

# Forest land allocation to communities in Viet Nam

## *Recommendations for CSOs*



### Summary

- In Viet Nam, the government can allocate forest lands to communities for a period of 50 years. Allocated natural forests can be used for the collection of non-timber forest products and forest restoration, while allocated barren lands can be used for plantation development. Communities can also earn income under the national Payments for Forest Environmental Services (PFES) programme.
- In the current legal context, community forest allocation can be seen as a way to strengthen the rights of native people to the forest areas that they have been using for generations.
- We consulted representatives of communities, civil society, companies, academia and the government, and asked them about the outcomes of community forest land allocation, how the conditions for success can be improved, and the potential role of civil society organisations (CSOs).
- Allocated areas are often of poor quality and in remote locations, limiting the attractiveness for communities to engage in sustainable forest management.
- The forestry law allows forest land to be allocated to communities, but the civil law only recognises two legal entities, i.e., individuals and organisations. The ambiguous legal status restricts the possibilities of a community to engage in economic activities, after it has been allocated forest land. To overcome this, a community will have to formally organise itself, for example by developing a community forestry enterprise or a community cooperative.
- CSOs should be more active in supporting communities with setting up sustainable forest management practices after the land has been allocated, while engaging in lobby and advocacy efforts for a more supportive regulatory environment.

### Introduction

Viet Nam's forest land is divided in three main categories: Special Use Forests, Protection Forests, and Production Forests. The first two categories are mostly natural forests, while the third category usually consists of barren land or forest plantations. The Vietnamese government has allocated a large part of the country's forest lands to various actors—known as 'forest owners'. Special Use Forests and Protection Forests are allocated to dedicated

state actors, such as management boards, while Production Forests are allocated to both state and non-state actors, including economic organisations (mainly state forestry companies), households, individuals, and communities. In recent years, the percentage of the forest area allocated to households, individuals and communities increased significantly and now accounts for more than 29% (Table 1).

**Table 1. Forest owners in Viet Nam as of December 31, 2019 (Source: QĐ 1423/2020/QĐ-BNN-TCLN)**

Forest owners	Area (ha)	Percentage
Special Use Forest Management Boards (SUF MBs)	2,152,460	14,73%
Protection Forest Management Boards (PF MBs)	3,016,541	20,65%
Economic organisations	1,763,961	12,07%
Army forces	211,808	1,45%
Households and individuals	3,039,597	20,81%
Communities	1,216,982	8,33%
Foreign-invested enterprises	11,277	0,08%
Science and education organisations	202,903	1,39%
Commune People's Committees (CPC)	2,993,692	20,49%
<b>Total</b>	<b>14,609,221</b>	<b>100%</b>

In this briefing paper, we explicitly focus on the allocation of forest land to communities. This implies that a community receives a land-use right certificate (LURC), which in Viet Nam is known as a Red Book, or equivalent documents for forest land allocation. The certificate gives a community the right to manage an area of forest land for 50 years. It is not allowed to divide the forest to individual community members, and the land cannot be sold or mortgaged. Most community certificates are provided to native communities, who have managed the forests for generations. Forest land allocation is often initiated by state authorities or development projects, rather than by the communities themselves.

According to official data from the government, communities 'owned' 1,216,982 hectares of forest lands in 2019 (Table 1). This figure does not only include the land-use right certificates, but also contracts and temporary assignments by the state to household groups and cooperatives. According to Phan Dinh Nha (2020), the total area of forest land that is allocated to communities through land-use right certificates is around 400,000-500,000 hectares.

Communities with a land-use right certificate can use the allocated forest land for the collection of non-timber forest products, Payments for Forest Environmental Services (PFES), and forest regeneration and restoration. On barren areas that are classified as Production Forest, communities are allowed to establish tree plantations. Due to strict regulations on timber exploitation, only very few communities can benefit from commercial logging under trial programmes. The nurturing and enrichment of allocated forests must follow an official management plan that is approved by government authorities. If the community is not able to protect or revitalise the allocated forest land, it must return the land to the state.

A community with allocated forest land, establishes a forest management board, with support from the local authorities and the forest protection department. Community members decide among themselves how revenues from the allocated forest lands are being used. Usually, income earned through PFES is used to

pay community patrol teams and to finance community activities, such as village meetings, and infrastructure, including lighting and village roads. Income from the collection of non-timber forest products usually goes directly to the involved individual households (sometimes also to outsiders, as there are no strict restrictions).

## Approach

Tropenbos Viet Nam conducted a review of community forest allocation in Viet Nam, to assess its outcomes and understand the conditions for success. The results were used to identify ways in which CSOs can help shape these conditions. The review was conducted from January to June 2020. The main methods included a literature review, expert interviews, and group discussions. We interviewed 14 representatives of organisations working on community forestry. Group discussions involved 30 key informants in the villages, and 10 commune officials and representatives of forestry companies. The field research was conducted in six villages of four communes in Lak, Krong Bong and M'Drăk districts of Dak Lak province. The initial results of the review were discussed with 29 stakeholder representatives and experts in a national consultation workshop.

## Results

### Livelihood outcomes

In theory, community forestry increases the role of people in forest protection and management, resulting in livelihood benefits, while at the same time maintaining or increasing solidarity within the community, and conserving custom, traditions, and indigenous knowledge. Respondents in our review agreed that community forestry can benefit livelihoods, especially when allocated forest land is used for plantations and when there are good market connections. Moreover, when a community forest falls under the PFES programme, a community may receive an additional VND 300,000-800,000 (US\$13-35) per hectare per year.

However, these benefits do not always materialise. Respondents in our review identified several barriers, First,

communities may not have the capacity for sustainable forest management. Second, there may be conflicts over customary rights within or between communities. Third, the possibilities for communities to earn money from forest management are often limited, because the forest is of poor quality, and in a remote location, far from the community. Fourth, the procedures for local people to be allowed to harvest timber are complicated, and there is a lack of government support for communities to navigate these procedures. Finally, many communities do not have access to financial capital, because forest lands cannot be mortgaged according to the law. Across the board, respondents agree that the benefits from community forestry are small. As a result, people show little interest in forest protection, especially in areas without a functioning PFES system.

### Environmental outcomes

In cases where communities are able to make profits from community forest management, the forest cover and quality is usually maintained. Although some communities can maintain good forests after allocation, in many places, deforestation and forest degradation occur, due to forest encroachment and illegal logging. Illegal hunting is also common. Environmental outcomes tend to be sub-optimal when communities do not receive adequate funding for forest protection. Moreover, many communities have a custom of mutual tolerance, which means they are not used to restricting access of others to their forest. In these cases, the land-use right certificate conflicts with traditions of open access to members of various communities. The rights are not actively enforced—neither by the communities themselves, nor by the state. A recent study of two allocated community forests in Buon Hang Nam and Buon Tul (Dak Lak province), showed that the availability of forest products and services declined significantly between 2000 and 2019, as these communities were not able to prevent illegal logging and encroachment (Bao Huy et al., 2019).

In addition to the land-use right certificates, there are also cases where Special Use Forest Management Boards contract communities to manage parts of the Special Use Forests, to provide forest products for nearby communities, and help protect a buffer zone. This has proven to help reducing pressure on the forest's core zone.

### Challenges

Respondents in our review identified the following specific challenges for community forestry in Viet Nam:

- Although a large part of the forest land has been allocated to state and non-state 'forest owners', a significant part (20.5%) remains under the administrative management of Commune People's Committees. These committees are not recognised as forest owners in the 2017 Forestry Law. In practice this means that they usually have insufficient resources

and staff for sustainable forest management and protection.

- The definition of 'community' in the 2017 Forestry Law is limited to residential communities. In practice, the residential community may not be the most relevant entity for forest land allocation, because forest management is often organised along the lines of household groups, interest groups, or clans.
- Although 'community' is recognised as a forest owner in the Forestry Law, it is not recognised as a legal entity in Civil Law. This makes it difficult for a community to join development programmes, and to collaborate with other legal entities (e.g. private enterprises), in search of opportunities for economic development.
- Local authorities are reluctant to allocate forests to communities, because the formal guidelines for implementation are impractical and not adapted to the local context. Local authorities are afraid that they will be held accountable when community forestry fails to protect the forest. Moreover, local authorities tend to have negative perceptions of community forestry.
- Although communities with land-use right certificates have exclusion rights, these rights are often poorly enforced. As a result, forest encroachment is common. There is a lack of organisational capacity at the level of the community. Also, state authorities do not enforce forest laws effectively in community forests, due to poor coordination and the lack of a strong legal foundation.
- National forestry regulations are not suitable for forest management by communities, because they involve complicated administrative procedures and technical standards (e.g. requirements for timber harvesting). These regulations thus limit community participation in forest management. At present, there is no clear policy or mechanism for timber harvesting in community forests, and there is a lack of technical assistance for local communities.
- In general, there is limited post-allocation support to help communities develop sustainable and viable forestry practices. There are no specific regulations for state authorities and related organisations to support community forestry. For support with forest management, communities tend to depend on CSO projects.
- The way community forestry is implemented does not adequately take into account the local context. There is no clear identification and inventory of the allocated area, and no proper assessment of local needs, the position of women and vulnerable groups, and the possibility of conflicts. Moreover, existing tensions between statutory law and customary law usually receive little or no attention.

- Customary laws and forest management traditions of native people are not recognised by statutory law, and boundaries of allocated forest do often not coincide with the boundaries of the forest they traditionally use and manage. Also, the traditional practices and indigenous knowledge about forest management of many native communities are eroding.
- The capacity of government officials, CSO staff, and community members is often limited in terms of technical and management skills, as well as gender sensitivity.

## Recommendations for civil society organisations

### Lobby and advocacy for better regulatory framework

- Revise the definition of 'community' in the Forest Law, to cover various community forms (including household groups, interest groups, and clans).
- Legal recognition of native people's rights to the forests they have traditionally been using, by accelerating the allocation of forest lands to those communities.
- Develop policies that facilitate communities to establish community forestry enterprises or community cooperatives. It would enable communities to have a legal form, through which they can better engage in development opportunities.
- Develop policies to manage and restrict migration in forested areas and areas inhabited by native peoples, to protect their cultural identity and to enhance the effectiveness of community forestry.

### Collaborate with government actors to improve forest land allocation to communities

- Accelerate the allocation of forest land under the management of Commune People's Committees (whose forests are often poorly protected due to the lack of human and financial resources) to appropriate communities. This will help reduce deforestation and forest degradation.
- Application of community forestry should be flexible and suitable to the socio-economic context, and

cultural reality, and should explicitly consider community cohesion.

- Apply free prior and informed consent (FPIC) and gender analysis before allocation, and ensure the active involvement of all vulnerable groups.
- Issue locally specific guidelines to support communities and local authorities with community forestry implementation.
- After allocation, government agencies (e.g., the Department of Agriculture and Rural Development, and agricultural and forestry extension services) need to support communities through gender-sensitive livelihood development and forest law enforcement.
- Review and improve the existing PFES system, by expanding the type of ecosystems that fall under PFES, changing payment methods, revenue sources, and redefining beneficiaries. This will increase PFES revenues, payment rate, fairness, and transparency.

### Directly support communities with developing viable community forestry practices

- Improve community benefits through effective models of forestry production, agroforestry and PFES.
- Strengthen community institutions, by building management capacity.
- Help communities with access to finance, the development of handicrafts, processing of forest products, development of agroforestry, and market linkages.

## Sources

Bao Huy et al. 2019. *Report on the current status and orientation of community forest management in the Central Highlands. Future Community Forest in Viet Nam Workshop: Shaping and Policy Recommendations*. Hanoi, Viet Nam: Pannature.

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