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Handbook: guiding the distribution of fund from payment for forest environmental services via bank account

PROMULGATED AS AN ENCLOSURE TO DECISION 447/QĐ-TCLN -KH/TC DATED OCTOBER 11TH 2018 OF THE DIRECTOR GENERAL OF THE VIET NAM ADMINISTRATION OF FORESTRY

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Ha Noi, October 11th, 2018

No: 447/QĐ-TCLN-KHTC

DECISION

On promulgation of the “handbook guidelining the distribution of fund from payment for forest environmental services via bank account”

**THE DIRECTOR GENERAL OF THE VIET NAM ADMINISTRATION OF
FORESTRY**

Pursuant to the Government's Decree No. 99/2010/ND-CP dated September 24th, 2010, stipulating the policy on payment for forest environment services;
Pursuant to the Government's Decree No. 05/2008/ND-CP dated January 14th, 2008, stipulating the Viet Nam Fund for Forest Protection and Development;
Pursuant to the Prime Minister's Decision No. 28/2017 / QĐ-TTg dated July 3rd, 2017 stipulating the functions, tasks, power and organizational structure of the Viet Nam Administration of Forestry under the Ministry of Agriculture and Rural Development;
Pursuant to the Ministry of Finance's Circular No. 04/2018 / TT-BTC dated January 17th, 2015 guiding the management and use of the fund from payment for forest environment service;
Considering the request of the Director of the Department of Planning, Finance,

DECIDES:

Article 1. to promulgate as a closure to this Decision the "Guidelines for distribution of FFES fund via bank accounts".

Article 2. that this Decision shall take effect from the date of signing.

Article 3. that the Chief Administrator of the Viet Nam Administration of Forestry, Director of the Planning and Finance Department, Directors of VNFF at all levels and heads of the concerned agencies, units assume the responsibility for implementing this Decision./.

Recipients:

- As prescribed in Article 3;
- Standing Deputy Minister Ha Cong Tuan (for reporting);
- VNFOREST's Deputy Directors General;
- Archive: Office, Planning and Finance Department

**FOR THE DIRECTOR GENERAL
DEPUTY DIRECTOR GENERAL
(signed)**

Nguyen Ba Ngai

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LIST OF ABBREVIATION

MOF	Ministry of Finance
PFES	Payment for forest environmental services
GIZ	German International Organization
KfW	German government-owned development bank
MARD	Ministry of Agriculture and Rural Development
CBSP	The Viet Nam Bank for Social Policy
PC	People Committee
VNFF	Viet Nam Fund for Forest Protection and Development

1. PREAMBLE

The Government's Decree 99 on the Payment for Forest Environmental Services stipulates the relationship between users and forest environmental service providers in the policy payment for forest environmental services. This is a revolutionary policy of the forestry sector, which has created a remarkable income source for the forest management, protection activities, contributed to improvement of people's livelihood, stabilization of the living condition of people and communities participating in forest management and protection, especially those come from ethnic minority groups living in the highland and mountainous areas.

The Funds for Forest Protection and Development is the agency being trusted for receiving payment for forest environmental service from the forest environmental service users and is responsible for distribution of the fund therefrom to forest owners being organizations, households, individuals and village communities. After 8 years of PFES policy implementation (2011-2018), Provincial Funds for Forest Protection and Developments have been established in 44 provinces and the aggregated income from PFES has reached VND 9,282 billion. The fund has financed the protection of over 5,98 million hectares of forest annually (2018 Viet Nam Fund for Forest Protection and Development).

At the moment, the PFES fund is distributed to forest owners by provincial Fund for Forest Protection and Development via bank accounts. However, the distribution of fund from PFES to forest owners being households, individuals, village communities contracted for forest management and protection has been made in cash by provincial Funds for Forest Protection and Development, which is seen time consuming, incurs high cost, and encounters potential risks however fails to ensure publicity, transparency. Therefore, as of September 26th 2018, the Ministry of Agriculture and Rural Development (MARD) promulgated the document number 7491/BNN-TCLN dated September 26th 2018 addressing the provincial People Committee on distribution of PFES fund via bank accounts or e-payment transaction. Additionally, the implementation of policy on PFES fund distribution to forest owners and parties contracted for forest protection is encouraged according to inter-ministerial circular number 62/2012/TTLT-BNNPTNT-BTC and this encouragement is also stipulated in Circular 04/2018/TT-BTC dated January 17th 2018 of the Ministry of Finance.

Aiming to push up forwards the application of distribution of fund from PFES via bank accounts, during the period from 2017-2018, GIZ through the Programme on conservation, Sustainable Use of Forest Biodiversity and Ecosystems Service in Viet Nam supported and coordinated with the Viet Nam Fund for Forest Protection and Development (VNFF) and KfW in implementing a feasibility study and piloting the PFES fund distribution via bank accounts in 3 provinces of Yen Bai, Hoa Binh and Dak Nong. The result of the study and pilot in 3 provinces affirmed the feasibility of this approach which can improve remarkably the transparency, safety and effectiveness in PFES fund distribution (Vu Tan Phuong 2017, 2018).

This handbook is formulated based on the result of piloting PFES fund distribution via bank accounts in 3 provinces of Yen Bai, Hoa Binh and Dak Nong and is aimed to provide guidelines and recommendations concerning PFES fund distribution via bank accounts to the forest environmental services providers. The handbook comprises of 3 parts as follows:

- Part I: General introduction: this part provides information on objective, applicable entities and interpretation of terms.

- Part II: steps to follow in PFES fund distribution via bank accounts. This part provides guidelines on selection of the bank, list of forest environmental service providers whose bank accounts will be opened for receipt of payment for forest environmental services, organization of training course, communication on PFES fund distribution via bank accounts, opening accounts and organization of distribution of fund from PFES via such accounts.
- Part III: Publication, monitoring and evaluation of the FES fund distribution via bank accounts. This part provides guidelines on content and responsibility of stakeholders in publicity, monitoring and evaluation of distribution of Fund from PFES via bank accounts.

This handbook might not satisfy all requirements in practice in provinces while implementing the PFES policy. Thus, it is supposed to be reviewed, updated and improved further based on feedbacks from provincial Funds for Forest Protection and Development and stakeholders.

VIET NAM ADMINISTRATION OF FORESTRY

PART I. GENERAL INTRODUCTION

1. OBJECTIVE

The PFES fund distribution via bank accounts is aimed to ensure the transparency, effectiveness, minimize risks in organization of Fund from PFES to the forest environmental service providers.

PFES fund distribution via bank accounts is among others, an effort to realize the policy on cashless payment of the Government and help people approach to banking payment services in management and use of PFES fund.

2. APPLICABLE ENTITY

The applicable entities of this guidelines include:

a. Forest environmental services payers who pay for forest environmental services to forest environmental service providers:

- Provincial Fund for Forest Protection and Development;
- Forest owners being organizations who subcontract the service of forest protection to other parties.

b. PFES recipients:

- Forest owners (being organizations, households, individuals, village communities);
- Contracted parties for forest protection.

c. Banks having the function of making payment transaction via bank accounts

3. IMPLEMENTATION PRINCIPLE

a) To ensure the competitiveness, equality among banks providing payment transaction via bank accounts;

b) To ensure the equal participation of male, female members in villages, hamlets during the decision-making process on selection of account types to be opened for receipt of payment for forest environmental services;

c) To ensure publicity, transparency in communication of information on list of recipients and the amounts to be paid to the forest environmental service providers who are forest owners, parties contracted for forest protection so that eligible to payment for forest environmental services;

d) To create favourable conditions for managerial agencies and stakeholders so that they can participate in monitoring the PFES fund distribution via bank accounts.

4. INTERPRETATION OF TERMS

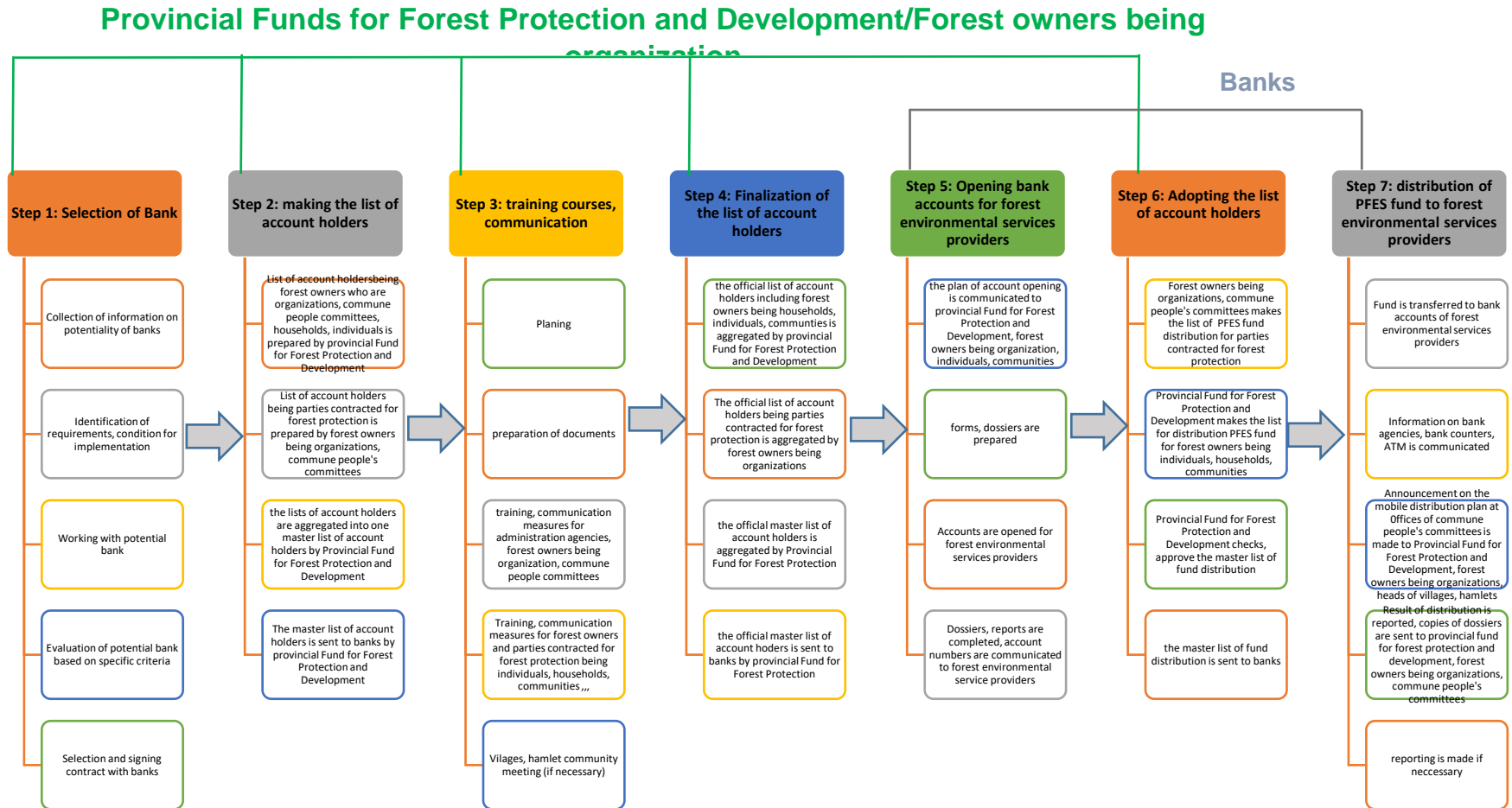
- a) PFES fund distribution via bank account means that banks are authorized to distribute PFES fund to the forest environmental services providers via bank accounts.
- b) Bank account means the bank account opened at the bank under name of forest environmental service provider so that the payment transaction via bank accounts can be made. Bank accounts include accounts of organizations, individuals and communities.
- c) Bank account of organizations means the bank account opened for forest owners being organizations who are eligible for PFES, including forest management boards, forestry companies, commune people committees and other organizations;
- d) Bank account for individual means the bank account opened for individuals who are entitled to PFES according to the PFES policy, they include forest owners being individuals, households, individuals, households contracted for forest protection.
- đ) Communal account means the bank account opened for forest owners being village, hamlet communities, groups of households contracted for forest protection; groups of forest owners being individuals, households, groups of individuals, households contracted for forest protection that are formed during the PFES fund distribution process.
- e) ATM card means a payment card issued to users by banks or financial institutions which enables a customer to access automated teller machines (ATMs) or bank counters to implement payment transaction such as cash withdrawal, bank transfer, making invoice-based standing order,...
- g) Mobile distribution of fund means the payment approach in which bank staff come to communes or villages or houses of local people upon request for PFES fund distribution.

PART II. STEPS IN PFES FUND DISTRIBUTION VIA BANK ACCOUNTS

The order in PFES fund distribution via bank accounts include the following contents:

- (1) Selecting of the bank for implementation of the trusted distribution of fund from PFES;
- (2) Drafting the list of forest environmental service providers who need bank accounts for receipt of payment from forest environmental services;
- (3) Communicating, training on PFES fund distribution via bank account;
- (4) Opening bank accounts for PFES recipients;
- (5) Organizing PFES fund distribution.
- (6) Having the list of PFES recipients approved;
- (7) Distribution of PFES fund to forest environmental service providers.

Chart of steps in distribution of PFES fund via bank accounts



Below are guidelines for implementation of each content.

STEP 1. SELECTION OF BANKS FOR DISTRIBUTION OF PFES FUND

Provincial Fund for Forest Protection and Development and forest owners being organizations in a province shall implement the following activities:

1.1. Reviewing and collecting primary information on potential banks in the area who can implement PFES fund distribution bank accounts to forest environmental services providers.

Information on potential banks to be collected includes:

- Functions, tasks of banks;
- The banking transaction system in the area;
- Payment services and relating fees;
- Banks' experiences in similar activities.

1.2. Formulation of requirements, conditions, for implementation of PFES fund distribution via bank accounts.

Formulation of requirements and conditions for PFES fund distribution via bank accounts should base on the following information:

- Characteristics of forest environmental service providers (nation, educational level, qualification...)
- Accessibility to the area providing forest environmental services;
- Objective and plan of PFES fund distribution via bank accounts.

1.3. Working with potential banks in order to implement PFES fund distribution via bank accounts

Working sessions with every bank should be organized during which both parties discuss in detail on contents relating to the service of PFES fund distribution via bank accounts to the forest environmental services providers, including:

- Boundary and location of PFES fund distribution;
- Types of services provided by forest environmental services providers eligible for PFES;
- Types of accounts (organizations, individuals, communal accounts) and requirements to dossiers of account opening;
- Types of services in PFES fund distribution and possibility of application;
- Kinds of fees relating to PFES fund distribution (obligatory or optional), including fees for opening and managing accounts, fee for opening ATM card, fee for SMS banking, fee for mobile distribution and other fees (if any);
- Provisions on reporting, preparation of dossiers for fund distribution and other requirements (if any).
- Benefits and responsibilities of parties.

1.4. Assessment of the potentiality of banks in distribution of PFES fund

Assessment of banks' potentiality should base on the following criteria:

- The expected service is included in banks' function;
- Capacity in implementation of the service of distribution of PFES via bank account;
- The level of readiness and activeness of the bank;
- Competitive fee for implementation of PFES fund;
- Added values of units providing the service of distribution of PFES fund;
- Experience of banks in implementation of similar fund distribution services.

1.5. Selection and signing agreement/contract with bank

Based on the result of assessment of banks' potentiality, selection will be made, agreement of cooperation or contract of PFES fund distribution to forest environmental services providers will be signed.

The signing of agreements/contract includes:

- The draft agreement/contract (please refer to Annex 1);
- Both parties shall discuss, make necessary amendment and reach consensus on the content of the agreement/contract (if any);
- Signing the agreement/contract

Advice 1. Selection of bank who shall undertake PFES fund distribution via bank accounts

According to provisions, Provincial Fund for Forest Protection and Development and forest owners being organizations are responsible for distribution of PFES fund to forest owners being households, individuals, village, hamlet communities and people contracted for protection of forests that are providing forest environmental services. This means that Provincial Fund for Forest Protection and Development and forest owners being organizations have the right to sign agreement/contract with banks for distribution of PFES fund. However, the implementation in such a way can involve too many actors, fail to ensure the synchronicity in the bank system and lessen the effectiveness of distribution of PFES fund via bank account, we therefore recommend that:

- 1. Provincial Fund for Forest Protection and Development be the only focal point who takes lead the selection and act as representative who signs contracts with capable banks for PFES fund distribution on the provincial area.**
- 2. Forest owners being organizations be involved in assessment, selection of banks and in these processes, parties shall discuss on banks' service fees for distribution of PFES fund according to requirements of Provincial Fund for Forest Protection and Development and forest owners being organizations.**
- 3. If bank accounts for receipt of PFES fund from Provincial Fund for Forest Protection and Development, forest owner being organization and accounts of forest environmental services providers are opened at the same bank system, the cost that can incur from organization of mobile distribution shall be reduced.**

STEP 2. MAKING A PROVISIONARY LIST OF HOLDERS OF BANK ACCOUNTS THAT WILL BE USED FOR RECEIVING PFES FUND FOR FOREST ENVIRONMENTAL SERVICE PROVIDERS

Based on the distribution situation of the previous year and the plan of the PFES fund distribution via bank accounts for the current year, provincial Fund for Forest Protection and Development, forest owners being organizations, commune people committees shall review the beneficiaries of PFES policy and base on which formulate a list of provisional bank accounts to be opened.

Activities include:

2.1. Review, compiling a list of forest owners being organizations, commune people committees, households, individuals, village communities, groups of forest owners being individuals, households who are going to open bank accounts for receipt of PFES fund and review also the forest areas eligible for PFES (*refer to Annex 5*). This activity should be implemented and completed before March 15th annually. The information should be reviewed and consolidated before March 15th every year. Information to be reviewed and compiled includes:

- Forest area and PFES amount eligible by forest owners being organization and commune people committee;
- Forest area and PFES amount eligible by forest owners being households, individuals, village communities, groups of forest owners being individuals, households.

2.2. Forest owners being organizations, commune people committees shall review, compile a list of parties contracted for forest protection whose bank accounts will be opened for receipt of PFES fund (*refer to Annex 6*). This activity should be completed before April 15th every year and send to the provincial Fund for Forest Protection and Development. Review and compilation cover the following aspects:

- The area of forest under contract for forest protection and the PFES amount eligible by individuals, households, village community, groups of individuals, households, civil society organizations; ...
- Full name of individuals, households; representatives of village communities, groups of individuals, households, civil society organization who sign the contract for forest protection.

2.3. Provincial Fund for Forest Protection and Development shall check and compile the list of forest environmental service providers whose bank accounts need to be opened for receiving PFES fund in the whole province. This activity shall be due before April 30th annually. The account list contains information fields including name of forest owners being organizations, villages, communes, districts. Specifically, it includes the following information:

- Full name of forest environmental service providers;
- Forest area and PFES amount eligible.

2.4. Provincial Fund for Forest Protection and Development shall send a draft list of account holders based on forest environmental services providers to the bank trusted for distribution of PFES fund via bank accounts.

STEP 3. TRAINING, COMMUNICATING ABOUT DISTRIBUTION OF PFES FUND VIA BANK ACCOUNTS

Provincial Fund for Forest Protection and Development shall take lead, organize training courses, communication on the policy and plan for implementation of PFES fund distribution via bank accounts. The training, communication should be organized for targeted groups,

including: (i) concerned agencies at provincial level, forest owners being organization and commune people committees; (ii) forest owners and parties contracted for forest protection who are individuals, households, village, hamlet communities, groups of households. Activities include:

3.1. Formulation of the training plan, communication on PFES fund distribution to forest owners being organizations, individuals, communities, parties contracted for forest protection and development. The plan should include:

- Time and location of training, communication;
- Targeted participants;
- Content of training, communication;
- Assignment of responsibility

3.2. Compilation and printing training documents, communication materials. Training documents, communication materials should:

- Have clear content and focus on key issues, use of descriptive photos, pictures, charts are preferred....;
- Be suitable to the targeted group of such training, communication;
- Be diversified such as posters, leaflets, video clips, ...;
- If necessary, training documents, communication materials should be compiled in the language of ethnic minority groups.

3.3. Organization of training, communication for managerial agencies, forest owners being organizations and commune people committees.

Provincial People Committee shall organize training courses, communication activities on PFES fund distribution via bank accounts. Meeting for dissemination of PFES fund distribution is expected to last for half a day. Training, communication activities should cover the following aspects:

- PFES policy and status quo of PFES;
- Meaning and approach of PFES fund distribution via bank account;
- Requirements to opening bank accounts for receipt of PFES fund (*refer to Annex 3*).
- Plan for distribution of PFES fund via bank accounts in the provincial area.

3.4. Organization of training, communication measures targeting forest owners and parties contracted for forest protection who are individuals, households, groups of individuals, households, village, hamlet communities.

Provincial Fund for Forest Protection and Development shall take lead, coordinate with forest owners being organizations, banks which are trusted for distribution of PFES fund, commune people committee, social associations, village communities in organizing training, communication. Training courses, communication sessions should be organized for each village or commune. The time for one meeting should be half a day and the detail of training and communication include:

- Key content of the PFES policy (it is necessary to clarify the eligibility for PFES, who are PFES payers, who are PFES receivers);
- Meaning and approach of PFES fund distribution via bank accounts;
- Introduction on bank account opening for receiving PFES fund (types of accounts, dossiers required, relating fees, optional services);

- Role of female in management and use of PFES fund (being female account holder is encouraged);
- Discussion on issues relating to opening bank accounts and planing on opening bank accounts (types of accounts, number of accounts, level of completeness of dossiers applied for account opening, time and location...);
- Screening the demand for registration for individual accounts of forest owners and parties contracted for forest protection being individuals, households, communal accounts of forest owners and parties contracted for forest protection being village communities; groups of households.

3.5. Village meeting (if necessary)

In village meeting, in case types an agreement is not yet reached regarding types of individual accounts (individual, communal account) that will be opened for communities, groups of households, individuals and households, heads of villages should organize separate meetings in order to ensure the benefit entitled by forest environmental service providers. Meeting should cover the following content:

- Discussion on the types of bank accounts to be opened;
- Election of the person in his/her name the communal account is opened (*refer to Annex 2*).
- Females in households or being individuals are encouraged to be account holders, representative of communal account of village communities, groups of households.

Advice 2. Selection of the types of accounts to be opened for receipt of PFES fund

During the communication in villages, the forest environmental service providers being individuals, households, groups of households and communities may not be able to make decision right away on the types of accounts they will open for receipt of PFES fund as they need to reach a concensus among members of village communities, or of groups of households; or need to discuss among their family members. Therefore, we recommend that:

- 1. Village, hamlet communities, groups of households, households contracted for forest protection be given sufficient time for discussion and make decision on types of accounts (individual account or communal account);**
- 2. Accounts opened in the name of female (wife) should be encouraged;**
- 3. As for communal accounts of communities and groups of households, communities, groups of households be empowered so that they can make decision by themselves on election of representatives in their names the communal accounts are opened and females should be such representatives;**
- 4. Forest owners and parties contracted for forest protection being individuals, households who receive a low PFES rate (under VND 500,000 /household, individual/year) be encouraged to merge together into groups so that communal accounts for groups can be opened.**

STEP 4. FINALIZATION OF THE OFFICIAL LIST OF ACCOUNT HOLDERS FOR RECEIPT OF PFES FUND

After meetings, communication activities and separated meetings of communities, Provincial Fund for Forest Protection and Development shall take lead, coordinate with forest owners, commune people committees in supplementing, finalizing an official list of account holders for receipt of PFES fund. The activities include:

4.1. Provincial Fund for Forest Protection and Development shall make an official list of account holders for forest owners being organizations, commune people committees, individuals, households and village, hamlet communities, groups of forest owners being individuals, households.

4.2. Forest owners being organization, commune people committee shall make an official list of account holders for parties contracted for forest protection who are individuals, households, groups of individuals, households and communities;

4.3. Provincial People Committee shall compile a list of account holders for the whole areas where PFES fund distribution via bank account is implemented;

4.4. Provincial Fund for Forest Protection and Development shall approve the official list of account holder and send this list to the selected banks.

STEP 5. OPENING BANK ACCOUNTS FOR RECEIPT OF PFES FUND FOR FOREST ENVIRONMENTAL SERVICE PROVIDERS

Based on the official list of account holders that has been approved by the provincial Fund for Forest Protection and Development, the selected banks shall proceed activities relating to opening bank accounts in accordance with the banks's regulations. The activities include:

5.1. Development of plans and informing forest environmental service providers and stakeholders about such plan in a timely manner, including:

- Provincial Fund for Forest Protection and Development;
- Forest owners being organizations;
- Commune People Committees;
- Head of villages;
- Papers required when opening bank accounts;

5.2. Preparation of forms and dossiers for opening bank accounts for forest environmental services providers based on the official list approved by Provincial Fund for Forest Protection and Development, the forms to be prepared include:

- Application on bank account opening;
- Contract on bank account opening and use;
- Other means serving technical performance of banks.

5.3. Organization of the bank accounts opening for PFES recipients based on the official list of account holders approved by Provincial Fund for Forest Protection and Development.

At the previously informed locations, the bank shall receive, review dossiers of forest environmental service providers in order to open bank accounts. The dossier for bank account opening includes:

- As for accounts of organizations:
Legal papers of organization (original or public notarized copies), including:
 - (i) Decision on establishment of operational permit, business registration certificate or other papers in accordance with legal provisions;
 - (ii) Application for bank account opening;
 - (iii) Contract on opening and use of bank account;

- (iv) Papers proving representative status of the legal representative (decision on appointment of chief accountant or accounting-in-charge official (if any) and identity papers of those people.
- As for individual accounts
 - (i) original or public notarized copies that are still valid (ID card, passport);
 - (ii) Application for bank account opening;
 - (iii) Contract for opening and use of account. In case forest owners are individuals, households, contracted parties for forest protection who are individuals or households authorize their family members to open bank account for receipt of PFES fund, a power of attorney that is certified by commune people committees is required.
- As for communal account (applied for residential communities)

As for residential communities, groups of individuals, households to whom opening a communal account is compulsory. Group account is applied in case the amount to be paid to every member of the group is small (under VND 500,000/household/year). The dossier includes:

 - (i) The commune people committee certified minutes of village meeting, group meeting in order to elect the representative in his name the communal account is opened;
 - (ii) Identity papers of the representative (original or public notarized copies) including ID card or passport;
 - (iii) Application of bank account opening; contract of bank account opening and maintaining.

5.4. Completing bank account opening dossier and informing account numbers to forest environmental service providers' banks who are eligible for account opening.

Contents regarding dossier completion for opening bank accounts for forest environmental services include:

- Checked bank account opening dossiers;
- Account numbers are informed to account holders;
- The list of account holders is submitted to the Provincial Fund for Forest Protection and Development, forest owners being organizations, commune people committees.
- Coordination is made among provincial Fund for Forest Protection and Development, forest owners being organizations, commune people committee to handle cases are ineligible to have a bank account opened (for example: loss of ID card, passports...).

STEP 6. GIVING APPROVAL ON THE LIST OF PFES RECIPIENTS

Provincial Fund for Forest Protection and Development, forest owners being organizations, commune people committees shall base on the forest protection performance calculate PFES fund to be distributed to forest environmental service providers and make the list of PFES recipients for forest environmental services providers. Activities include:

6.1. Provincial Fund for Forest Protection and Development shall make a list of PFES recipients for forest environmental service providers as for forest owners being organizations, commune people's committees, individuals, households, residential communities, groups of forest owners being individuals, households;

6.2. Forest owners being organization, commune people committees shall make a list of PFES fund distribution for parties contracted for forest protection and submit this list to the provincial Fund for Forest Protection and Development;

6.3. Provincial Fund for Forest Protection and Development shall check, compile and approve the list of PFES recipients for forest environmental services providers.

6.4. Provincial Fund for Forest Protection and Development shall submit the list of PFES recipients to banks so that banks can proceed the distribution of PFES fund via bank accounts of the forest environmental services providers.

STEP 7. ORGANIZATION OF PFES FUND DISTRIBUTION TO FOREST ENVIRONMENTAL SERVICES PROVIDERS.

Based on the standing order of Provincial Fund for Forest Protection and Development and the plan on PFES fund distribution, banks shall proceed PFES fund distribution to forest environmental services providers. The process is expected to undergo the following steps:

7.1. The bank shall transfer PFES fund to the bank accounts of the forest environmental services providers based on the approved list of the provincial Fund for Forest Protection and Development. The time limit of bank transfer is based on the agreed plan with the Provincial Fund for Forest Protection and Development.

7.2. The bank shall ensure the implementation of distribution form based on the need of the forest environmental services providers and agreement with the provincial Fund for Forest Protection and Development, forest owners being organization, commune people committee. The form of distribution includes:

- As for difficulty stricken areas: distribution can be done in the form of mobile distribution at the commune people committee office, or villages or at home of PFES recipients;
- As for places that enjoy advantageous conditions in accessing to branches, bank counters, Automated Teller Machine (ATM) or other transaction forms of the organizations who are authorized for distribution of PFES fund, account holders can withdraw PFES fund from branches, bank counters or institutions authorized for PFES fund distribution or withdraw money at ATMs

7.3. Sending notification to parties providing forest environmental services about the system bank counters, bank institutions at sites where PFES distribution services can be implemented;

7.4. In case of mobile distribution by a bank, it shall make report and notify thereabout to Provincial Fund for Forest Protection and Development, forest owners being organizations, head of villages, hamlets and commune people committees;

7.5. Reporting the result of PFES fund distribution to Provincial Fund for Forest Protection and Development, forest owners being organizations and commune people committees;

7.6. Storing the original dossiers and sending copies of PFES fund distribution dossiers to provincial Fund for Forest Protection and Development, forest owners being organizations, and commune people committees;

7.7. Implementation of reporting regime with concerned stakeholders upon requests of Provincial Fund for Forest Protection and Development;

Advice 3. Application of mobile distribution of PFES fund

The experience gained from the pilot process shows that people have accessed to bank services such as loan provision for economic development, shopping, ...and in some cases people have used ATM card. Mobile distribution of PFES fund can increase cost and decrease the activeness and responsibility of forest environmental service providers in management and use of PFES fund. Therefore, we recommend that:

- 1. Mobile distribution of PFES fund be considered as an option of banks. The application of this option be considered only to forest owners and people involved in forest protection being individuals, households, ethnic minority people living in difficulty-stricken areas, without accessibility to bank agencies;**
- 2. Mobile distribution not be applied as for communal accounts of forest owners and parties contracted for forest protection who are communities and groups of households receiving big amount of PFES money (over VND 20 million). Representative of communal account holder should actively go to bank agencies for money withdrawal.**
- 3. Banks need to give timely advice so that forest environmental services providers can transfer unused PFES fund thereat to saving deposit accounts in order to improve the effectiveness of PFES fund use.**

PART III. PUBLICITY, MONITORING AND EVALUATION OF THE DISTRIBUTION OF PFES FUND VIA BANK ACCOUNT

1. PUBLICITY OF THE RESULT OF PFES FUND DISTRIBUTION

Publicity of the list of PFES fund receivers must be completed within 10 days before the authorized bank embarks the PFES fund distribution to forest environmental services providers. The activity shall undergo the following steps:

1.1. Provincial Fund for Forest Protection and Development shall publicize list of PFES recipients who are forest owners being organizations, commune people committees, households, individuals and village, hamlet communities, groups of forest owners being individuals, households at commune people committee office, and send the list to the head of villages, hamlets;

1.2. Forest owners being organizations shall publicize the list of PFES recipients from parties contracted for forest protection and development (individual, households, and residential communities) at people's commune committee; and to send this list to the heads of villages, hamlets;

1.3. Commune People's Committee shall publicize the list of PFES recipients from parties contracted for forest protection by commune people's committee at commune people's committee offices and send this list to heads of villages, hamlets;

1.4. Holders of communal accounts shall publicize the list of people signed for PFES fund receipt at the village, hamlet cultural houses.

2. MONITORING OF PFES FUND DISTRIBUTION VIA BANK ACCOUNTS

2.1. Provincial Fund for Forest Protection and Development shall base on the PFES fund distribution plan that has been agreed upon by the Fund and banks to develop the monitoring plan for the PFES distribution by the Bank, including transfer PFES fund to bank accounts of forest environmental services providers and mobile distribution.

2.2. Forest owners being organization, commune people committee shall base on banks' PFES fund distribution plan to develop a monitoring plan for PFES fund distribution by banks.

2.3. Aspects to be monitored by Provincial Fund for Forest Protection and Development, forest owners being organizations and commune People's committee include:

- Number of training courses, communication measures, number of participants and ratio of female participants;
- People's awareness on PFES fund distribution via bank accounts;
- Completeness of dossiers applying for bank account opening for PFES fund receipt;
- Completeness of dossier applying for PFES fund distribution;
- Organization of PFES fund distribution via bank accounts (progress, targeted group and the entitled amount);
- The participation of female in bank account opening and in the representative board for the communal account;
- Arisen issues during the PFES fund distribution via bank account.

2.4. Local authorities and stakeholders

Leaders of communes, hamlets and social associations should coordinate with provincial Fund for Forest Protection and Development and forest owners being organization in monitoring the implementation of PFES fund distribution via bank account. Below are aspects of monitoring:

- Publicity of the list of PFES receivers;
- Accuracy and transparency in terms of targeted group and value of PFES fund distributed;
- Distribution of PFES fund by residential communities.

Agencies, organization and the whole people shall participate in monitoring, social debating with State administration agencies, organizations, households, individuals and residential communities whose activities are required to ensure accuracy and transparency during the distribution of PFES fund via bank account.

Advice 4. Monitoring the distribution of PFES fund as for communal accounts

The value of PFES fund to be paid to forest owners and parties contracted for forest protection who are village or hamlet communities is quite high and is transacted by banks for receipt by the community representative. Therefore, in order to prevent the cases of PFES fund appropriation, a mechanism for monitoring the distribution of PFES fund among members of the communities should be in place. Therefore, we recommend:

- 1. Provincial funds for forest protection and development, forest owners being organizations need to monitor the distribution of PFES fund by communities;**
- 2. Aspects of monitoring: plan and level of publicity on the distribution; evidences of distribution of PFES fund by communities;**
- 3. Provincial Funds for Forest Protection and Development, forest owners should establish a hotline in order to receive feedback relating to distribution of PFES fund by communities**

3. EVALUATION OF THE PFES FUND DISTRIBUTION VIA BANK ACCOUNT

Evaluation of PFES fund distribution via bank account shall be conducted annually or termly in order to inform the improvement of regulations, guidelines and transparency, safety and effectiveness of PFES fund distribution via bank account. Provincial Fund for Forest Protection and Development shall take lead, coordinate with forest owners being organizations and stakeholders to organize the evaluation. Aspects of evaluation include (*refer to Annex 4*):

- Effectiveness in distribution of PFES fund via bank account;
- Publicity, transparency in distribution of PFES fund via bank account; and distribution of PFES fund among groups of households and residential communities;
- Level of satisfaction of forest owners and parties contracted for forest protection;
- Accessibility to and use of banking services of forest environmental service providers.
- Opportunities for improvement of transparency, safety and effectiveness of FPES fund distribution via bank account and other relevant e-payment options.

DOCUMENT FOR REFERENCE

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Vu Tan Phuong, 2017. The report on analysis of status quo of PFES fund distribution and recommendation of pilot PFES fund distribution via bank account. The programme on conservation, sustainable use of forest biodiversity and ecosystems services in Viet Nam. GIZ. 14 Thuy Khue, Tay Ho district, Ha Noi.

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ANNEX 1. THE TEMPLATE OF AGREEMENT/ECONOMIC CONTRACT/ WITH BANKS

SOCIALIST REPUBLIC OF VIET NAM
Independence – Freedom-Happiness

AGREEMENT/CONTRACTS **ON DISTRIBUTION OF PFES FUND**

Between

The Provincial Fund for Forest Protection and Development of the province of....

And

.....**Bank**

Pursuant to Civil Code 91/2015/QH13 dated November 24th 2015;

Pursuant to Decree 99/2010/ND-CP of the Government on the policy of payment for forest environmental services.

Pursuant to Decree 147/2016/ND-CP on amendment of some articles of Decree 99/2010/ND-CP dated 24/9/2010 on payment for forest environmental services.

Pursuant to Circular 85/2012/TT-BTC of the Ministry of Finance guiding the financial management mechanism for the Viet Nam Fund(s) for Forest Protection and Development.

Pursuant to inter-ministerial circular 04/2012/TTLT-BNNPTNT-BTC of the Ministry of Finance guiding the mechanism for management and use of fund from PFES.

Pursuant to Decisiondated ofon the establishment of the Provincial Fund for Forest Protection and Development of the province ...

Pursuant to the Law on Credit Organizations No. 47/2010/QH12 dated June 16th 2010;

Based on responsibilities, obligations, capacities and needs of

Today,, at....the two parties who are:

PARTY A: THE PROVINCIAL FUND FOR FOREST PROTECTION AND DEVELOPMENT

..... (herein after called Party A)

- Address:.....

- Telephone:.....Fax:

- Representative:.....

- Position:

PARTY B:BANK (hereinafter called Party B)

- Address:.....

- Telephone:.....Fax:

- Representative:.....

- Position.....

The Provincial Fund for Forest Protection and Development of the province of and thebank (herein after called “the two parties” agree to sign the agreement/ contract on

“distribution of PFES fund with the following terms and conditions:

Part I

GENERAL PROVISIONS

1.1. Principle of cooperation

- a) The two parties commit themselves cooperating in long term on the principle of voluntariness, equality, mutual benefiting and trusting; being align with and conforming to business strategies, plans of each Party; conforming to legislation and provisions of each parties; not to conflict with detail of the other party's cooperation with any other partners.
- b) The Principle Contract stipulates principles, detail of cooperation in compliance with practical needs and conditions of each Party, in conformity to legal provisions and provisions in this Agreement.
- c) During the course of cooperation, the two Parties commit themselves informing each other with full information, in a timely manner and keep all information regarding the Cooperation Agreement confidential.
- d) Each Parties commit itself respecting the material benefits and reputation and branding names of the other.
- e) The two Parties shall in collaboration remove bottlenecks surfacing during the course of Agreement implementation.

1.2. Objective of the cooperation

- a) To promote the implementation of the policy on payment for forest environmental service (PFES) towards professionalism, effectiveness, transparency and high accountability.
- b) To ensure that PFES fund is distributed to forest owners and forest protection contractors in a transparent and safe manner.
- c)
- d)

1.3. Scope of cooperation

The two Parties agree upon a cooperation in services including payment, treasure, capital, exchange, information provision and communication of other services appropriate to the capacities and objectives of each Party.

Part II DETAIL PROVISIONS

2.1. Responsibility of Party B

- a) To open and manage deposit bank accounts (checking accounts) for PFES recipients (organizations, households, individuals, communities, household groups) based on the list provided by Party A;
- b) To conduct the PFES fund distribution service at the request of Party A to forest owners and forest protection contractors at least 2 times per year (or regularly) at the commune people committee's office where there are PFES fund distribution activity;
- c) To distribute PFES fund in cash at the office of bank branches, agencies upon request of forest owners, households, forest protection contractors (if any);
- d) To take responsibility to the provincial Fund for Forest Protection and Development for distribution of PFES fund to the right recipients, right amount and as schedule; archiving dossiers, originals of payment evidences in compliance with relevant regulations;
- e) Not to use deposit accounts of PFES recipients in mortgage for other obligation or making other bank transfer.
- f) To make payment of bank interest on deposits at the interest rate set for each period based on the holder' account balance in compliance with regulations.
- g) Within 30 days after each time of PFES distribution, to make report on distribution and send it to Party A;

- h) To report to Party A, in a timely manner, difficulties, problems surfacing during the course of implementation (if any).
- i) To counsel and convince account holders to use the money received therein to other forms of deposits (if any) after receipt.

2.2. Party A’s responsibility

- a) To provide Part A a list of PFES recipients (organizations, individuals, households, groups of households, communities) so that Party A can open bank accounts for them;
- b) To collaborate with Party A in communication and opening bank accounts for PFES recipients;
- c) To open the paying accounts at Party B’s bank or its line units in order to ensure a centralized payment; and to ensure that the balance in such account is sufficient for distributing PFES fund to recipients.
- d) To send to Party A a distribution plan 30 days prior to the planned date of distribution. The plan includes a list of PFES recipients for every district, commune, organization. Party B takes responsibility for information written in the PFES recipients list;
- e) To monitor the distribution of PFES fund by Party A;
- f) To coordinate with Party A in order to deal with enquiries of PFES recipients (such as mistakes in names, ID number, amount, etc.,) difficulties and bottlenecks (if any);
- g) To fulfil payment obligation as for service fee prescribed in part 2.3 to Party A

2.3. The payment fee for the PFES fund distribution service of Party A

- a) The service fee applied for making PFES payment that Party B shall pay to Party A is
- b) This rate of service fee is applied in 2018 and will be considered, agreed upon adjustment on an annual basis;

Part III

ENFORCEMENT PROVISIONS

3.1. Organization for implementation

- a) The two Parties commit themselves fulfilling the agreement signed.
- b) The two Parties appoint focal points to notify, exchange and deal with surfacing issues (if any)
- c) Annually or based on actual need, the two Parties shall organize an evaluation on the fulfilment of the agreement, seek solutions for difficulties, bottlenecks, meanwhile supplementing, amending contents, objectives of cooperation needed for the ensuing time.
- d) The two Parties take responsibility by themselves for arisen fees during the course of implementation of this Agreement.
- e) The two Parties shall keep confidential all information, data, documents relating to the implementation of this Agreement. The two Parties shall not disclose any information, data, documents to a third Party without a permission in writing of the other Party.

3.2. Validity of the Agreement and disputes settlements

- a) This agreement is regulated by the legislation of the Socialist Republic of Viet Nam. Any disputes arisen or related to this agreement, first of all shall be settled by both Parties in the spirit of negotiability, cooperation, and goodwill, and documented in written minutes. Unsettled disputes shall be brought to courts of appropriate jurisdiction, the losing party shall bear the entire court fee.
- b) This Agreement takes effect after being signed by legal representative of the two Parties. All amendments are valid when accepted in writing by the two Parties.

c) This Agreement comprises ofpages, made in copies of equal validity, each Party keepcopies for their implementation.

**REPRESENTATIVE OF THE
FUND FOR FOREST
PROTECTION AND
DEVELOPMENT
DIRECTOR**

**REPRESENTATIVE OF THE
BANK
DIRECTOR**

ANNEX 2. TEMPLATE OF THE MINUTES OF THE VILLAGE/HAMLET MEETING FOR ELECTION OF REPRESENTATIVE FOR COMMUNAL ACCOUNT

COMMUNE PEOPLE COMMITTEE

.....

Village/hamlet.....

SOCIALIST REPUBLIC OF VIET NAM
Independence – Freedom – Happiness

MINUTES OF THE VILLAGE/HAMLET MEETING

On election of representative for communal account for receiving PFES fund

Today,at the hamlet/villagecommune,, district

- Chairperson of the meeting: Mr.- Position:

- Secretary: Mr. : - Position:.....

I. Participants

1) Representative of the commune people's committee

.....

1. Mr.:..... – Position:.....

2. Mr. :..... - Position:.....

2) Total number of households in the village/hamlet:.....

3) Number of households in the village/hamlet presenting at the meeting:

.....(*attached list*)

II. Content of the meeting

To elect the representative for the communal account to be opened in order to receive the PFES fund for the residential community of the village, hamlet

III. Result of election of representative for the communal account of the village/hamlet

Households in the village/hamlet agree upon that Mr/Mrs. whose name is mentioned below is elected to be the account holder of the communal account of the village/hamlet to which the PFES fund entitled by the hamlet/village community is transferred.

1. The representative of the communal account of the village/hamlet/group community.

Mr. (Mrs.):....., position

Date of birth:.....

ID card number:.....issued on.....at.....

Current residence:.....

2. The representatives of the village/hamletgroup community shall sign their names for receipt of the PFES fund together with the signature of the account holder.

a) Mr. (Mrs.):, Position:.....

Date of birth:.....

ID card number:.....issued on..... At

b) Mr. (Mrs.):, Position:.....

Date of birth:.....

ID card number:.....issued on..... At.....

Mr. and Mrs. whose names are mentioned above are elected as the representative for the communal checking account and take the representative role when receive the PFES fund, take the responsibility to households, individuals in the village/hamlet/group communities and to the law on the distribution of PFES fund in full to every household, individual in the village/hamletgroup community after receipt of the PFES fund termly in a timely manner.

The meeting ends at of the same day. The members participated agreed upon the content in the minutes and sign for confirmation./.

Secretary
(Signature and full name)

**Chairperson of the village/hamlet/group
community meeting**
(Signature and full name)

Confirmation of the Commune People Committee
(Sign, with full name and stamp)

List of households, individuals participating village/hamlet/group community meeting

(Attached to the meeting minutes datedmonth.....year)

Or.	Full name of household	Date of birth	Signature or fingerprint
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
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...			

ANNEX 3. PROCEDURE FOR BANK ACCOUNTS OPENING

1. Categories of bank accounts:

- The bank deposit accounts for individual: Applied to forest owners being individuals, households, sub-contracted forest protectors
- The bank deposit accounts for organization: Applied to forest owners being organization
- The bank deposit account for a group of people (communal accounts): applied to communities, groups of households sub-contracted for forest protection

2. The minimum balance:

The the amount of money needed to maintain the account at all time (since when it is opened)

- As for individual account: VND 50,000
- As for organization and commune account: VND 1,000,000

3. Rights and obligation of account holder

3.1. Right of account holder

- To use the amount available in his/her account in order to execute legitimate, valid payment orders.
- To authorize others use the account.
- To be given with information on transactions account balance under the agreement with banks
- To be entitled to request the banks to temporarily lock the account when necessary.
- To be entitled to the call loan interest rate as for the account balance.

3.2. Obligation of account holders

- To ensure that the account balance value is sufficient for payment orders
- To timely notify banks where accounts are opened about any detected errors, mistakes or signs of account abuse.
- To refund or co-ordinate with banks in refunding money transferred to the account due to errors or mistakes
- To provide sufficient information, additional information, changes relating to the opening and use of accounts.
- To maintain a minimum balance as required

4. Conditions for bank account opening

4.1. As for individual accounts:

Persons who are full 18 years of age or older and have full civil act capacity; Persons aged between full 15 and under 18 who do not lose or have limited civil act capacity; Persons under 15 years of age, persons who have limited capacity for civil acts or who have lost their civil act capacity according to the provisions of law, shall open accounts through their representatives; people having difficulties in cognition, master behavior shall have their accounts open under their guardians names. The dossier includes the following documents:

- Contract for opening and use of the bank accounts
- Bank account opening application
- Personal papers (citizen ID, birth certification (as for individual who are not full 14 years of age)

4.2. Bank account of organization:

Organization with legal representative can open bank account. The dossier includes:

- The contract for opening and use of bank account
- Bank account opening request
- Paper justifying the legitimacy of the bank account opening and operation of the organization: Establishment decision, operational decision, business registration certificate, or other papers according to relevant provisions
- Papers justifying the legal representativeness of the legitimate representative, decision for appointment of chief accountant or accountant (if any) and his/her personal papers
- Papers in the dossier for bank account opening must be the original or notarized copies, or copies made from the original records or copies submitted together with the original for collating.

4.3. Bank accounts for groups (communal accounts):

Can be opened for group of households sub-contracted for forest protection. The dossier includes:

- The contract of bank account opening and use
- Request for bank account opening
- Papers certifying the representative of community or group of forest protectors of the commune people committee;
- Personal paper (ID card) of members representing the community or group

ANNEX 3. MONITORING FRAME, EVALUATION OF PFES FUND DISTRIBUTION VIA BANK ACCOUNT

Or.	Criteria	Indicator for monitoring	Evidence for verification	Method for implementation
1	Awareness about gender and gender issue in distribution of PFES fund via bank account	1.1. Total people participating in meetings, training courses on distribution of PFES fund via bank account (person/year)	<ul style="list-style-type: none"> • List of people participating in meetings, training courses; • Meeting minutes • Training documents 	<ul style="list-style-type: none"> • Review dossier • Random interview Number of people and stakeholders received random interviews
		1.2. Ratio of female participating meetings, training courses on distribution of PFES fund via bank accounts (%)	<ul style="list-style-type: none"> • List of participants to training courses 	<ul style="list-style-type: none"> • Review dossiers • Random interview female participants
		1.3. Ratio of female being account holders for receipt PFES fund (%)	<ul style="list-style-type: none"> • List of accounts to be opened for forest environmental service providers 	<ul style="list-style-type: none"> • Review dossier • Random interview
		1.4. Female ratio participating in the representative board managing the communal account of village, hamlet communities, groups of households (%)	<ul style="list-style-type: none"> • List of members of representative board managing communal accounts 	<ul style="list-style-type: none"> • Review dossiers • Interview female representatives
2	Transparent in distribution of PFES fund via bank account	2.1. Publicity of the list of PFES recipients at commune people's committee; villages, hamlets	<ul style="list-style-type: none"> • The list of PFES receivers is posted at commune people's committees, villages, hamlets 	<ul style="list-style-type: none"> • Review dossier • Interview stakeholders
		2.2. the value of PFES fund transferred to individual accounts (million dong)	<ul style="list-style-type: none"> • List of PFES receivers by account holders Vouchers of transfer and withdrawal of account holders 	<ul style="list-style-type: none"> • Review dossiers

Or.	Criteria	Indicator for monitoring	Evidence for verification	Method for implementation
		2.3. the value of PFES fund transferred to communal accounts (million dong)	<ul style="list-style-type: none"> • List of PFES receivers by communal accounts • Vouchers of transfer and withdrawal of account holders 	<ul style="list-style-type: none"> • Review dossiers
		2.4. the value of PFES fund distributed to account holders being organization	<ul style="list-style-type: none"> • Voucher of transfer and withdrawal of account holders 	<ul style="list-style-type: none"> • Review dossiers
		2.5. Number of complaints, disputes relating to distribution of PFES via bank accounts	<ul style="list-style-type: none"> • Number of complaints, disputes relating to distribution of PFES fund recorded 	<ul style="list-style-type: none"> • Review records on complaints (number), report • Random interview
		2.6. Number of accounts holders using the SMS banking service	<ul style="list-style-type: none"> • List of accounts using SMS banking service; 	<ul style="list-style-type: none"> • Review of the list of accounts using the SMS banking service • Random interview
		2.7. Completeness of PFES distribution dossiers	<ul style="list-style-type: none"> • Dossiers of fund transfer to account holders • Dossiers of cash withdrawal of account holders • Archiving dossiers by banks 	<ul style="list-style-type: none"> • Review of dossiers (transfer and withdrawal) • Evaluation of dossier quality and archiving dossiers by banks
3	Effectiveness of PFES fund distribution via bank accounts	3.1. Value of fee paid to banks that proceeds the PFES fund distribution via bank accounts (million dong)	<ul style="list-style-type: none"> • Vouchers for value of the fee paid to banks 	<ul style="list-style-type: none"> • Review vouchers for value of the fee paid to distribution service
		3.2. Value of PFES fund distributed via mobile distribution service (million dong)	<ul style="list-style-type: none"> • Vouchers for payment service fee to banks 	<ul style="list-style-type: none"> • Review vouchers of payment of distribution service (transaction service)
		3.3. Total of man-day spent for distribution of PFES	<ul style="list-style-type: none"> • Plan and time spent for mobile 	<ul style="list-style-type: none"> • Assessment of dossier and time spent for mobile

Or.	Criteria	Indicator for monitoring	Evidence for verification	Method for implementation
		fund via mobile distribution service (including travel time)	<ul style="list-style-type: none"> distribution of banks List of bank's staff involved in mobile distribution 	<ul style="list-style-type: none"> distribution of the bank Random interview stakeholders (hamlets, people)
		3.3. Number of accounts received PFES fund via mobile distribution service	<ul style="list-style-type: none"> List of account holders received PFES fund via mobile service Vouchers of withdrawal by account holders 	<ul style="list-style-type: none"> Evaluation of mobile distribution dossier (list, voucher of cash withdrawal)
		3.4. Value of cash withdrawn by account holders at bank agencies or ATM (million dong)	<ul style="list-style-type: none"> Inventory of accounts and transacted value of fund at banks and ATMs 	<ul style="list-style-type: none"> Review the transaction inventory of account holders at the bank and ATM Random interview
		3.5. Total value of PFES fund received that account holders transferred to deposit accounts (value of PFES money transferred to saving accounts, million dong)	<ul style="list-style-type: none"> List and value of money transferred to saving accounts by account holders 	<ul style="list-style-type: none"> Review the list of account holders transferred money from checking accounts to saving accounts
		3.6. Cost for monitoring of provincial Fund for Forest Protection and Development (million dong)	<ul style="list-style-type: none"> Plan and list of staff involving in monitoring Voucher of monitoring cost 	<ul style="list-style-type: none"> Evaluation of dossier for implementation of monitoring (plan, monitoring plan) Interview stakeholders
		3.7. Cost of monitoring fee of forest owners being organization (million dong)	<ul style="list-style-type: none"> Monitoring plan and list of staff involving in; vouchers of monitoring cost 	<ul style="list-style-type: none"> Evaluation of the monitoring dossiers (plan, cost) Interview of stakeholders
4	Safety in PFES fund distribution via bank accounts	4.1. Security of bank in PFES fund distribution via mobile distribution service	<ul style="list-style-type: none"> Plan on PFES fund distribution via mobile distribution service of banks Plan of PFES fund distribution via 	<ul style="list-style-type: none"> Evaluation of the list of bank's staff involved in mobile distribution Interview of stakeholders

Or.	Criteria	Indicator for monitoring	Evidence for verification	Method for implementation
			mobile distribution service of the bank <ul style="list-style-type: none"> • List of involved bank's staff 	
		4.2. Transportation means used to transport PFES fund of the bank while organizing mobile distribution service	<ul style="list-style-type: none"> • Plan of fund distribution via mobile distribution service • List of involved bank staff 	<ul style="list-style-type: none"> • Evaluation of mobile distribution plan • Interview of stakeholders
		4.3. Cases encountered risks during while delivering mobile distribution	<ul style="list-style-type: none"> • Report on risks while delivering mobile distribution service 	<ul style="list-style-type: none"> • Evaluation of dossier recording risk related information • Interview of stakeholders
		4.4. Level of Esurance of confidentiality for account holders	<ul style="list-style-type: none"> • Provisions on keeping confidentiality of customer information of the bank • Records on leaking customers' information 	<ul style="list-style-type: none"> • Evaluation of provisions on ensuring confidentiality for customer • Information on leaking customer information recorded through random interview

ANNEX 5. TEMPLATE OF THE LIST OF POTENTIAL ACCOUNT HOLDERS BEING FOREST ENVIRONMENTAL SERVICE PROVIDERS WHOSE ACCOUNT WILL BE OPENED FOR RECEIPT PFES FUND

(For provincial Fund for Forest Protection and Development)

Or	Full name	Address	Gender	ID card/Business registration certificate	Forest area eligible to PFES (ha)	Location /features			The value of PFES fund entitled	Remark
						Plot	Sub-compartment	Compartment		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	Forest owner being organization									
1										
...										
II	Commune people committee									
1										
...										
III	Representative of households, individuals									
1										
...										
IV	Representative of village/hamlet community/groups of households									
1										
...										
V	Social-political organization									
1										
...										

..., date.....month....year...

Provincial Fund for Forest Protection and Development

ANNEX 6. TEMPLATE FOR OPENING BANK ACCOUNTS FOR RECEIPT OF PFES FUND BY FOREST ENVIRONMENTAL SERVICES PROVIDERS

(For forest owner being organization, commune people's committee)

Or.	Full name	Address	Gender	ID card/Business registration certificate	Forest area eligible to PFES (ha)	Location /features			The value of PFES fund entitled	Remark
						Plot	Sub-compartment	Compartment		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
I	Representative of the household, individual contracted									
1										
2										
...										
II	Representative of village, hamlet community/groups of households contracted									
1										
2										
...										

...., date...month....year.....

Certification of the unit preparing the list

ANNEX 7. TEMPLATE OF THE NOTE-BOOK RECORDING RECEIPT OF PFES FUND DISTRIBUTED TO FOREST ENVIRONMENTAL SERVICE

providers

FUND FOR FOREST PROTECTION AND DEVELOPMENT....

NOTE-BOOK

DISTRIBUTION OF PFES FUND



Or.	Number of time received PFES fund	Area of forest eligible for PFES (ha)	Value of PFES fund received (VND)	Location of PFES fund distribution ¹	Date, month, year
1	Distribution of PFES fund 1 st time				Date...month...year...
2	Distribution of PFES fund 2 nd time				Date... month ...year...
...
	Total				

Note: ¹Fill in one of the following locations: at the office of the CPC, at the banking counter or other location (specify)

Recipients of forest environmental services are responsible for clearly, fully and regularly recording the situation of receiving payment for environmental services from units / households, individuals, groups and communities as a basis for follow-up, monitoring, check and comparison later.

The forest environmental service notes handbook must be submitted along with other necessary documents (such as people's identity cards, ID cards, etc.) when receiving payment for forest environmental services.

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

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