

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA1122
Printed On: 10/09/2019

Reporting Period: 07/01/2018 to 06/30/2019
Report Type: Progress Report
Report Status: Approved

Assignment: TFOA1122

Vietnam: FCPF Readiness Grant Additional Funding FCPFR - Forest Carbon Partnership Facility

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Summary Information	
TF Status	ACTV
Recipient Country	Vietnam
Executed By	Recipient
Managing Unit	9061 - GENDR - HIS
Grant Start Date / End Date	11/18/2016 to 06/30/2020
Original Grant Amount	5,000,000.00
Grant Amount	5,000,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	3,201,697.56 as of 06/30/2019
Disbursed 07/01/2018 to 06/30/2019	1,773,316.61
Donor	TF602001 - MULTIPLE DONORS

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program(FCPFR), Disbursements.

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OVERVIEW

Overall Assessments

Grant Objectives:

The objective of the Grant is to support Vietnam to become ready for future REDD+ implementation by preparing the key elements, systems and policies needed in a socially and environmentally sound manner.

Overall progress from 07/01/2018 to 06/30/2019 with regard to Achieving Grant Objectives:

Comment:

The FCPF provides grant funding for the preparation for REDD+ and preparation of a Readiness Proposal including the development of supporting policies and systems, support for adopting national REDD+ strategies; development of reference emission levels (RELs); the designing of a measurement, reporting, and verification (MRV) systems; and setting up REDD+ national management arrangements, including improvements to existing environmental and social safeguards. FCPF is also supporting work on stakeholder consultations and engagement at different levels, including consultation work with forest dependent village communities, protected area Management Boards, State Forest Companies, District and Provincial officials and non-government organizations. The Grant supports the development of the Vietnam Emission Reduction Program in the North Central Region. Significant progress has been achieved in the grant implementation and the project is on track of achieving the grant objectives (key achievements below).

Specifically, the FCPF has supported the VN's Government to advance the development of ERPA to a stage ready for negotiation and finalization. The various ERPA's technical conditions are being finalized.

Overall progress from 07/01/2018 to 06/30/2019 with regard to Implementation of Grant Financed Activities:

Comment:

Vietnam is making satisfactory progress towards development/pre-negotiations of the ERPA, and by September 2019 all key technical requirements are being finalized, including revised ESMF and other safeguards instruments, ER title transfer documentation, reversal risk management mechanism, benefit sharing plan and related procedures for the Adaptive Collaborative Management Approach. Several components, such as the development of a feedback and grievance redress mechanism and the Safeguards Information System, were coordinated with the UN-REDD program, which close in December 2018. The national Safeguard Information System is used to report on safeguard for the ER-P, for which the FCPF Carbon Funds is to provide results payments.

Contribution was provided to the development of regulatory documents (Decrees and Circulars) which are required to implement the Forestry Law (approved by National Assembly in November 2017). At the level of North Central provinces, there's been continued communication, coordination workshops with six provinces that comprise the ER Program, capacity building and stakeholders' consultation activities for the finalization of the Benefit Sharing Plan. The project also improved coordination with different projects in ER-P program area.

Grant follow-up and structure

Description and context of Grant:

The FCPF provided the additional grant funding to continuously contribute to the preparation for REDD+ Readiness of Vietnam, including analytical studies and development of capacities for the effective and efficient REDD+ implementation at national and provincial levels, policies and technical support on SFC and FMB reform for REDD+ service provision, private sector engagement and support for FLEGT, development of strategic environmental and social assessment national and sub-national REDD+ strategy option, stakeholder consultation and participation.

Expected follow up (if any): Follow up project or grant (non-Bank funded)

Comment on follow up:

Last follow up visit allowed to take stock of recent progress and set the roadmap and work plan for ERPA negotiations, and completion of related technical instruments including benefit sharing plan, ER title transfer and safeguards instruments.

End Date of Last Site Visit:

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Restructuring of Grant:

A 6-month extension to June 30, 2020 has informally been requested and a formal request is expected in October/November prior to the current closing date.

OUTCOME

Comments on outcome achieved from 07/01/2018 to 06/30/2019

- Capacity in REDD+ readiness is continuously enhanced, especially in the NC region to be ready for the implementation of the ER Program
- REDD+ readiness preparation in terms of capacity building, communication, MRV, safeguards, and legal frameworks was improved
- Vietnam has been effectively engaging in the negotiations of the ERPA, including technical, policy and financial aspects, which demonstrates enhanced capacity to effectively implement REDD+ (e.g., demonstrated as part of the documentation and decisions GoV had to make, including Letter of Approval, finalization of the Benefit Sharing Plan, as well as legal provisions to demonstrate MARD's ability to transfer title to ER).

Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

COMPONENTS

Output and Implementation by Component

Analytical studies and development of capacities for the effective and efficient REDD+ implementation at national and provincial level

Status: Under Implementation
Planned Output: studies and analytical assessment informing strategy and policies; improved capacity at all levels
Actual Output: studies and analytical assessment informing strategy and policies; improved capacity at all levels

Policies and technical support on SFC reform for REDD+ service provision; private sector engagement and support for FLEGT

Status: Under Implementation
Planned Output: policies and strategies, private sector engagement in REDD service
Actual Output: policies and strategies, private sector engagement in REDD service

Development of the Strategic Environmental and Social Assessment (SESA); national and sub-national REDD+ strategy options; stakehol

Status: Under Implementation
Planned Output: SESA and safeguards framework and instruments
Actual Output: SESA and safeguards framework and instruments

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Project management and monitoring and evaluation

Status:	Under Implementation
Planned Output:	The project is adequately managed, monitored and evaluated
Actual Output:	The project is adequately managed, monitored and evaluated

Comment on planned and actual Output

Comment on component implementation progress

Component 1:

- Capacity building activities: Two training courses on high-yield and large-timber forest plantation, transforming the short-term rotation plantation forests to long-term rotation plantation forests, restoration of natural forests, and promotion of natural regeneration for natural forests were held for SFCs and FMBs, forest owners, forest smallholders, and technical staff in Ha Tinh Province. Capacity building for forest monitoring for nearly 210 staff from the PFPDs, FMBs, and district and commune-based forest rangers continues to be improved the last year through one ToT training course and 16 extension training courses on using tablet PCs in monitoring forest and forestland changes in the six NCC provinces. The forest monitoring devices (350 tablet PCs, 49 GPS, 50 laser distance measures, 50 tree height measuring instruments) were handed-over to the six provinces in the North-Central Region.
- Following endorsement of the ERPD in the CF/FCPF portfolio (CF17, February 2018), Vietnam has been preparing the necessary documents related to ERPA such as the Letter of Approval, the Benefit Sharing Plan, the Reversal Management Mechanism, and the Decision of ability to transfer title to ER. Further elements of the ER-Program are also under development, with active consultations ongoing, such as ER registry, Adaptive Collaborative Management Approach manual, the upgraded Safeguards Information System (SIS), the Feedback Grievance and Reporting Mechanism (FGRM). This has built on active consultations at the national, provincial and local level, and encompassed a three-day training seminar with a WB legal expert and 41 representatives (in which 17 women) from various ministries on ERPA related issues. In addition, a technical negotiation team on ERPA was also established by MARD and some meetings were held and chaired by the VNFOREST leader to advance the pre-negotiation process with the WB.
- A full package of draft outputs to trigger the launch of ERPA negotiations was shared with the World Bank in preparation to the Decision Meeting of March 6th (improved ESMF and other safeguards instruments, advanced BSP, draft ER title transfer decision, Vietnam initial proposal for ERPA term sheet)
- Many consultations related to REDD+ Readiness Preparation (BSP and related ACMA manual, FGRM, safeguards, the Forestry Law, etc) have been organized with around 8,500 participants from all stakeholders such as governmental agencies from central to community levels, NGOs, CSOs, forest owners, local people, etc. The female participants accounted for around 21%, while the ethnic minority people accounted for nearly 30%.
- More than 3,400 people, of which more than 40% are female participated in communication events and public outreach on REDD+, forest protection, and forest-related aspects of climate change.
- Five Provincial REDD+ Action Plans (PRAPs) in the North-Central Region were developed and updated in line with the NRAP. The drafts of PRAP M&E framework were discussed with the NCC provinces and Quang Tri is piloting the M&E.

Component 2:

- Under the new Forestry Law 2017, the Project supported MARD the development of two Decrees and one Circular. Decree No. 156/2018/ND-CP provides the detailed instructions for implementation of some articles in the Forestry Law. Decree No. 01/2019/ND-CP is on policy, mechanism, and operation of the forest protection force. The development of the Circular No. 29/2019/TT-BNN regulates silvicultural technics for restoration, enrichment of natural forest and plantation. They include specific provisions on extension of mechanisms to provision forest services, promote REDD+ implementation, enhances the role of the private sector in sustainable forest development and reform SFC and FMBs functioning.
- Four training courses, one workshop, three study tours with nearly 600 participants on sustainable forest management and applying for the forest certification were implemented in the North Central provinces. Moreover, Ha Tinh Huong Son Service and Forestry One Member Limited Company in Ha Tinh Province is supported to maintain its FSC forest certification. The project also supported Tay Kim Cooperatives Union in Ha Tinh Province to get the FSC forest certification. In addition, a pre-assessment of the FSC forest certification was made for Lang Chanh Protection Forest Management Board in Thanh Hoa

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Province.

- The project has been supporting an assessment about implementation of the Decree No. 118/2014/CP-ND dated December 17, 2014, on restructuring, development and improvement of agriculture and forestry companies.
- Vietnam and the EU signed their Voluntary Partnership Agreement (VPA) on FLEGT in October 2018. The EU and Vietnam ratified the VPA agreement on the FLEGT and its enforcement is on the 1st June 2019. This success was partly supported by the project.
- Moreover, the NC provinces evaluated the status of implementation of the forestry law and policies and legal timber through consultations with local stakeholders. 73 consultations with nearly 1800 people from local authorities, forest owners, forest protection departments, traders, processing companies, local communities and people were conducted.

Component 3:

- Two consultation workshops on Environmental and Social Management Framework of ER-PD in the North Central Region were organized with participation of 107 members from PPMU members, Forest Protection Management Boards, Special-use Forest Management Boards and Forestry State Companies.
- Two consultation workshops on FGRM were held with participation of 133 members, in which: 25 women and 15 ethnic minority people
- Safeguard Operation Manual development is on-going.
- The 46 technical meetings, consultation workshops on SESA, ESMF, FGRM, RPF, GAP, EPF were organized with the participation of 2190 people, in which: 600 women and 1261 ethnic minority people
- From July 1, 2018 to September 30, 2019, the 242 communication events were conducted in six provinces on Forestry Law, ER-PD in NCR with participation of 5,397 people, in which 2,519 women and 2,315 ethnic minority people
- From July 1, 2018 to September 30, 2019, communication materials were developed, including: 4 newsletters, 03 technical documentations, 06 gift items, 07 loudspeakers has provided to PPMUs, 03 video clips and 56 news on media and website.

Component 4:

- Revised overall workplan and budget, revised procurement plan, and workplan in 2019 were approved by the Ministry of Agriculture and Rural Development
- The detailed project document was amended and approved by the Ministry of Agriculture and Rural Development on May 13, 2019
- The plan for audit and performance evaluation is properly implemented. One audit was conducted for the year 2018
- M&E system is established and operational, and supports timely activity and financial reporting. The regular evaluation reports were completed and sent to the MARD and the World Bank timely
- PRAP M&E indicators and REDD+ implementation M&E indicators are being collected in six provinces of the North Central Region.

EXECUTION

Bank project related to the grant

Project ID / Name:	P124584 - Vietnam- FCPF REDD Readiness
Project Status:	Lending
Global Focal Area:	Climate change
Product Line:	CN - Carbon Offset

Implementing agency and contact details

Agency:	Ministry of Agriculture and Rural Development		
Contact:	Nguyen Thi Thu Thuy, PMU Director		
Address:	14 Thuy Khue St., Hanoi, Vietnam		
Phone:	+84 983070876	Email:	thuy@vietnam-fcpf.vn
Website:			

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PROGRAM

Program Specific Questions

1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those f

Vietnam is progressing well towards full REDD+ implementation. The FCPF phase 2 project funded with Additional Funding is well connected to other initiatives led by VNFOREST including the UN-REDD Program, JICA and GIZ bilateral assistance as well as other investment projects from the World Bank. The project benefits from overall progress at central level and actively coordinates on topics like safeguards, MRV, benefit sharing, REDD+ policies and measures, capacity building using well-established national coordination platforms. The FCPF grant has supported the preparation of the Emission Reduction Program in the North-Central region and the negotiations of an ERPA. The program in the North-Central region offers an excellent opportunity for the National REDD+ Program to be implemented at the sub-national level and provides added value to other REDD+ initiatives in country.

2. Describe any important changes in the technical design or approach related to the Grant activities.

No significant changes.

3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.

Good progress has been made to enhance the project's capacities through the recruitment of key experts and capacity building activities, in particular at the sub-national level in the provinces that will implement the ER Program. The implementation of the procurement plan was accelerated in FY19 following improvements in the internal operations.

4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

SESA was finalized during the reporting period, in accordance with the Common Approach. Further consultations have been carried out and comments received on the ESMF and other safeguards instruments, including from the WB, and are ready to be incorporated in a revised version. In parallel, progress on FGRM and benefit sharing have also been delivered, so completing the strengthening of the overall safeguards mechanism.

5. Is the ESMF prepared in accordance with the Common Approach?

Yes. WB comments were fully addressed in a revised ESMF.

6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.

The project continues to use the grant to hold consultations and capacity building to ensure effective participation of multiple stakeholders, including local authorities, communities, CSO and NGO, and the private sector. On FGRM, the national framework was completed in December 2017, and capacity building and consultations are on-going at the level of the North-Central Region.

DISBURSEMENTS

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Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
07/01/2016	12/31/2016	0.00	0.00	0.00	0.00
01/01/2017	06/30/2017	0.00	0.00	1,000,000.00	1,000,000.00
07/01/2017	12/31/2017	0.00	0.00	1,000,000.00	0.00
01/01/2018	06/30/2018	0.00	0.00	1,428,380.95	428,380.95
07/01/2018	12/31/2018	0.00	0.00	2,336,063.71	907,682.76
01/01/2019	06/30/2019	0.00	0.00	3,201,697.56	865,633.85
07/01/2019	12/31/2019	0.00	0.00	0.00	0.00
01/01/2020	06/30/2020	0.00	0.00	0.00	0.00