

# Workshop Summary

## SFM Planning and Sustainable Financing for Protected Forests

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*Date: 08.01.2020 – 09.01.2020*

### Background

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Within the framework of the GIZ-Bio project, four sites have been selected for supporting and improving overall information and data management as well as fostering the involvement of surrounding communities in SFMP development. The intention is to, following an integrated approach, support these sites in the development of their sustainable forest management plans (SFMP) and two out of the four sites in the development of sustainable financing strategies. In the context of this project, a workshop for joint exchange between key actors took place on January 8<sup>th</sup> and 9<sup>th</sup> 2020. The goal of the workshop was fourfold:

- Ensure a mutual understanding of the project's goals and inputs between the beneficiaries of the four sites and the GIZ Bio project representatives and consultants.
- Provide a platform for discussion between the authorities and the beneficiaries of the four sites to clarify concerns regarding the legal basis of SFMPs (Circular 28).
- to foster dialogue and exchange on the needs and potentials for enhancing the management effectiveness and financial sustainability of the pilot SFMPs.
- To agree on the next steps and ways forward in the processes of developing SFMPs and sustainable financing strategies.

The consultant team (UNIQUE) presented initial findings from the sites on challenges and opportunities of implementing SFMP development under Circular 28. Furthermore, an introduction to PA sustainable financing (national legal context and international approaches, best practices and experiences) took place. This was followed by the joint development of a workplan and the definition of key inputs by the consultants' team.

### Participants

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- GIZ Bio-project team
- DOPAM Bio-project representatives
- VNFOREST (Dpt. Of Finance and Planning, DoSTIC)
- Consultant team (UNIQUE)

- Representatives from four pilot sites (Tram Tau PFMB, Than Sa Phuong Hoang NR, Cat Tien NP, Bidoup Nui Ba NP)
- Other relevant stakeholders (MPI, Forest Science Institute)

## Technical inputs

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Below is a short list of all relevant technical inputs (presentations), all have been accompanied by questions & answers, discussions and groupwork. A summary can be found on the next pages

Topic	Presenter(s)
Introduction into Bio-project's OP on support to SFMP and SFS	GIZ (Tran Le Tra)
Compilation of all initial findings at 4 MBs related to formulation of SFMP	UNIQUE (Andrea Braun)
Provisions and procedures in finance distribution for SUFs, PFs	UNIQUE (Bui Ly Ha)
Handling challenges in sustainable finance for SUF, PFs (including Q&A)	UNIQUE (Lucy Emerton)
Brief introduction of both work packages on development of SFMP and SFS	UNIQUE (Max Roth)
Presentation of proposed option for development of SFMP and tentative plan and link between work packages	UNIQUE (Max Roth, Andrea Braun, Lucy Emerton)

## Key Takeaways

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- All relevant stakeholders are informed about and agree to the consultant approach and tentative timeline .
- Responsibilities between sites, the site's local consultants hired to develop the SFMP and the GIZ consultant team have been understood and agreed upon
- Government authorities have clarified the requirement for both the development of Public Investment Plans as well as SFMPs
- Relevant processes and requirements concerning the development of Public Investment Law have been discussed
- The timely development of an additional SFMP development guideline has been confirmed.

## Workshop notes

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### Integration of SFMPs and investment plans

- Concerns on different statutory requirements between SFMPs and investment plans (IPs) have been raised, particularly on eligibility for budget approval
- It has been confirmed that both SFMPs and IPs are required by law separately
- Concerning IPs:
  - Site IPs are required by April 2020
  - Integration into provincial IPs, followed by approval and budget allocation is expected for June 2020
  - Integration of the sites financing needs into provincial investment plans is key, otherwise relevant budgets won't be approved or disbursed
  - No in-depth data required for investment planning
- Concerning SFMPs:
  - Submission of draft SFMPs is required before the end of 2020
  - SFMPs are considered as legal basis for future plans and development until 2030, hence all relevant zoning and planning (i.e. conservation plans, ecotourism development) shall be considered in SFMPs
  - If plans/projects/zoning are not included in SFMPs, future approval cannot be ensured

### Development of guideline for the implementation of Circular 28

- GIZ Bio consultant team to support in the identification of bottlenecks/shortcomings under Circular 28 and integrate relevant international experiences in guideline development
- Guideline for SFMP development according to Circular 28 to be shared by March 2020
- VNforest/DOPAM confirmed that the SFMP development in 4 pilot sites should be considered as lessons learnt in future revision of the guideline by late 2020
- Acknowledgement that not all data gaps can be filled with newly collected data (considering both timelines as well as human & financial capacities) and the use of existing data for SFMP development will be required
- Acknowledgment that data gaps may be pointed out in SFMP and addressed during implementation

- VNforest/DOPAM agreed that the project will support in identification of minimum data standards / needs in the guideline, considering the discussion during the workshop as follows
  - Consideration of data needs required (acknowledging that data needs for planning are not necessarily equal to scientific research)
  - Assessment of the status quo and identification of site-specific features (i.e. HCVF) should be included in SFMPs
  - Focus on filling of those data gaps identified as being crucial for SFMP development, while others might be solved during SFMP implementation

### **Sustainable financing**

- Priority should not only be on increasing revenues and income, but also about overcoming financial constraints, including ensuring that financial and sustainable management planning are better integrated, building a diversified financial portfolio, funds are disbursed effectively and efficiently, budgets are in relation to forest management needs and threats
- Considering national intentions to reduce state funding for PAs, it will be required to take into account a broad range of potential funding sources. It is important to diversify funding. In addition to public budgets, ecotourism, PFES, donations, sales and other self-generated revenues have been discussed as key sources. Mechanisms need to be identified which will ensure that such funds are mobilised, usable and reinvested in sustainable forest management.
- Self-financing is becoming more and more of a concern. There are increasing requirements for PAs to generate their own revenues to cover at least a part of non-staff operating costs.
- Private investments and private-public-partnerships could offer a high potential for financing, although as yet there is not a sufficient legal/regulatory basis for this.
- Consideration of instruments to mobilize additional resources for local communities and landholders (besides public budgets) should be prioritized, including benefit-sharing.
- There is a need to update cost norms, and ensure that they are realistic in the light of PA management needs.
- Reinvestment of site-generated revenues is regulated through Decision 218/QĐ-TTg (Strategy for management of special-use forests, marine protected areas and inland water protected areas in Vietnam until 2020 and vision to 2030)

- Decision 24 guiding the financing of SUFs and buffer zones is to be revised 2020 & 2021<sup>1</sup>.
- Training needs on sustainable financing include the development/planning of sustainable finance strategies, new financing mechanisms, resource mobilization and fundraising, financial monitoring.

### **Roles & responsibilities**

- All stakeholders understood and acknowledge the role of the Bio-projects consultants as technical advisory (i.e. backstopping, support and guidance (describe data needs, data gaps and design data collection templates; facilitate consultation processes);; recommend measures to revise specific constraints in the current financing mechanism ...), capacity building (provide applicable data-analysis tool, on the job, trainings and knowledge transfer) and process related.
- Sites are additionally supported by locally contracted consultants (data collection & SFMP writing). Cooperation and coordination between both consultant teams and sites is key to ensure high quality SFMPs and value added.
- Sites are responsible for obtaining approval and appraisal of SFMPs
- There is clear consensus that the bio-project support is complementary to the activities already planned and budgeted by the sites for SFMP development. The bio project support does in no way replace these efforts and it is to be ensured that no double accounting of activities takes place (i.e. implementation of validation workshops or consultations through the Bio-project are not to be accounted for under the SFMP development budget)

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<sup>1</sup> *The policy on financing of SUFs and buffer zones (Decision 24) will be revised and integrated into a new investment Decree.*