



BRINGING TECHNOLOGY TO LAM DONG: USING ELECTRONIC PAYMENT TO MAKE PFES "QUICKER, SAFER, AND MORE TRANSPARENT"

THE DIFFICULTIES OF MANAGING PFES AND MAKING CASH PAYMENTS

Lam Dong's Forest Protection and Development Fund (FPDF) manages one of the largest provincial funds in the country. Annually, the payment for Lam Dong forest owners is about 8.7 million USD for 16,000 contracted households, of which nearly 80% are ethnic minority people. In the past, most of these payments were made by cash – creating a huge workload, and a risky and time-consuming process to physically disburse the payments in cash.

PIONEERS IN INDUSTRY 4.0 FOR PFES

With technical support from Vietnam Forests and Deltas (VFD) program, in early 2019 Lam Dong FPDF and Cat Tien National Park piloted PFES electronic payments to forest owners in Di Linh, Bao Lam, Da Teh, and Cat Tien districts by using ViettelPay, a mobile phone-based payment system. This is the initial step in a new approach in using e-payment for PFES in Lam Dong in line with the action plan of Lam Dong FPDF.

THE FIRST 748 SUCCESSFUL TRANSACTIONS

By April 2019, Lam Dong FPDF and local PFES partners had successfully completed PFES transactions to 748 contracted households and individuals through ViettelPay. The successful application of e-payment showed the advantages of this new payment method – it is quicker, more accurate, reduces the risk of cash transactions, and increases the transparency in payment. The workload of provincial fund staff, provincial Forest Protection Department staff, and National Park officers has also been reduced as less time is necessary for withdrawing and distributing cash to remote areas and related monitoring. The time needed for completing an overall payment process has been dramatically reduced from several weeks, down to only a few minutes. The new payment method has also received positive feedback from users, many of whom have expressed their interest in using this method for receiving PFES payments in the long term.

STRENGTHENING COOPERATION BY EMPOWERING PARTNERS AND FOREST OWNERS

The PFES e-payment pilot has been successful not only because of how the new technology optimizes the payment process, but also because of the close cooperation with partners. During the pilots, VFD worked to train a core team of provincial fund officers, Viettel officers and National Park staff. After intensive training combining theory, practice, and soft skills, the core team members can serve as key trainers to support local people in accessing e-payments.



Forest owners attended the technical training on using ViettelPay in Kalatonggu commune, Di Linh district, Lam Dong

THE WAY FORWARD

In the coming time, VFD, Lam Dong FPDF, and Viettel Lam Dong will continue to work to expand e-payment throughout the province. This supports the province's goals of using modern technology to improve forest management and supports the direction of MARD in the decision No. 7491/BNN-TCLN dated 9/26/2018 and Document No. 6483/UBND-LN dated 10/9/2018 of Lam Dong People's Committee.

Mr. Nguyen Thanh Long – Deputy Head of Cat Tien National Park Sub-FPD – is one of the pioneers in the E-payment system for PFES. He said:

“Cash payment is very complicated, time-consuming and not transparent. That makes it difficult for both payers and receivers. Knowing that VFD is supporting PFES e-payment, we reached out to the project for support in applying this model in our work.”



Mr. Long guided core-forest owners in Cat Tien District, Lam Dong



Forest owners attended the technical training on using ViettelPay in Lam Dong

“Local people were very happy when receiving the payment through Viettel Pay before Tet holiday because they received the money much more quickly and were ready for Tet. As FPDF officers, we were also happy as we were no longer worried about losing money or taking months to complete the payment process”

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