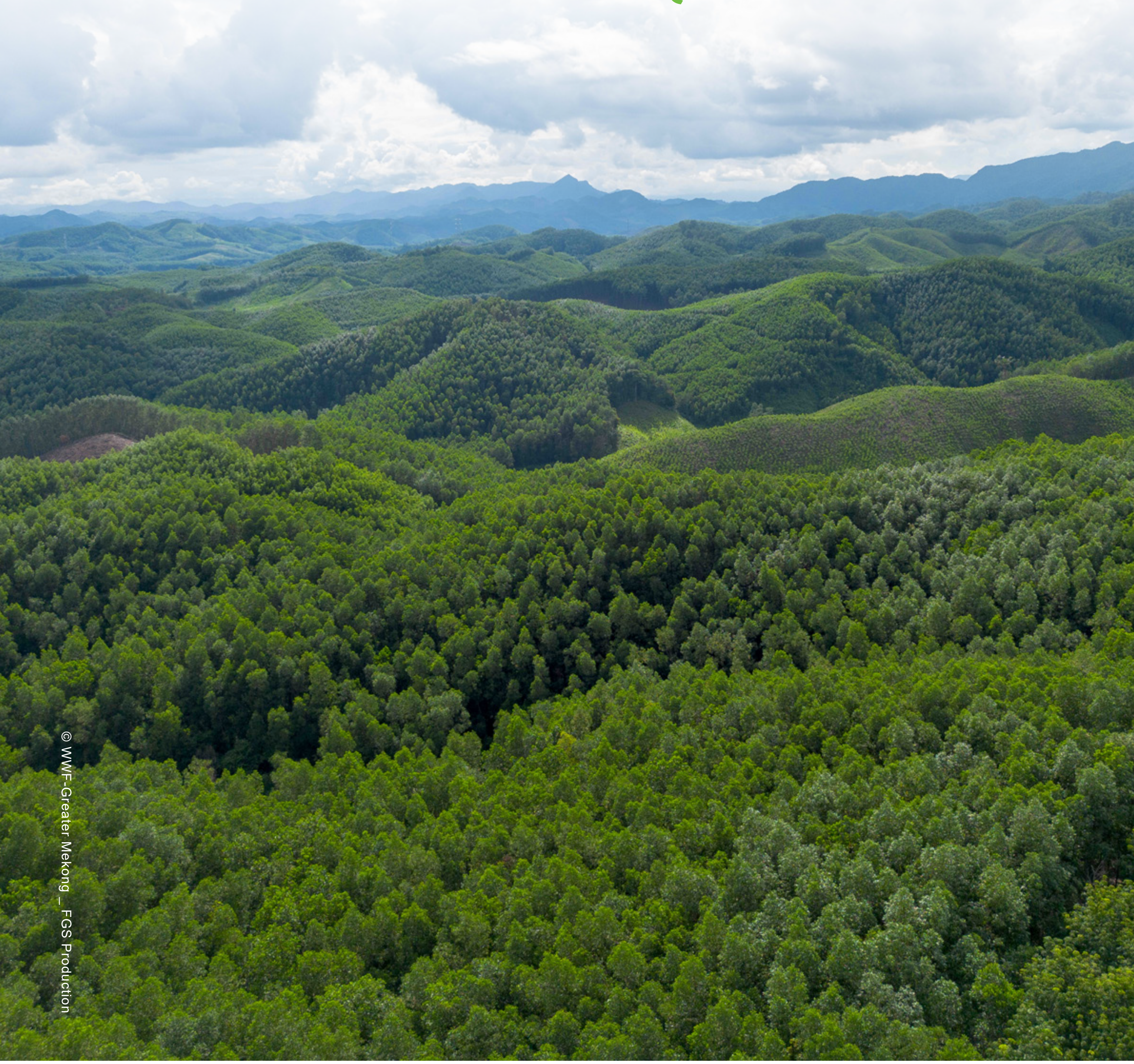
PROMOTING SUSTAINABLE FOREST MANAGEMENT & DIGITALIZATION OF PLANTING AREAS SOLUTIONS TO MEET MARKET AND EUDR REQUIREMENTS



FUNDING

COORDINATION

IMPLEMENTATION

Summary

1 Challenges in scale and legal aspects:

Although Viet Nam has 4.7 million hectares of planted forests, the area with certification (FSC, VFCS) has only reached 710,000 hectares, still far from the target of 1 million hectares (2030).

Fragmented and scattered forest areas, and areas temporarily managed by the commune's People's Committee that have not yet been officially assigned.

For large forest owners, the biggest obstacle to sustainable forest management (SFM) is still the large forest ownership.

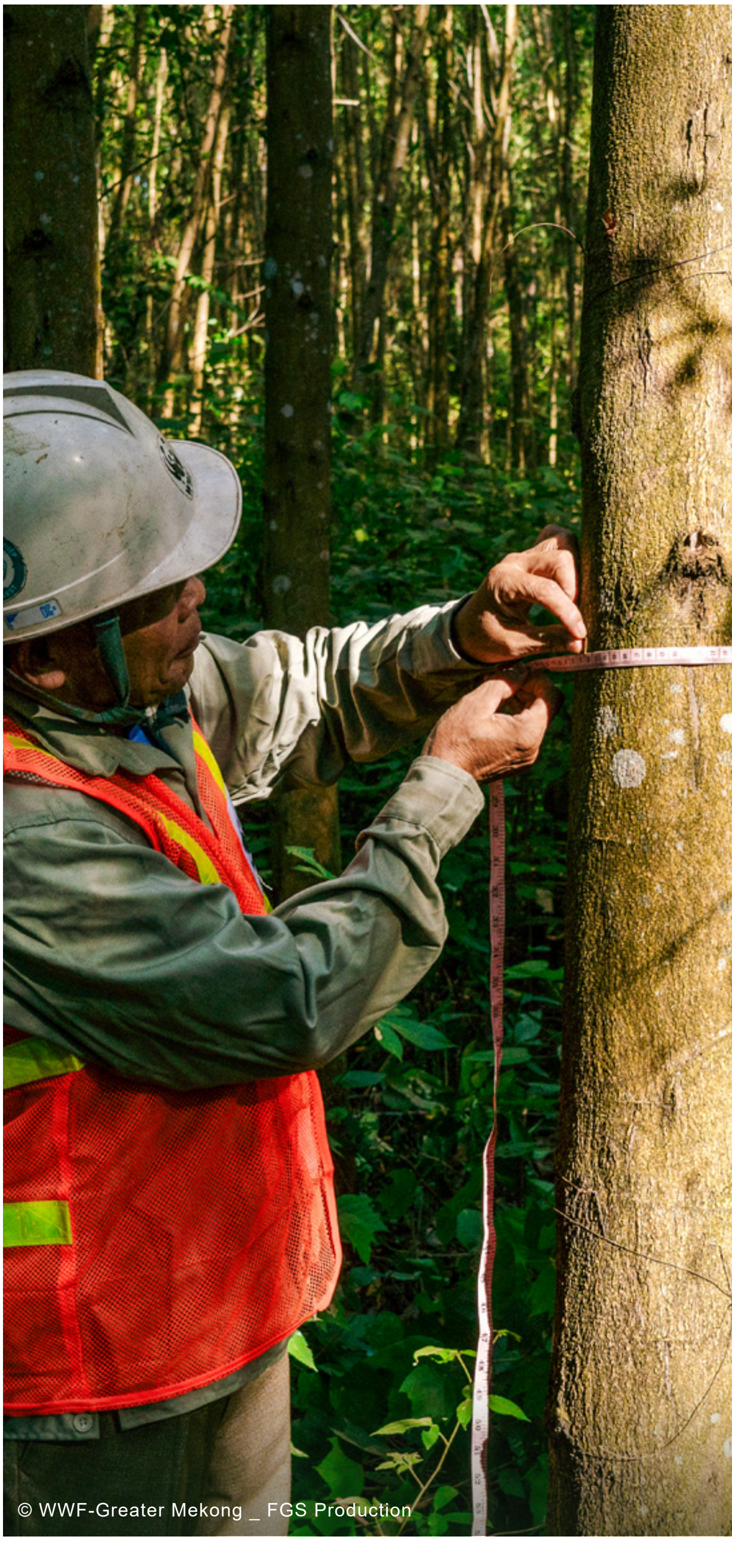
2 Pressures and Opportunities from EUDR

1.2. Pressures and Opportunities from EUDR: The EU's Regulation on Deforestation Prevention (EUDR) makes traceability a mandatory requirement. "Growing Area Codes" are no longer just a technical tool.

This technique promotes the origin of raw materials, forms the basis for implementing sustainable forest management certification, and provides raw materials for the timber industry to meet its export target of $ 23–25 billion USD annually.

3 Breakthrough Recommendations

Three key areas need to be implemented simultaneously: (i) Resolving the issue of forest land managed by the Commune People's Committee; (ii) Green finance for the large timber cycle; and (iii) Socialization and digitalization. Coding planting areas according to a group/region mechanism will reduce costs and increase transparency in the supply chain.



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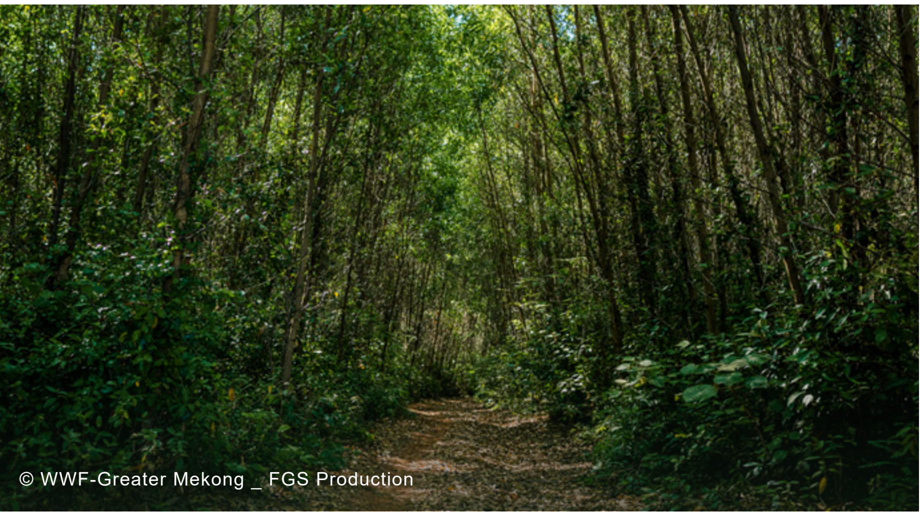
Context & Problem

By 2024, Viet Nam will have **4.0 million hectares of production forests**, with **50% managed by households**. Although a legal framework for forest resource management has been established, its practical implementation faces many bottlenecks: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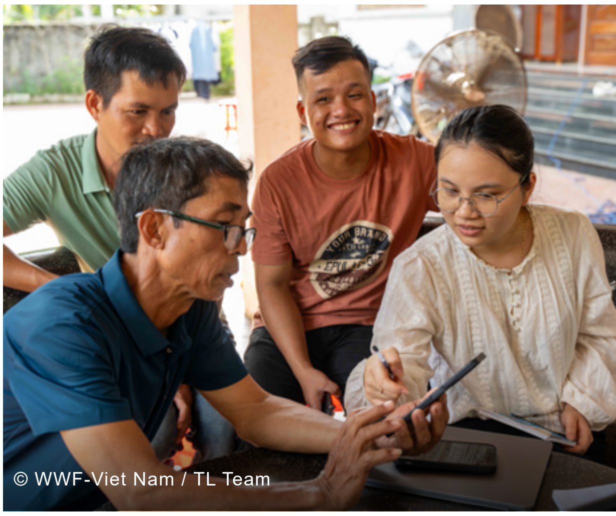
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Land bottleneck

Approximately 20-23% of the forest area is currently managed by the commune People's Committee, but there is a lack of resources for protection, leading to a situation of "holding land while waiting for budget allocation," with no real owner to protect it. Implement the issuance of certificates or codes for growing areas.

Limited resources for small-scale households

The majority of forest owners are small-scale family households, lacking the capital to extend the business cycle of large timber production and paying the fees for maintaining international certification.

Shortcomings in traceability

The pilot program for issuing planting area codes has revealed many limitations:

- Issuing in small batches overloads the data entry system.
- The land and forest data infrastructure is not yet synchronized.
- People have not yet seen direct economic benefits; businesses lack mechanisms for participation and support.


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Without immediate action, Viet Nam's timber industry risks losing market share in high-end markets such as the EU and the US for failing to meet new regulations on legality and deforestation.

Policy Recommendations

To achieve the Forestry Strategy 2030 goals and meet the EUDR requirements, we propose **four strategies**:

1. Improving institutions & definitively resolving land issues

- Time-limited land and Forest allocation: Establish a mandatory roadmap for allocating forest areas “temporarily managed” by commune People’s Committees to households/ organizations before 2027. Reduce funding for forest protection in communes that do not implement land allocation to eliminate a sense of dependence.
- Simplifying forest management procedures: Allow communities/household groups to develop simplified forest management plans independently; accept assessment results from reputable certification organizations (FSC, VFCS) to replace some state inspection procedures.

2. Breakthroughs in Finance & Ecosystem Services - Preferential

- Credit for “Large Timber”: Developing loan packages with low interest rates and long-term principal repayment grace periods (over 10 years) specifically for converting small timber forests to large timber forests and maintaining certification.
- Diversify revenue sources: Legislate on the right to utilize carbon resources and forest environmental services. Use funds from reforestation programs to invest in forestry infrastructure and support initial certification assessment costs.

3. Digitization & Socialization of Growing Area Codes (Compliant with EUDR)

- Assigning codes by Region/Household Group: Shifting the mindset from managing individual small lots to managing by “Raw Material Region/Cooperative”. Creating detailed identification codes (sub-codes) only when necessary for in-depth traceability reduces the burden of data entry.
- Socialization of services: Shifting the process of establishing planting area records from an administrative procedure to a technical service performed by a third party (businesses, consultants). The State only plays the role of issuing standards, monitoring, and post-inspection.
- Integrating inter-agency data: Building a shared database, recognized by “Customs - Tax - Industry and Trade”, so that businesses do not have to provide explanations multiple times.
- Linked to certification: Mandatory issuance of planting area codes for areas already certified under the Sustainable Forest Management Program (automatic integration); voluntary registration is encouraged for non-certified areas.

4. Production Organization & Supply Chain

- Linkage - Promoting Enterprise-Household Linkages: Replicate successful linkage models (as in Yen Bai, Tuyen Quang, and Thua Thien Hue). Enterprises invest in materials, guarantee product purchase, and support the cost of obtaining codes/ certifications; people commit to complying with the process.
- Capacity building: Organize training on intensive forest planting techniques linked to traceability, helping people understand the connection between compliance with regulations and increased economic value.

Implementation Plan

2025 ↘ 2026

- Issuing guidelines for assigning planting area codes based on the group/region mechanism.
- Pilot program for land allocation from commune People's Committees in 3 key provinces.
- Develop a mobile app to help farmers keep digital production logs.

2027 ↘ 2028

- Widespread implementation of the large timber credit package with preferential interest rates
- Coverage of certified forest area with planting area codes for 100% of the certified forest area.
- Connecting traceability data with the Customs system (meeting EUDR requirements)

By 2030

- Complete the handover of forest land definitively People's Committee of the commune.
- Achieve the target of 1 million hectares of forest with forest management certification.
- Operating the forestry carbon credit market.

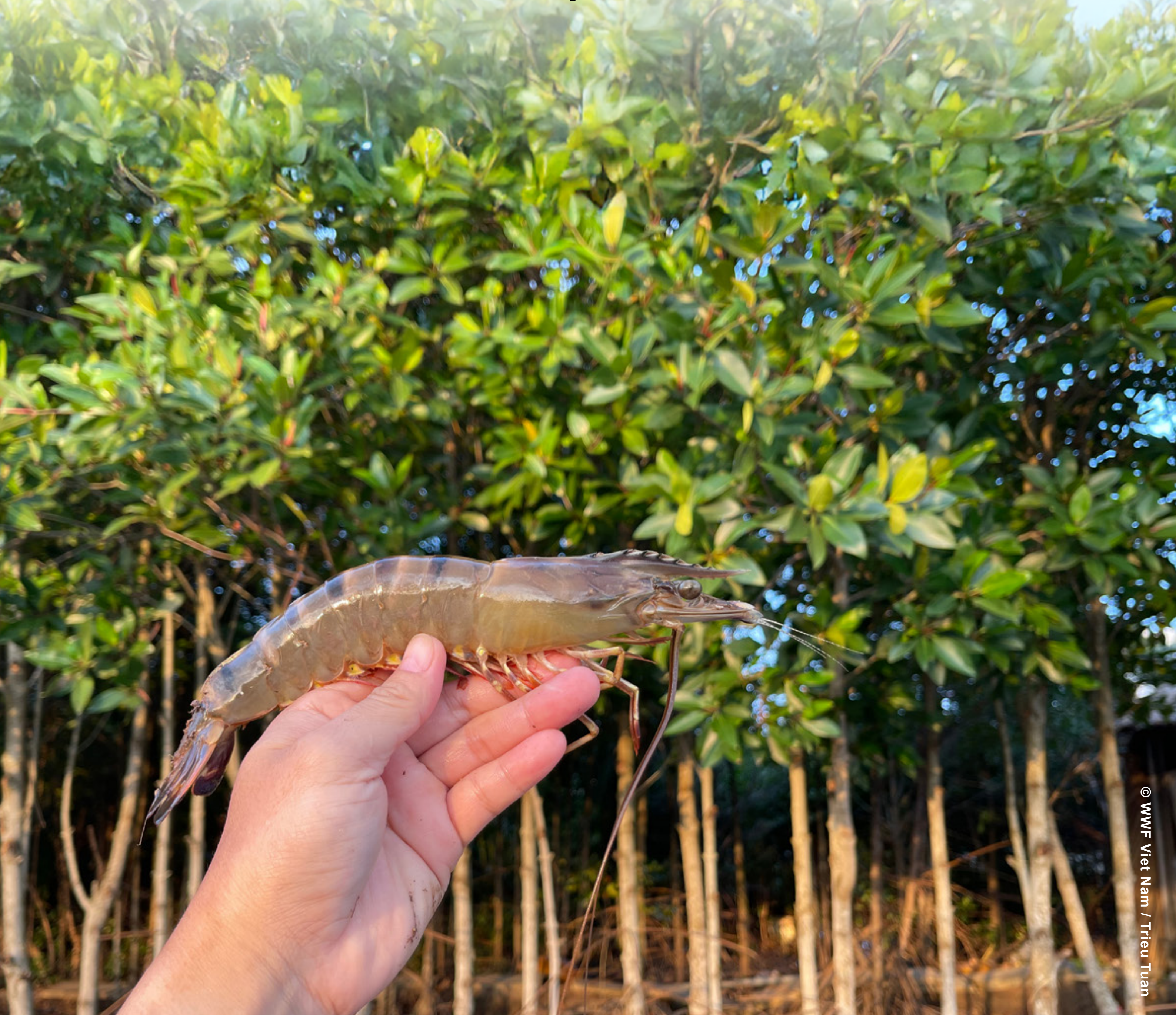
Conclusion

Integrating sustainable forest management with the digitization of planting area codes is not just a technical solution, but a "strategic transformation" for Viet Nam's timber industry to maintain its position in the international market. Investing in data infrastructure and resolving land-related issues today will create a foundation for sustainable growth and ensure livelihoods for millions of households in mountainous areas.

Promoting the implementation of

THE KUNMING-MONTREAL GLOBAL BIODIVERSITY FRAMEWORK (GBF) IN VIET NAM'S FISHERIES SECTOR

Priorities for the 2026-2030 period



ambition pour la biodiversité BIODEV 2030

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FUNDING COORDINATION IMPLEMENTATION

Key messages

Opportunity for Redesign

The GBF is not a burden but a tool to restructure the fisheries sector towards sustainability, competitiveness, and integration.

"Smart" Conservation"

Prioritize the adequate protection of intact areas before expanding coverage; utilize OECM tools (Other Effective Area-based Conservation Measures - areas with effective conservation measures outside of official protected areas).

Livelihoods & Enterprise

Transition to nature-based livelihood models (Rice-shrimp, Mangrove shrimp) and view enterprises as the "engine" leading the value chain and technology.

Enabling Platform

Success is impossible without sustainable financial mechanisms and a transparent monitoring data system.

Context & Challenges

Despite having a legal framework and international commitments, Viet Nam's marine biodiversity continues to decline due to:

1. Ineffective Marine Conservation:

The actual area is very low (<0.2%), lacks resources, and suffers from overlapping management.

2. Fragmented Models:

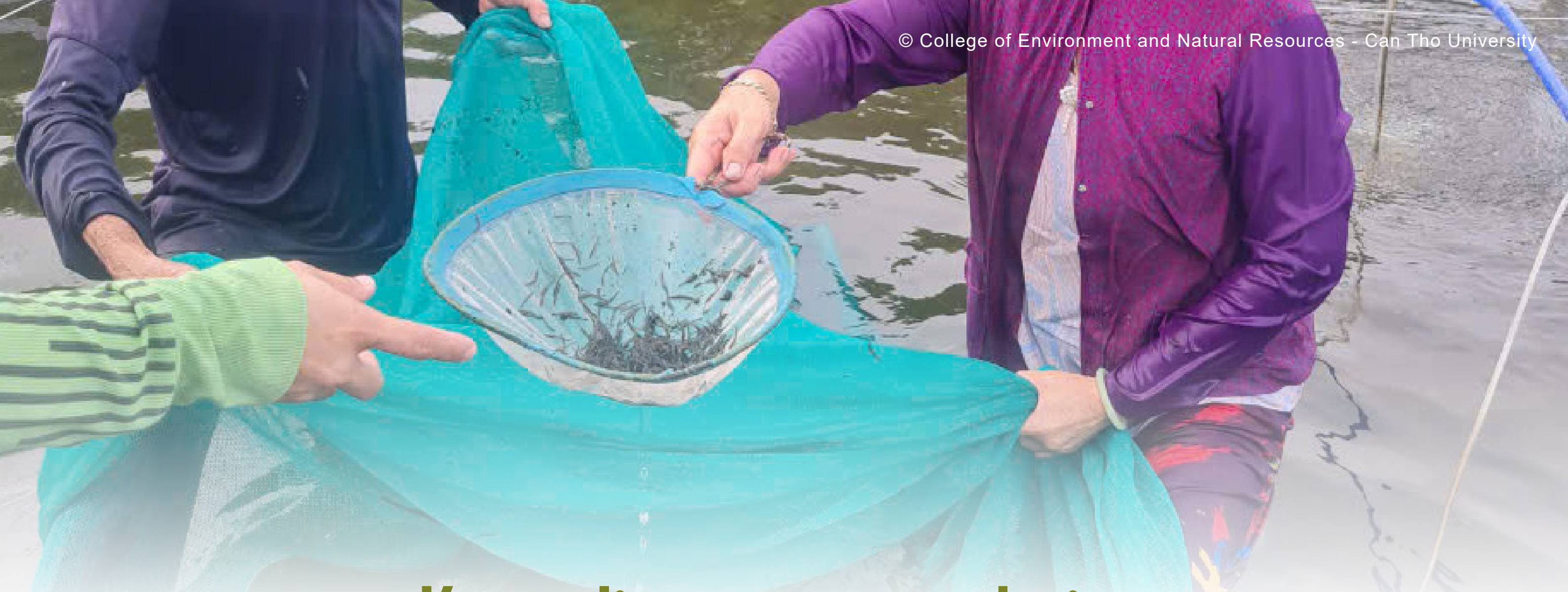
Sustainable livelihood models are not well connected to the market; there is a lack of policies encouraging business participation (lack of specific 4P mechanisms, ESG).

3. Slow Fisheries Transition:

Pressure from near-shore fishing remains high; the shift towards sustainable aquaculture is not yet decisive.

4. Lack of Data and Finance:

Lack of long-term financial mechanisms (such as marine PES and green bonds) and of data remains fragmented.



Key policy recommendations

A

Building an Expanded and Smart Marine Conservation Network

- Improve Quality: Focus resources on 1-2 model Marine Protected Areas (MPAs) and 3-5 key aquatic resource protection areas.
- Apply OECM: Pilot and perfect the legal framework for OECM to expand conservation areas in co-managed zones without needing to establish new MPAs.
- Legal Review: Finalize regulations on Protected Areas, Co-management, and OECM to avoid overlapping.

B

Livelihood Transition and Fisheries Restructuring

- Replicate Nature-based Models: Zoning for Mangrove shrimp, Rice-shrimp, and flood-season livelihoods linked with international certification and traceability.
- Manage Fisheries Transition: Have a roadmap to reduce nearshore fishing, strictly protect spawning grounds/nursery areas, and develop high-tech aquaculture clusters.

C

Integrating Businesses into GBF

- Incentive Mechanisms: Develop green credit policies and investment incentives for businesses applying biodiversity standards.
- 4P Model: Promote linkages among the State, Enterprise, Scientists, and Farmers.

D

Establishing Sustainable Finance & Data

- Finance: Pilot Marine Payment for Ecosystem Services (PES), establish a Marine Natural Capital Conservation Fund (public-private capital), and issue green bonds.
- Data & Monitoring: Build an integrated national database (Web-GIS) on biodiversity and aquatic resources; unify the GBF monitoring indicator set.

E

Communication and Co-management

- Enhance the role of the community (especially women) in management and monitoring.
- Implement a national communication campaign to change awareness regarding marine conservation.

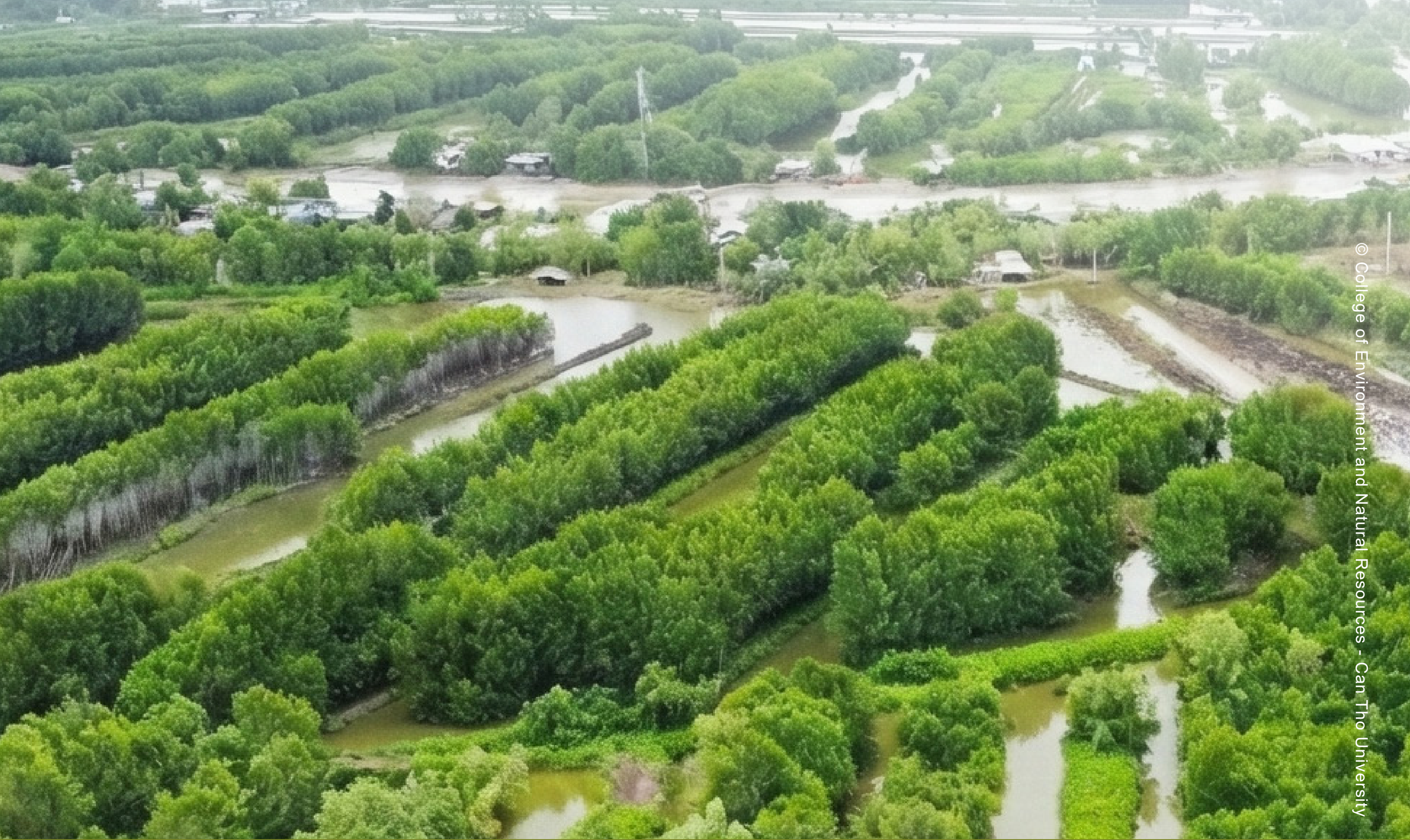
Implementation roadmap (2026-2030)

Short-term (2026 – 2027)

- **Kick-off:** 01 MPA model, 02 aquatic resource protection areas, pilot 01-02 OECMs.
- **Livelihoods:** Select 02 nature-based models to standardize processes for replication.
- **Institutions:** Pilot Marine PES, establish the Web-GIS system, and issue indicators for corporate contributions.

Medium-term (to 2030)

- **Expansion:** Replicate the OECM network and livelihood models across the region.
- **Synchronization:** Smooth operation of green financial mechanisms and the monitoring system.
- **Goal:** Prove that Viet Nam's fisheries sector meets GBF standards (nature-positive, socially responsible).



Conclusion

To achieve the 30x30 target and ensure livelihoods, Viet Nam needs to act immediately in the 2026-2027 period with a focus on: Smart Conservation Network, Nature-based Livelihoods, and Business Partnerships.