



Cao Phong Reforestation Project

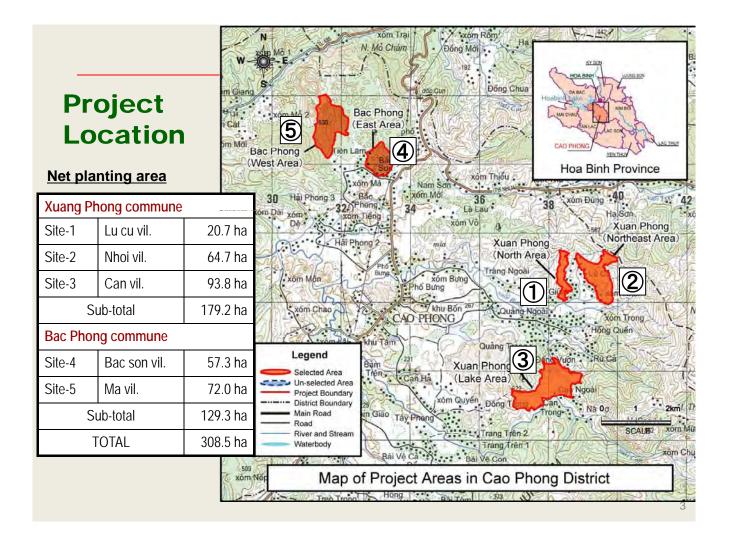
- First Small-scale AR-CDM Project in Vietnam -





Project Summary

| Project participants | Forest Development Fund (NPO) (established by Cao Phong DPC and Vietnam Forest University in April 2008) |
|--------------------------|---|
| Registration | 28 April 2009 |
| Methodology | AR-AMS0001 / Version 04.1 |
| Credit and credit period | tCER, 16 years |
| Planting area | 308.5 ha. |
| Land use before project | Degraded production forest land allocated to local farmers |
| Households participated | 310 households |
| Brief history | Formulated under JICA Development Study "Capacity Building for AR-CDM Promotion in Vietnam" (Oct. 2006 – March 2009) JICA also provided fund for project validation by DOE Honda Vietnam donates fund for project implementation (VND 3.5 bil. = US\$185,000) |
| Present status | Planting activities started in Sep. 2009 and achieved 135ha Remaining area (173.5 ha) will be planted in 2010 |



Project Area

- Forests were cleared in 1970s to increase food production
- Degraded forest land has been allocated to local farmers
- The area is not used for economic activities
- Farmers do not have fund for reforestation
- Farmers desire recovery of forest and income from forest



Project Formulation & Registration Process

| JanMar. 2007 | ◆ Site selection |
|--------------|---|
| | Boundary survey & baseline biomass survey |
| | |
| June 2007 | Consultation with project stakeholders (local governments & farmers) |
| JulOct. 2007 | Identification of the owners of delineated forest land Formulation of reforestation plan Confirmation of the project boundary Preparation of Draft PDD Consultation with project stakeholders |

6

Project Formulation & Registration Process

| May 2008 | ◆ Signing a contract with DOE |
|--------------|---|
| JulNov. 2008 | Field validation by DOE Responses to the clarifications raised by DOE Finalization of PDD |
| Jan. 2009 | Request for project registration (through DOE) |
| MarApr. 2009 | Minor corrections (x 2) |
| 28 Apr. 2009 | ◆ Registration |

Some Aspects of Planning

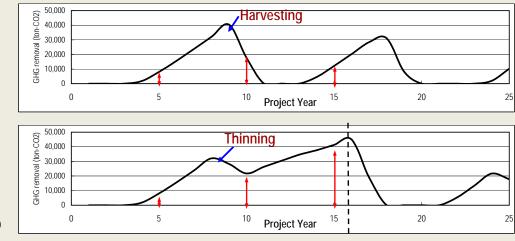
Harvesting rotation (8 years vs. 15 years)

8 years

Typical rotation of production forests in VN

15 years

More tCER is expected than short rotation. Expected benefits from timber is also higher.



- Incentives for participating farmers
 - Need to provide financial incentives to participants at least VND 3.0 mil/ha, equivalent to about 30% of labor cost of forest development during initial 4 years
 - Provision of technical and financial assistance to fodder crop cultivation to minimize free grazing of cattle and fulfill the needs of fodder

Lessons Learned

- Developing PDD of small-scale AR-CDM is not difficult but validation is cumbersome - it is necessary to collect proof of important aspects of AR-CDM project such as land eligibility, additionality, participation of poor community, etc.
- PDD should be prepared simple while satisfying all requirements described in the PDD guidelines - to avoid unnecessary justification
- Better to use the default values given in the approved methodology as much as possible – to avoid demonstration of the appropriateness of measured values
- Generally, plans of community-based forest management projects are rather rough in terms of areas planted, complex in terms of species selected, and implemented flexibly - it is difficult to make such projects as AR-CDM projects
- The project should provide more support to the participants in terms of livelihood development/ improvement - essential for project sustainability

