **I. VIEWPOINT OF DEVELOPMENT**

1. Forests are natural resource and means of production of particular importance, which can regenerate themselves, the country's great asset and resource, they are also an important factor of the ecological environment, which contributes to mitigation of natural resource and adaptation to climate change and biodiversity conservation.
2. Sustainable forestry development is based on effective management, use of forest resources; harmonization of objectives on socio-economic development, environment protection; thereby bringing forestry truly into an economic-technical sector towards modernity, effectiveness, efficiency and high competitiveness, which develops along a value chain from forest protection, forest development, forest use to forest product processing and trade with a view to enhancing the forest value, sustainable use of

natural resources, bringing into full play advantages of climate, land and comparative advantages of different areas and regions while ensuring national and local interests and people's interests. The growth model is to be renewed from being based on expanding the forest area and harvested timber volume to focusing on productivity, quality and added value of forest products. Agro-forestry model, non-timber forest products, urban forestry, landscape and sustainable tourism associated with forests are to be developed.

3. The State shall promulgate policies on its investment and co-investment which are supposed to be within the capacity of the State budget in each period for forestry development in accordance with legal regulations on forestry; put in practice appropriate mechanisms, policies to support, facilitate and encourage organizations and individuals of all economic sectors to invest in forestry development, in which priority is given to research, selection and breeding of high quality forestry varieties; intensive plantation of large timber trees, development of non-timber forest products, planting, harvesting, processing of timber and non-timber forest products using modern and environment-friendly technologies.

## **II. OBJECTIVES**

### **1. General objectives**

To build the forestry truly into an economic - technical sector; establish, manage, protect, develop and sustainably use of forest and land areas having been planned for forestry; ensure the extensive and equal participation of all economic sectors in forestry activities, maximally mobilize all society's resources for forestry, apply advanced and modern science and technology in forestry development. To maximize the potentials, roles and values of forests so that the contribution of forestry can be increasingly significant to the socio-economic development, environmental and ecological protection, insurance of water security, mitigation of natural disasters, proactive and effective response to climate change, conservation of natural resources and biodiversity, provision of diverse forest ecosystem services, creation of jobs and incomes for people, maintaining national defense and security and successfully implementing national goals for sustainable development. To make the State administration system for forestry streamlined, efficient and effective.

### **2. Specific objectives**

#### **a) Economic objectives**

- The growth rate of forestry production value: 5.0% to 5.5% / year;
- The value of exported timber products and non-timber forest products: US\$ 18-20 billion by 2025; and US\$ 23-25 billion by 2030; the value of domestically consumed forest products will have reached US\$ 5 billion in 2025 and over US\$ 6 billion in 2030.
- Planting production forest: about 340,000 ha/year in 2030

- Planting production forest, special-use forest using indigenous, precious and rare tree species: on average 4.000-6.000 ha/year.
- Restoration of production forest, special use forest: on average 15.000 ha/year.
- Productivity of timber harvested from planted forests is targeted as 35 million m<sup>3</sup> / year by 2025; 50 million m<sup>3</sup> / year by 2030;
- To develop ecosystem services, diversify and expand lawful revenue sources; have the annual total revenue from forest environmental services increase by 5%;
- To improve the quality of natural forests, productivity and effectiveness of planted forests and agro-forestry systems; in the period from 2021-2025, have more than 0.5 million ha be certified in sustainable forest management, in 2026-2030 more than 1 million ha.
- By 2025, The value of income per unit area from planted production forests will have increased by 1.5 times that of 2020 and by 2030 2 times.

#### **b) Social objectives:**

The rate of vocationally trained workers working in the forestry sector will have reached 45% in 2025 and 50% in 2030; with gender equality is ensured;

By 2025, 50% and by 2030 80% of mountainous households, ethnic minorities living in forested areas will participate in commodity forestry production;

By 2025, the average income of ethnic minorities engaged in forestry will increase more than 2 times compared to that of 2020; which contributes to a reduction in the rate of poor households by over 3% in the areas inhabited by ethnic minorities, by 2030, the average income of ethnic minorities will have been equal to ½ of the Per Capital Income.

#### **c) Environmental objectives**

The rate of forest coverage will have been stable from 42%-43%; which will have effectively contributed to the realization of the Vietnam's commitment in nationally determined contribution of Viet Nam (NDC); development of a Green Viet Nam;

By 2030, 100% of forest areas managed by forest owners being organization will have applied sustainable forest management; in the period from 2021-2025, the quality of 10% of natural forest area will be improved, in the period from 2026-2030 this rate will be 20%; to improve the efficiency of biodiversity conservation and the protecting capacity of forests; to minimize cases of violation against forestry legislation and ensure environmental security.

### **3. Vision to 2050**

By the year 2050, Viet Nam's forestry sector will have been built into a modern, effective, efficient, highly competitive economic-technical sector; that is able to bring into full play effectively potentials and advantages of tropical forest resources; apply modern and environmentally friendly technologies; create diverse products and

services ; feature high added value, participate in depth and in width in global value chains; which increasingly contributes to the country's sustainable development;

*Economically*, to sustainably develop the forestry sector, integrate international, bring into full play potentials and advantages of tropical forest resources, strive to become one of the world's leading forest products production, processing and trade center that applies modern technologies; contribute increasingly to the country's socio-economic development.

*Socially*, to have the forestry sector contribute significantly to development of Viet Nam as a green, safe and prosperous country; and also to the development of new model of countryside which is rich, beautiful and civilized as a result of improved livelihoods, developed green economy in association with forest resources, preserving traditional cultural identity and living space of ethnic minorities; while well maintaining national defense and security.

*Environmentally*, to apply sustainable forest management, pursuit long-term conservation of natural resources and biodiversity; maintain environmental security, water source security, prevent land degradation, minimize adverse impacts of natural disasters, actively response to climate change, provide forest environment services; participate in a responsible, enthusiastic manner and fulfill commitments in international agreements that Viet Nam has signed.

### **III. DIRECTION FOR THE FUTURE DEVELOPMENT**

#### **1. Future direction for development in specific fields**

##### **a) Forestry planning**

To determine the national stable forest stand; formulate the national forestry plan for the period 2021-2030, with a vision to 2050 in which the following principles are to be ensured: be in line with the national comprehensive plan, national land use plan, national forestry development, national biodiversity plan; apply sustainable forest management, exploiting, use of forest are on parallel with nature conservation, increase the economic and also historical, cultural values of forest; protect environment, response to climate change and improve livelihood for people; include natural forests in the special-use forest, protection forest, production forest plans; engage the participation of different agencies, organizations, individuals, residential communities; ensure publicity, transparency and gender equality.

As to special-use forests and protection forests: to review and adjust the system of special-use forests and protection forests to establish the national stable forest stand towards an enhanced connection between existing ecosystems of conservation value, high level environment protection at landscape level by establishing connecting biodiversity corridors in a way that can enhance biodiversity values, meanwhile satisfying national and international standards; meet requirements to watershed

protection, erosion prevention, sea wave breaking, wind and sand shielding, sea reclaiming protection forests and protection forests protecting the environment of urban areas, industrial parks, borders and islands in the context of climate change; consider converting some areas of natural production forest to protection forests or special-use forests, adjust forest classification based on functions and use in order to optimize the integrated effectiveness in terms of socio-economic and environmental aspects and be in line with international practices.

As to production forests: to review and adjust the area of production forests towards bringing into full play regional comparative advantages in terms of land, climate and forest resources; develop concentrated raw material areas that will provide materials for the forest product processing industry and developing a system of large timber planted forests of high productivity and quality with the participation of all economic sectors; improve the integrated economic efficiency per unit area through an optimal production system and value chains; attach importance to developing multi-purpose forestry (timber, non-timber forest products, services); agro-forestry model.

To strictly conform to the Viet Nam Communist Party's guidelines and the State's legislation on management, use of land originally being state agriculture and/or forestry plantations', bring into full play the potentials in economic development in association with forest protection.

#### **b) Forest management, protection and conservation of forest biodiversity and ecosystem services**

To strictly manage, protect the existing natural forest area; restore and enhance the quality of natural forests with a view to conserving biodiversity, using and providing forest ecosystem services, of which: as for special-use forests, to ensure the harmony between biodiversity, protection of endangered, rare and precious plants and animals through ecotourism, leisure tourism development; as for protection forests and natural production forests, to pay attention to forest protection, development of forest environmental services, and non-timber forest product, agro-forestry models; implementation of green house gas (GHG) emission reducing activities through controlling deforestation and forest degradation; conservation, increase of the forest carbon reserve and application of sustainable forest resource management (REDD+). To minimize conversion of natural forests to non-forestry purposes; to complete the land, forest allocation, leasing in association with licensing of land use certificate as to forestry land, to ensure all forest and land areas planned for forestry development are allocated to real forest owners; to ensure sufficient conditions for organizing forest protection management and sustainable development of forest resources.

To strengthen the connection between conservation and development with the active participation of stakeholders in forest management such as building models to engage local communities and sharing fair interests in the management of special-use forests and protection forests through an adaptive cooperative approach in management with a view to improving the level of participation of local communities, reduce conflicts and

improve management effectiveness; promote the sustainable forest management certification; continue to improve mechanisms, policies and technical guidelines on sustainable forest management and forest certification; provide specific guidelines for different practicing groups of different specificities such as: individuals, households, household groups, communities, etc.; strengthen capacity for stakeholders on sustainable forest management and forest certification.

To strengthen capacity on forest governance of forest owners through establishing a forest resource monitoring and evaluation system, promote the application of remote sensing and geographical information system (GIS), information technology in information management in the forestry system; inventory, assessment of the country's forest resource; development of community-based forestry, attach forestry with traditional, cultural identity, application of people-oriented approach. To improve capacity for forest owners so that they are capable enough to effectively monitor, manage forest, to have 100% of forest owners being organization capable enough to monitor, manage forest resources and prevent, fight forest fires.

### **c) Forest development**

To develop planted forest areas into concentrated material supplying regions; give priority to planting large timber forests; to promote the mobilization of all non-state actors' investments in forest development through incentive policies, mechanisms on land, credit, insurance, tax, market.

To push up forwards research, selection, breeding of forest tree species varieties, in planting production forests, to prioritize the development of seedlings from tissue trees, cuttings; to reach the target of at least 90% of planted forest areas has used recognized forestry varieties; the productivity of intensive farmed forest with new variety is 20 m<sup>3</sup>/ha/year by 2025 and 22 m<sup>3</sup>/ha/year by 2030.

To restore natural forests, in which measures including naturally assisted regeneration, naturally assisted regeneration with additional plantation in close areas, nurturing forest and improving forest quality; development of agro-forestry model meanwhile non-timber forest products towards commodity production will be applied.

To enhance productivity, quality and efficiency of planted production forests towards optimizing the production system and forest product value chain through promoting the application of science and technology, including: determining the composition of plants species suitable to soil conditions, climate, of high economic value and can satisfy business purposes; harvesting and processing technologies; application of technical advances; use of high quality varieties, intensive cultivation of large timber forests, application of mechanization and high technology in all production stages (vegetation treatment, site preparation, tending, prevention of pests and forest fire, harvesting, transportation, processing of forest products etc.). To give priority to fields including: conservation and development of genetic resource, selection and breeding of varieties, large timber planted forest business; biological and technical products for intensive cultivation of planted forests. To have the rate of mechanization in different stages of concentrated plantations reach 30%.

To develop a system of special-use forests, preserving and promoting the value of forest tree gene resources, forest resources and biodiversity, meeting the requirements of maintaining ecological balance and sustainable forestry development. To assess and document biodiversity resources for management, conservation and supply of materials for breeding, development of planted forests, create new products and new brands; enhancing competitiveness in the trend of international integration.

To maintain and improve the quality of protection forests to minimize adverse impacts of natural disasters, improve the environment, reduce emissions; increase carbon absorption, provide forest environmental services, actively respond to climate change. The State shall invest in the development of protection forests and special-use forests and promote construction and completion of forestry infrastructure for forest protection and development; protection and conservation of biodiversity and environment, and at the same time create a basis for attracting and supporting all economic sectors to participate in forest development; prioritize the development of watershed protection forests, coastal protection forests in order to prevent, mitigate the adverse impacts of natural disasters, response to climate change.

To develop and organize the implementation of the Project on planting a billion trees with the aim of both supplying timber and raw materials for production and consumption, protecting the environment, improving the landscape (in urban areas, rural areas, offices, schools, hospitals, historical relics etc.) and response to climate change, contributing to the implementation of the country's sustainable development goals.

#### **d) Forest use**

To continue to implement the policy of closing natural forests until 2030, not to harvest timber from natural forests, to promulgate mechanisms, policies to limit harvesting of young timber from young planted forests, which are in a period of strong growth, to encourage the planting of large timber forests to supply raw materials for the processing industry; basically meeting the demand for raw materials of the timber and forest products processing industry.

To maximize forestry services and forest environment services to generate revenues which will be reinvested in forestry development; promote the development of eco-tourism; encourage organizations, households and individuals to invest, manage, exploit and sustainably use forests, develop downstream processing of timber products and non-timber forest products using advanced and environmental-friendly technologies. To studying the plan for reasonable exploitation of planted protection forests after 2025 with a view to both ensuring the protection function of forests and supplying of large timber materials and non-timber forest products for production and consumption; to continue naturally forest regeneration in close areas, improve, enrich natural production forests in order to enhance their quality, creating supplies of timber, non-timber forest products in addition to timber and forest environment services after 2030.

To sustainably use of biodiversity resources, genetic sources, types of organisms and forest ecosystems; promote afforestation, use of non-timber forest products, focusing on product groups with strengths and economic value on the basis of promoting the advantages of regions such as rattan, medicinal herbs, resin, oil, food, organic products. To promulgate mechanisms and policies so that forest owners are able to manage, exploit, develop and sustainably use non-timber forest products.

#### **dd) Development of the forest product processing industry and trade**

To strive so that Viet Nam can become one of the world's leading centres of forest products production, processing and trade by promoting and establishing large enterprises, large and modern industrial parks of regional and world scale, to become capable in terms of technology and management to organize the production of high quality, branded, highly competitive products and deeply and extensively participate in the global value chain.

To develop high-tech forest products processing industrial parks, timber and forest products processing clusters in places capable of providing sufficient and stable raw materials, with convenient transportation and synchronized infrastructure to ensure competitiveness in the regional and international markets; in the existing processing plants, to replace old, outdated machinery and technologies that cause environmental pollution; in newly invested and established processing plants, resolutely not to use old and outdated technology. To developing supporting industries such as wood processing equipment, glue, surface coatings, etc.

To increase the proportion of downstream processed products. To focus on developing products with high competitive advantages and sustainability such as: indoor furniture (kitchen, bedroom, bathroom ...), outdoor furniture, carpentry and downstream products from non-timber forest products (rattan, bamboo, medicinal plants, etc.). To promote processing of qualified plywood to supply furniture factories, meanwhile gradually reducing wood chip processing for export. To encourage the use of products from plywood and timber from planted forests; focus on developing production and downstream processing of valuable non-timber forest products based on strengths of each region.

To develop of forest products processing industry in association with the process of restructuring the forestry sector towards large-scale production of goods, enhancing added value, sustainable development and international economic integration; to develop synchronously all stages in the forest product value chain from production, exploitation, processing to consumption in accordance with the scale, production competency and characteristics and advantages of each industry and/or commodity; each region; associated with the development of concentrated raw material production areas.

To develop mechanization and forest products processing industry towards application of modern smart, efficient, safe, low emission and sustainable technology; to

encourages the engagement of all economic sectors and promotes international cooperation in investment in the development of forest product processing industry.

To organize effectively the import of wood materials, forest products, limit the import of furniture products that can be produced domestically, and increase the planting of large timber materials, restructuring of planting compositions providing large timber and non-timber forest products to proactively source input for the processing industry, minimizing the dependence on imported materials, meanwhile enhancing the added value of processed products.

To enhance quality, diversify the design of processed products to meet the needs of domestic and foreign markets; develop modern forms of commerce, drastically thoroughly applying technological solutions to develop e-commerce forms along with building up Vietnamese wood brand and using legal timber sources, have all exported items be granted with product chain management certificate (Certificate of Conformity-CoC). To expand the market to ensure stable and sustainable development.

## **2. Direction for future development by region**

In addition to the direction for general development in the future by the above-mentioned fields, in implementing the Strategy, it is necessary to develop forestry in the direction that can help it address difficulties; shortcomings; be able to protect, preserve and promote the potentials and strengths of forestry of each region, specifically as follows:

### **a) The northern mid-land mountainous region**

- Northwest region:

To preserve mountainous rainforest ecosystems and rare forest wildlife genetic sources in special-use forests; focus on building and strengthening the watershed protection forests along the hydroelectric stairs in the Da River basin.

To develop watershed protection forests, special-use forests, biodiversity conservation, forest environment services, eco-tourism and leisure tourism; production forests: to develop planting material supplying forests, agro-forestry models, non-timber forest products (such as: Cardamom, common hawthorn, *Amomum longiligulare*, Macca, Bamboo, *Neohouzeaua*, etc); community forestry.

- Northeast region:

To develop watershed, estuarine and coastal protection forests; special-use forests, conserve biodiversity; urban forestry; ecotourism and leisure tourism; production forests, plant material supplying forests; to develop forest product processing industry

and forest product trade; agroforestry models, non-timber forest products (Aniseed, Cinnamon, Bamboo, etc.)

To further consolidating the existing special-use forests such as: the national parks of Ba Be, Bai Tu Long, Du Gia – Dong Van Stone highland, Hoang Lien, Phia Oac-Phia Den mountain, Tam Dao, Xuan Son, etc.; nature reserves, species and habitat conservation areas, and historical and landscape forests; to focus on development and consolidation the system of coastal protection forests and watershed protection forests.

### **b) Red River Delta region**

To develop landscape, coastal protection forests; special-use forests ; urban forestry, eco-and leisure tourism. To develop timber and non-timber forest product processing industries, (such as : rattan, bamboo, medicinal plants,...)

To consolidate and protect existing special-use forests such as the national parks of Cuc Phuong, Ba Vi, Cat Ba and Xuan Thuy; nature reserves, historical, cultural and landscape relics; To concentrate on developing and consolidating urban environmental protection forests, industrial parks and coastal protection forests; to push up forwards the planting of scattered trees, improve the landscape and environment and partly meet the domestic wood demand.

### **c) North Central Region**

To develop watershed, estuarine, coastal protection forests, sand shielding, wave breaking protection forests, erosion controlling protection forests; special-use forests, biodiversity conservation, ecotourism and leisure tourism; large timber production forests, agroforestry models; timber and non-timber forest product processing industry, (such as : Cinnamon, Christmas camellia (*Sasanqua Camellia*), Mu Oil Tree (*Vernicia montana*), Indian Laurel (*Litsea glutinosa*), Pine tree, Bamboo, Rattan, ..)

To review and evaluate watershed protection forest system, special-use forest system, hydropower system and irrigation system in the region to propose appropriate solutions. To protect and strengthen national parks of Pu Mat, Vu Quang, Ben En, Bach Ma, Phong Nha - Ke Bang, etc., and other nature reserves to protect the region's rich biodiversity resources and also water resources; to concentrate on developing and consolidating watershed protection forests, coastal protection forests including sand shielding protection forests, waves breaking protection forests and coastal erosion prevention forests; to promote community-based forest management, especially in scattered watershed protection forests, and in areas in need of sand shielding protection forest and activities to improve infertile soil.

#### **d) The South central region**

To protect and develop watershed protection forests, wind shielding, sand shielding protection and coastal erosion, drought prevention forests, water resource improvement and land for cultivation; intensify planting of sand, wind shielding, wave breaking erosion controlling protection forest;

To protect and strengthen the existing special-use forests such as the national parks of Phuoc Binh, Nui Chua, Song Thanh, etc.; to continue with the establishment of special-use forests located in the South of the Annamite Mountains and historical and traditional cultural forests;

To develop ecotourism and leisure tourism; large timber production forests, agroforestry models, processing industries; non-timber forest products (such as: Cinnamon, Resin Tree (*Dipterocarpus alatus*), Wild Almond Tree, Lanzones, Velvet Tamarind, Vietnamese Ginseng, Dangshen, Rattan, Malva Nut Tree, etc.)

#### **dd) Central highland area**

To strictly protect the existing natural forest area; to terminate illegal exploitation and deforestation, gradually restore and develop forests based on the conditions of natural resources, characteristics and conditions of the region.

To determine stable forest stand; including watershed protection forest; special-use forests, biodiversity conservation, eco-tourism and leisure tourism; production forests, agroforestry model; timber and non-timber forest product processing industry (such as: Bolly beech (*Litsea glutinosa*), Velvet tamarind (*Dialium cochichinensis*), macadamia, rattan (*calamoideae*), Vietnamese ginseng (*Panax vietnamensis*), etc.)

To strengthen and develop the existing special-use forests such as the national parks of Yok Don, Chu Yang Sin, Bi Doup - Nui Ba, Chu Mom Ray, Kon Ka Kinh, Ta Dung, etc., and nature reserves rich in biodiversity. To conserve indigenous species in mixed dipterocarp (*Dipterocarpaceae*) forests, three-needled pine (*Pinus kesiya*) forests; to strengthen and protect the watershed protection forest system through co-management and community forestry forms in order to maintain the coverage of natural forests.

#### **e) Southeast region**

To develop watershed, urban, industrial zone area, coastal protection forests; special-use forests: to implement biodiversity conservation, ecotourism and leisure tourism; large timber production forests, agroforestry model, non-timber forest products, forest product processing industry.

To strengthen the protection and conservation of biodiversity in special-use forests such as the national parks of Bu Gia Map, Con Dao, Cat Tien, Lo Go - Sa Mat, Can

Gio and other nature reserves. To strengthen the development and protection of the watershed protection forest system, to protect dams and hydropower reservoirs such as the lakes of Tri An, Dau Tieng, Thac Mo etc. To promote the establishment of environmental protection forests for industrial parks, large cities and coastal protection forests.

#### **g) Mekong River Delta region**

To develop protection forests: coastal, urban protection forests; special-use forests: mangroves, melaleuca forests; to plant scattered tree; to develop forest products processing industry and production and business models combining agriculture and forestry, aquaculture.

To consolidate, protect and conserve biodiversity in special-use forests such as the national parks of Tram Chim, Mui Ca Mau, U Minh Ha, U Minh Thuong and Phu Quoc; nature reserves; to restore and develop ecosystems of mangrove forests and melaleuca forests in order to protect environment and develop economy; To strengthen the development and consolidation of wave breaking protection forests, coastal line erosion prevention protection forests and protection of other construction works, to actively and effectively respond to climate change.

### **IV. SOLUTIONS**

#### **1. Mechanism, policies**

a) To review and improve the forestry policy system on the basis of the 2017 Law on Forestry while ensuring harmony of this system with the Law on Land, Law on Biodiversity, Law on Environmental Protection, relevant laws and international regulations to meet the requirements of sustainable forestry development; to study and formulate policies to promote the policy of mobilizing all sectors' engagement in forestry activities, attract investment in forestry, natural forest management, community forestry development, forest environment services; policies on forest valuation, provision of public services by management boards of special-use forests, protection forests; policies to encourage renewal and innovation and application of science and technology, downstream processing, product development, branding and marketing,...

b) To reform mechanisms and policies to mobilize diverse resources for forestry development in general and forestry development in association with sustainable poverty reduction in extremely difficulty-stricken areas, highly forested areas inhabited by ethnic minorities, such as: allocation of forests and forestry land to local communities, development of community-based forest management; sharing benefit from forests to local communities, to truly create livelihoods for people living in the vicinity of forests; implementation of the payment for forest environmental services (PFES) mechanism, granting the land and forest use right for people's in connection

with the market economy; to organize pieces of land to create concentrated material areas; to promulgate mechanisms, policies on favourable remuneration for people involving in forest protection, development, forest fire fighting; policies for workers and people living in the vicinity of forests located in the far and remote areas

c) To study and finalize mechanisms and policies on the State's investment and co-investment, encourage forest protection and development, especially as to natural forests, protection forests, in the direction that forest protectors are directly benefited from forests; agroforestry models, non-timber forest products are developed, forest environmental services shall gradually replace the mechanism of contracting for forest protection services using fund from the State budget; ownership of forest products, agricultural products, products from agro-forestry models and non-timber forest products or values of non-forest products harvested in the forest areas allocated to households, individuals and village communities of which the State is the representing owner.

To complete policies on investment mechanisms, investment attraction, incentivizing enterprises to invest in forestry; economic policies and mechanisms to ensure the full return of values generated and provided to society by the forests shall create stable and sustainable financial resources that will be reinvested in the forestry industry, reducing the proportion of investment from the state budget.

To increase the investment from the State budget in management, protection and development of special-use forests, protection forests, forestry promotion, human resource training, building modern forest management systems, inventory and planning of forests, establishment of breed forests and breed gardens of high quality and appropriately invest in construction of forestry infrastructure; as to protection forests and special-use forests, the State shall allocate annual fund for the operation of management boards based on their self-financing status and also for commune and village forest protection teams; the State shall allocate fund for management and protection of natural production forests during the period of forest closure

To strictly manage natural forests, put in place mechanisms to harmoniously combine management and protection with the exploitation of economic values of natural forests, which can contribute to poverty reduction and socio-economic development of localities with forests.

The State shall promulgate mechanisms to provide preferential funding support (preferential loans) for households participating in forest protection and development, especially poor households, ethnic minorities in far and remote, border areas so that they can develop production in agro-forestry model, non-timber forest products, cattle husbandry, cultivate agricultural crops while they have not yet had income from forests; provide co-investment, offer incentive conditions to investment in construction of infrastructure for breed production, production of forestry biological products, supporting industry serving forest product processing, application of high, new, environmental-friendly technologies; high-tech forestry centers, forestry transaction

centers and modern forestry services (e-commerce exchanges for introduction, promotion and auction of forest products); support for the development of forest product value chains;

To study and develop the mechanisms and policies on forestry, insurance for planted forests.

d) To pilot forestry production models as a basis for reviewing, evaluating and developing new forestry mechanisms and policies.

## **2. Awareness raising communication**

To promote communication for raising awareness of all levels, sectors and businesses about the economic, social, environmental, security and national defense values of forests; the role and importance of forests to biodiversity conservation, values of forest environmental services, green growth and sustainable development of the country. To strengthen the communication on the mass media and social network towards diverse in form and rich in contents in order to make change in awareness of forest protection and development; To pay attention to factors related culture and ethnic minorities in communication; to raise awareness of authorities at all levels, especially of local authorities and sectors on the responsibility for forest management and protection; how to complying with legal regulations, standards and fulfil commitments to forest protection and forestry development.

To intensify legal dissemination about forest protection and development, raise people's awareness of forest protection; convince households living in and near forests to sign forest protection commitments; elaborate and implement forest protection conventions; change the perceptions and customs in business and forestry production practice to intensive cultivation from extensive cultivation; to develop agro-forestry models and models combining small and large timber production, non-timber forest products and forest environment services.

## **3. Development, application of science, technologies and forestry promotion**

To develop science and technology as an important factor promoting sustainable forestry development, enhancing added value and competitiveness; to strive to have the contribution of science and technology to the growth value of the forestry industry reach 30%.

To focus on scientific research and technological development, meet the requirements in production and market, encourage renewal and innovation to create new values and products, engage the participation of forest owners and enterprises: high-tech forestry, response to climate change, international integration; biodiversity conservation; forest environmental services; forest quality and forest product

processing technology; ensuring both theoretical and practical research/study; to develop programs, scientific and technological researches that prioritize topics including: selection and breeding of high-quality forest trees, intensive cultivation of production forests, forest product processing technologies, supporting products to replace imported ones, application of high technology, information technology (IT), biotechnology in forest management and protection, development of agro-forestry models, non-timber forest products, calculation and quantify total economic value (converted) of forests, the contribution of forest to the green economic development, green GDP of the country.

To strengthen research, application, transfer science and technology, information technology advancements in all stages of the value chain of the forestry sector, especially the selection and creation of new forestry plant varieties of high productivity, forest intensive cultivation, harvesting, transportation and processing of forest products.

To conduct study/research according to the ordering mechanism; to connect scientific research organizations with enterprises and forest growers; combine research with training and forestry promotion, production and product processing and consumption as well in order to forms a closed research chain in training.

To elaborate, finalize economic and technical norms in forestry (norms for public services funded from state budget in the field of forestry economic development such as: forest protection and development; conservation, rescue, ecological restoration and monitoring of forest development; forest inventory, forestry planning; updating of forest statistics; operation of museums,preservation of specimens in the forestry sector; norms in management of the forestry sector). To develop a system of national standards on forestry, sustainable forest management, forest product value chain, timber and non-timber forest product, satisfying the requirements of sustainable forestry development; forest products trade and international commitments.

To strengthen in investment in capacity development, build up a system to inventory, monitor the evolvement of national forest resources in the direction of modernity, streamlining, effectiveness, efficiency, unity, continuity, serving and meeting the requirements of forestry development in the new situation, relevant to specific conditions of Viet Nam, in accordance with international practice and commitments.

To promote the modernization of forest product processing industry, encourage the application of advanced environmental friendly technology, downstream processing, save materials; encourage the development of new materials as an alternative to wood and additionally to use plastic wood,metal wood etc..

To strengthen the capacity of forestry research and promotion systems; to innovate mechanisms, forms and methods of forestry promotion; promote international cooperation; transfer technology into production and development of forestry promotion systems; development of infrastructure and equipment for research and

forestry promotion; ensuring 20% of enterprises participating in research, transfer and application of high-tech forestry; mastering high technology in forestry activities.

#### **4. Human resource development**

To renew, improve the quality of capacity development of the sector, focusing on high quality human resource so as to serve the industrialization and modernization of the forestry sector; to prioritize training human resources of highly technical qualifications who are qualified enough to access modern technologies so as to create breakthroughs in research, selection, breeding and production of varieties, biotechnology, application of high technology in forestry to promptly solve problems and challenges of the sector.

To improve the quality of forestry management staff towards professionalism, effectiveness and efficiency. To renew operations and strengthen capacity for training and research institutions in forestry. To focus on equipping researchers and teachers with in-depth knowledge of some important fields such as varieties, silviculture, timber and non-timber forest product processing technologies, forestry management, social forestry, nature conservation, environmental protection and climate change response.... create conditions for junior experts and staff so that they can participate in research and teaching activities; provide vocational training in forest products processing and tending, protecting and use of forests, development of non-timber forest products and agro-forestry model.

To encourage and create a favorable environment and conditions for enterprises and training organizations to cooperate and support each other in training and improving skills for employees of enterprises. To diversify vocational training forms in association with the transfer of new technologies, techniques and production processes to farmer households; provide training for craft villages and specialized production areas. To intensify training measures in-country and abroad for managers, researchers and staff on market development to strengthen and develop good business entrepreneurs.

#### **5. Building forestry infrastructure, forestry industry and logistics services in a synchronous and modern manner.**

To reorganize concentrated production areas towards development of key products suitable to the advantages of each region in association with the synchronous mechanization, which connect with forest products processing zones and commercial services; promote investment and completion of forestry infrastructure in a synchronous manner; develop clusters of timber processing establishments associated with planted production forest in each ecological region; to develop forestry road systems that will connect large-scale and concentrated raw material areas with processing plants, which can help reduce transportation costs, increase the value of timber products.

To push up forwards modernity, mechanization and automation in a concerted manner in concentrated forestry production areas. By 2030, the rate of mechanization in the stages of soiling, seedling nursing, planting trees, tending, pest prevention, forest fire prevention, timber and forest products will have reached at least 30%. To develop the timber and forest products processing industry into a key economic sector in production and export, striving for Viet Nam to become one of the leading countries in the world in the production, processing and export of branded and reputable timber and non-timber forest products.

To develop the timber processing industry towards modernization, efficiency, environmental-friendliness in association with the construction of large scale industrial parks and establishment of large enterprises; develop supporting industries to proactively source input materials for the timber processing industry. To incentivize and attract enterprises to invest in timber and forest products processing factories, use by-products from timber processing, produce wood glue and accessories for the timber processing industry.

To prioritize and strengthen capacity and facilities to the regional level for monitoring forest resources; forest fire prevention and fighting equipment.

The State shall co-invest and promulgate investment incentivizing policies for the construction of at least 03 high-tech forestry zones in the North, Central and South, in order to promote the development of the forestry industry in the direction of modernity and high-tech application along the value chain of the forestry industry.

To build information systems and databases on forest products processing: a national database, moving towards the formation of scientific and technological and investment exchanges in the field of forestry mechanization and forest product processing; to strengthen research capacity, collaborate closely with timber and forest product associations across the country to update the situation, forecasts and communicate about market information; update information on trade policies of countries and each market on market share, tastes, prices, product standards, barriers ... promptly solve difficulties and problems, ensure a favorable environment for production and business activities of enterprises to organize the production and processing of products that can meet the requirements of importing countries.

To develop machine manufacturing industry, forestry equipment, supporting industry and logistic services for agriculture. To formulate and implementing mechanisms and policies for the development of mechanical, chemical and biological industries for forestry production; to attract investment in the development of logistics infrastructure, especially warehousing for the development of production, preservation and processing of forest products.

To develop the market of machinery and equipment for forestry production and forest products: promote trade promotion, using domestically produced forestry machines through the system of forestry promotion, industry promotion, to transfer and apply

science and technology; strengthen the capacity of research, forecasting and communication of market information, diversify the market especially development of potential markets, emerging markets; building and developing Vietnamese wood brands.

## **6. Organization of production and business**

To develop forms of cooperation between economic sectors, cooperative economy and sharing economy in forestry; develop diverse production and business, associate forest planting with forest product processing and trade along the value chain.

To encourage the development of large enterprises and corporations capable of investing in a closed chain in the forestry industry and support and lead the people in production in order to meet market demands; continue to renew and improve the operational efficiency of forestry companies; develop models of forestry households, farms, village communities and cooperatives; restructure planting composition; develop agro-forestry models; prioritize the participation in forestry activities of poor households and ethnic minorities to help them increase their income.

To renew the organization and operational approach of associations in connection with market economy, in which timber associations must truly represent the legitimate rights and interests of their members, be able to act as bridge between managers, scientists, enterprises and forest workers.

## **7. Organization and management of the sector**

To improve the capacity and efficiency of state management of forestry; to complete the organization of the managerial apparatus of the forestry sector towards streamlining, unity, effectiveness, efficiency and professionalism; to strengthen the forest protection force system, strengthen the local forest protection force and forest owner's forest protection force, to prioritize hotspots of deforestation, illegal exploitation and transportation of forest products.

To review, rearrange and consolidate protection forest management in the direction of streamlining and effectiveness.

To innovate the methods of production management, product quality management so that producers and businesses can take initiative in controlling the quality of their products before introducing them to the market.

To mobilize non-state funding sources for forestry public services in order to reduce pressure on the State's payroll and budget, meanwhile providing society with the best quality of services.

## **8. International cooperation**

To enhance international economic integration in forestry, actively participate in and closely cooperate with international, regional and bilateral forestry organizations; strengthen the attraction of international fund, foreign direct investment (FDI), forest carbon trade; actively cooperate in research, education, training to access advanced forestry science and technology, develop human resource for the industry; promote international cooperation activities in exchanging experiences and implementing development cooperation projects in the fields of forestry mechanization and forest product processing; strengthen cooperation on capacity building activities; implement of project programs, mechanisms and policies; communication; research, inventory, planning, monitoring and evaluation activities in the forestry sector. To bring into full play and take advantages of Viet Nam's forestry sector in international relations; improve the system of standards and regulations in cooperation with commercial partners.

To develop the forest product markets, actively participate in the global forest product supply chain; harmonize the country's forestry regulations with the world's; implement bilateral and multilateral international agreements such as: Voluntary Partnership Agreement on the Implementation of Forestry Law, Forest governance and forest product trade (VPA/FLEGT); EU-Viet Nam Free Trade Agreement (EVFTA), etc.

To continue to effectively and responsibly implement multilateral agreements, international commitments related to forestry that the Socialist Republic of Viet Nam has signed such as: Nationally Determined Contribution (NDC) to respond to climate change, The Paris Agreement on Climate Change, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention to Combat Desertification (UNCCD), etc.; consider to participate other relevant international treaties.

## **9. Monitoring and Evaluation**

To monitor the strategy implementation in order to improve the effectiveness and efficiency thereof; of which the findings will be used as a basis for policy making processes, adjustment of plans and timely remedial measures. To supervise the effectiveness of programs, projects and schemes implemented under the Strategy implementation framework in periodically manner according to the 5-year plan or unscheduled manner. To review and adjust the Strategy in relevance to each stage and practical conditions. The evaluation of the Strategy implementation results will be carried out in a way that ensure the principle of independence and objectivity.

To develop and implement the forestry planning and supervision system on the basis of application of science, technology and information technology (IT) to communicate information timely, accurately and synchronously for management, planning and

development of forestry production and business, provision of forest environment services.

## **V. FUNDING SOURCES FOR THE STRATEGY IMPLEMENTATION**

### **1. Mobilization of funding sources**

To diversify the funding sources for the Strategy implementation in order to ensure sufficient and timely funding in accordance with legal regulations, the funding sources include the following:

- Fund from the State budget that will be allocated in accordance with legal regulations
- Fund integrated in national targeted programmes, targeted programmes, other programmes, plans, projects
- Fund from credit programmes of domestic and international financial organizations
- Fund from PFES and forest leasing
- Fund from domestic, international organizations', individuals' support, sponsorship
- Fund from harvesting of forest products, leasing forest, forest land, obligatory payment for offset afforestation in forest conversion.
- Other funding sources in accordance with legal provisions

### **2. Guidelines for effective use of funding sources for the Strategy implementation**

a) Fund from the State budget: will be used in focus for special-use forests, protection forests and natural production forests during the forest closure period; investment in construction, upgrading and renovating of infrastructure, allocating of equipment and means serving forest management and protection, forest fire prevention and fighting and modernization of the forestry sector; building of research and development zones (R&D), high-tech zones; research and application of scientific research, technological development and human resource development to serve the State's management of forestry; co-investment and investment incentives in forestry fields and activities in accordance with legal regulations.

b) To encourage domestic and foreign organizations and individuals to invest in production and business activities in the field of forest product processing and development of consuming market for timber and forest products in accordance with legal regulations; to mobilize fund from lawful sources including donations from enterprises and domestic and foreign organizations and individuals; counterpart fund, contribution of people and other economic sectors. To further seek for other ways to expand revenue sources for the forestry sector.

To promote revenues from forest environmental services, make use of new potentials and new services to increase this revenue, especially ecotourism services, carbon sequestration services, etc.; to strengthen communication, advocacy, and create a suitable mechanism to mobilize the investment of organizations and individuals in forestry; forest protection and development; green tree development.

## **VI. IMPLEMENTATION ORGANIZATION**

### **1. Ministry of Agriculture and Rural Development**

shall preside over and coordinate with ministries, branches and localities in order to:

a) organize the Strategy implementation, formulate key programmes, schemes and projects for the Strategy implementation; formulate and approve the indicators for the monitoring and evaluation of the Strategy implementation; periodically or unscheduledy organize annual inspections, supervision and evaluations, 5-year preliminary reviews, and a 10-year review of the Strategy implementation to report its result to the Prime Minister.

b) Continue to implement the approved programs and schemes; formulate and propose to competent authorities for approval and effectively implement a number of new programs and schemes (Details in the attached Appendix).

### **2. Ministries: Planning and Investment, Finance; State Bank of Viet Nam**

shall according to their function, tasks shall preside over and coordinate with the Ministry of Agriculture and Rural Development in finalizing policies on investment, finance and credit in order to effectively implement the objectives and tasks set forth in the Strategy.

### **3. Ministry of Natural Resources and Environment**

shall preside over and coordinate with the Ministry of Agriculture and Rural Development to review and finalize mechanisms and policies on the laws on land, biodiversity conservation and environmental protection to effectively implement the Strategy

### **4. Ministry of Science and Technology**

shall preside over and coordinate with the Ministry of Agriculture and Rural Development in elaborating and implementing plans on the development of standards and regulations; implement solutions to enhance research and application of science and technology in forestry development following the direction set forth in the Strategy

## 5. Ministry of Industry and Trade

shall preside over and coordinate with the Ministry of Agriculture and Rural Development in implementing policies and solutions to promote the market, trade, and remove trade barriers of timber and non-timber forest products.

## 6. Other concerned ministries, sectors

shall coordinate with the Ministry of Agriculture and Rural Development to organize the implementation of the Strategy; participate in the inspection, supervision of the Strategy implementation according to their functions and tasks.

## 7. People's Committees of provinces and Centrally-administered cities

shall elaborate their provincial plans to implement the Strategy in relevance with their local conditions.

**Article 2.** This Decision takes effect from the date of signing.

**Article 3.** Ministers, heads of minister-level agencies, heads of governmental agencies, Chairpersons of People's Committees of provinces and centrally-administered cities and heads of relevant agencies shall be responsible for implementation of this Decision./.

### **Recipients:**

- Secretariat of the Party Central Committee;
- Prime Minister, Deputy Prime Ministers;
- Ministries, Ministerial-level agencies, Governmental agencies;
- People's Councils, People's Committees of provinces and cities directly under the Central Government;
- Central Office and Committees of the Party;
- Office of the General Secretariat
- Office of the Country President;
- The Ethnic Council and Committees of the National Assembly;
- National Assembly Office;
- The Supreme People's Court;

**PRIME MINISTER**

**SIGNED**

**NGUYEN XUAN PHUC**

- The Supreme People's Procuracy;
- State Audit;
- National Financial Supervisory Commission;
- Bank for Social Policy;
- Viet Nam Development Bank;
- Central Committee of the Viet Nam Fatherland Front
- Central agencies of unions;
- Government Office: Minister of Administration, Deputy ministers, Assistant of the Prime Minister, Director General electronic portal, subordinated departments, departments, units, official gazette;
- Archive: Clerical, as above