

VIETNAM FORESTS AND DELTAS PROGRAM SUPPORTS IMPROVED FOREST POLICY IN VIETNAM



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The **USAID-funded Vietnam Forests and Deltas (VFD) Program** (2012-2018) promotes knowledge-sharing of climate change issues and supports the development and review of national policies and guidelines. In 2016, Vietnam's Prime Minister approved three VFD-supported national policies that will improve management of the country's valuable forest resources. These policies provide clear frameworks for sustainable management of forests, strengthen coastal resilience in response to climate change and expand innovative financing mechanisms to support forest protection and development.

Decree No. 119/2016/ND-CP on management, protection and sustainable development of **coastal forests** in response to **climate change**.

Decree No. 147/2016/ND-CP updates key articles of Decree 99/2010/ND-CP on **payment for forest environmental services (PFES)**.

Decision No. 49/2016/QĐ-TTg on **natural production forest management**.



Forests are key to Vietnam's sustainable development

ECONOMIC IMPACT

- Decree 147 will help generate more than **US\$40 million in additional payments** from hydropower plants and water companies every year. The update also creates more flexibility in the use of PFES funds, such as allowing 5% of payments to be **used for drought and natural disaster response**.

- Together, the three policies have the potential to create more jobs in the forestry sector by provide a clearer and more stable policy on forest investment.

GEOGRAPHICAL COVERAGE

Vietnam has over **14 million hectares of forest** across more than 50 provinces.

SOCIAL IMPACT

- Decree 147 will allow more people to **benefit from forest protection and PFES activities**. In addition, local communes are empowered to contract out community forest to households and receive PFES payments.

- Through Decision 49, local communities will now benefit from clearer regulations on the **harvest and sustainable use of non-timber forest products**.

- These policies will **reduce social conflicts** through clarification of roles, responsibilities and procedures of stakeholders in forest management.

ENVIRONMENTAL IMPACT

- Successful implementation of these three policies will support forest management while maintaining ecological balance and integrity, ecosystem service functions and biodiversity.

- Improved coastal forest management under Decree 119 will **strengthen coastal resilience** and **increase adaptive capacity to climate change**.