

Equity Case Study Brief #3:



Establishing a Benefit Sharing Mechanism

Bu Nor B Village, Viet Nam

Equity Dimension: Distributive

Primary Equity Element: Benefit sharing

Secondary Equity Elements: Tenure and resource rights; governance and regulations; participation and decision-making

THE EQUITY CHALLENGE

This is a positive equity case in community-based forest governance, focusing on providing incentives for local community in forest management via benefit sharing mechanisms.

BACKGROUND

Bu Nor B Village is located in the center of the Quang Tam Commune, Tuy Duc District, Dak Nong Province, Viet Nam. Until 1999, the M'ngong people, who were the indigenous inhabitants of Bu Nor B Village, did not have the rights to harvest resources from natural forests in and around their village. All forests and forest lands were managed and harvested by Quang Tan State Forestry Enterprise (QTSFE). However, beginning in 1986, a funding shortage began to challenge QTSFE's ability to fulfill its forest management tasks. This was in part due to Viet Nam government starting to reduce subsidies for state forestry enterprises. Changes began in 1999 when a group of experts from Tay Nguyen University (TNU) opened discussions with local authorities regarding the allocation of natural forests to groups of M'Nong households. In 2001, through their facilitation of the forest allocation program, a benefit sharing initiative commenced, with 1,016 hectares of forests and forest lands allocated to 69 M'Nong households, consisting of eight groups (hereafter called Bu Nor CF members and/or Bu Nor CF community) for a duration of 50 years.

The development of benefit sharing mechanisms in Bu Nor B Village involved four main groups of stakeholders. The first group consisted of government agencies including the Quang Tam Commune People's Committee (CPC), Dak R'Lap District People Committee (DPC), and Dak Nong Provincial People's Committee (PPC), and the Central Government of Viet Nam. The second group included 69 M'Nong households in eight groups from Bu Nor B Village, who engaged via the Community Forest Management Board (CFMB). The CFMB has four members: a chair, a vice chair, an accountant and a cashier. Under the CFMB, there are four CFM teams (CFMT), with 13 team members per CFM team. Both the CFMB and CFMTs are elected by the Bu Nor CF members. The third group consisted of facilitator organizations such as Tay Nguyen University, Helvetas Viet Nam and GTZ Germany. These organizations have played an important role in technical support since 1999. The fourth included the private sector actors such as the Quang Tan State Forestry Enterprise and two hydropower plants: Dong Nai and Thac Mo, whose catchment areas included the community forests of the eight M'ngong household groups.

WHAT NEEDED TO BE DONE TO ADDRESS EQUITY ISSUES?

There were two main objectives to accomplish to improve equity in the community. First, forests and forest lands needed to be allocated to groups of households. Second, appropriate benefit sharing mechanisms for community forests needed to be developed.

Local communities were willing to become forest managers while governmental agencies, facilitator organizations, and private sector actors were supposed to work with local communities to design and implement appropriate mechanisms for benefit sharing from community forests. Facilitator organizations played a crucial role in providing technical support for forests and forest lands allocation as well as in the development of benefit sharing mechanisms.

WHAT HAPPENED AND HOW DID IT HAPPEN?

Following the Decree no. 163/1999/ND-CP dated 16 November, 1999 from the Central Government of Viet Nam on allocating and leasing of forestry land to organizations, households and individuals, in the same year, within the framework of the SFSP, TNU approached Dak R'Lap DPC and Quang Tan SFE to initiate a forest lands allocation project which covered Bu Nor B Village. This project requested QTSFE to transfer its forest user rights to a group of M'Nong households.

After their proposal received support from Dak R'Lap DPC and QTSFE, a participatory assessment was developed to assess local needs. The result of this assessment, which demonstrated the local community preferred allocating forests to household groups, was presented in a provincial workshop to advocate

Dak Lak PPC to allocate forest lands to groups of households. It is noteworthy that allocating forest lands to groups of households was not stipulated by the decree 163/1999/ND-CP. As a result of such strong efforts by the consultation team and local governments, on 28 April, 2001 Dak R'lap DPC officially allocated 1,016 hectares of forest and forest lands to 69 M'ong households of eight groups with 50 year forest user rights certificates.

Since 1999, Bu Nor CF members have received technical support from three key projects: 1) the Social Forestry Support Program (SFSP), managed by Helvetas Viet Nam, in which Tay Nguyen University's Faculty of Agriculture and Forestry (TNU) introduced a Participatory Technology Development in forestlands allocation; 2) the Extension and Training Support Project for Forestry and Agriculture in Uplands (ETSP), implemented by Helvetas Viet Nam between 2002 and 2005; 3) an Environmental Protection and Sustainable Management of Natural Resources project run by GTZ. The SFSP project that ran from 2002 to 2005 and after that the ETSP (Extension Training Support Program) project supported local people in Bu Nor village to develop community forest management, protection and development regulations, a first five-year community forest management plan for 2006-2010.

In 2002, under the SFSP project, following policy no. 178/2001/QD-TTg from the Central Government of Viet Nam, TNU proposed that Dak Nong PPC allow the community to carry out a pilot project on forest thinning. Around 150 hectares of community forest with about 300 cubic meters of timber was thinned by local community as a result. Group 1, within the eight groups of households, was selected for this pilot. A total VND 300 million (approximately USD 13,700) income was shared among 15 members of Group 1. As compensation for their greater responsibilities than other CF members, the Chair and Vice Chair of the Group 1 received a 20 percent higher share than other members. This benefit sharing mechanism, which was discussed and agreed to by all CF members of Group 1, is considered the first benefit sharing mechanism in Bu Nor B Village.

From 2007 to 2012, Bu Nor CF members were permitted to commercially harvest timber in six different forest blocks: Lem Lo, Jong Dong, Lu A Ke, Dang R' Tang 1, Dang R' Lam and Dong Bay. They were able to obtain permission from DPC by submitting their annual timber harvest plans. 506 trees were logged in 410 hectares of community forest a total timber volume of 506 cubic meters. The gross income from selling harvested timber was VND 3,515 million (approximately USD 161, 000).

Since 2013, Bu Nor CF community has been paid by Dong Nai two hydropower plants with initial payment of VND 440 million, (approximately USD 20,000), with VND 160,000 (approximately USD 7.33) per hectare per year. With these secured benefits from PFES, the Bu Nor CF community has decided to stop timber harvesting.

WHAT LED TO SUCCESS?

There were three factors showcasing approaches which promote equity in forest management. First, local people have been given tangible incentives to manage their community forests. Community members feel encouraged to willingly contribute their traditional knowledge/skills, time and resources in implementing community forestry. Second, equitable benefit sharing between community-state, community-hydropower and among members were contributing factors to this achievement. Third, it is also important to mention the support from both governmental agencies e.g. local government entities and facilitator organizations, such as TNU for community capacity building and technical support. Technical support helped all households successfully manage and harvest their allocated forest as well as design and implement appropriate benefit sharing mechanisms from community forests.

WHAT WERE THE LONG-TERM RESULTS?

Two different benefit sharing mechanisms were developed and applied in Bu Nor CF for timber: domestic and commercial purposes. These mechanisms were mutually agreed by CF members to ensure benefits were equitably shared among CF members.

A set of the regulations on community forest management, protection and development was developed and endorsed by Dak R'lap DPC on 15 June, 2005 for implementation. In addition, a user-friendly and simple

technique for identifying harvestable timber was developed and handed by TNU over to local communities via training so that CF members would be able to design timber harvesting plans.

Acknowledging that forests were better managed by Bu Nor CF community than other forest users such as forestry state enterprises, or private forest companies, Dak Nong PPC, via official document no 5591/UBND-NN dated 26 December, 2012 expressed the intention to allocate to Bu Nor villagers an additional 853.7 hectares of natural forest which was currently managed by Phu Rieng Rubber Company Limited.

WHAT WERE THE EQUITY LESSONS LEARNED?

First, benefit sharing mechanisms play an important role in successfully engaging local communities in forest management. Such mechanisms are required to be discussed and mutually agreed by all members of the community.

Second, in the process of development of benefit sharing mechanisms, a willing and continuous support of state agencies and facilitator organizations are contributing factors to the success. This type of support is required to secure tenure and resource rights in Viet Nam while it also provides critical technical support to the local community.

In conclusion, benefit sharing in Bu Nor B Village presents a constructive equity case in community-based forest governance. The focus of this case on designing and implementing appropriate mechanisms for benefit sharing among local communities, government agencies and the private sector has demonstrated how incentives can positively contribute to the process. At the same time, while local communities in some cases may be willing and have the capacity to manage forest resources, support from government agencies and other organizations is helpful to enhance and sustain the benefits that flow toward the community.

For more information on the case study: LUONG QUANG Hung, "Huong Loc Equity Case Study", c/o RECOFTC - The Center for People and Forests

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