

## 1 Plantation wood worldwide

Worldwide, there is 54.3 million hectares of industrial fast growing plantations, with 17 million hectares planted in Asia (Indufor 2012). These intensively managed and productive plantations play an increasingly important role in the global wood processing industry, and account for an estimated 33% of the global industrial roundwood supply (Jürgensen and Lebedys 2014). Often the expansion of forest plantations goes hand in hand with the disappearance of traditional landscapes and the loss of biodiversity. However, forest plantations are also used to regenerate degraded land, and more recently, to combat climate change (Paguette and Messier 2010).

## 2 Plantation wood - Vietnam

Between 1943 and 1990, the forest cover of Vietnam declined from 14.3 million hectares, or 43% to 28% (FSIV 2009). In response, a series of government policies were introduced, promoting plantation species as a tool for reforestation, poverty alleviation and to lower the dependence on timber imports for Vietnams booming wood processing industry (Sandewall et al. 2010). From 1990 to 2005 the area of forest plantation increased by 5% annually (MARD 2006) and by 2012 accounted for 3.4 million hectares of Vietnams 13.8 million hectares of forest cover (GSO 2012).

In the last decades exotic species, especially Acacia (currently planted on 1.1 million hectares) (Nambiar et al. 2014), and Eucalyptus (0.35 million hectares in 2001)(MARD 2002) became more important due to their high growth rates as compared to slow growing species, such as pine or teak and other indigenous species including *Styrax tonkinensis* and *Manglietia glauca*.



In 2013, 8 million cubic metres of timber was harvested from plantation forest (MARD 2014). However, most harvested timber has a small diameter and only a fraction of the actual output can be further processed into high quality furniture. The largest amount of plantation wood is processed into wood chips and paper (Quyen and Nghi 2011).

The most important forest user groups managing plantation forest are: households, followed by management boards, state companies and people's committees. Other groups with a smaller share in the total plantation area are organizations (farmer unions, youth organizations), economic entities, army and forest land allocated to communities (Forest Protection Department 2010).

Despite plans of the government to certify 1.8 million hectares of its production forest by 2020 (MARD 2006), currently only 133.823 hectares of Vietnam's total forest area is FSC certified, 63% of which is plantation forest

(FSC 2014). Barriers in granting certificates have been: the lack of a sustainable forest management (SFM) standard, lack of skilled human capital, high costs of the certification process, missing legal land use certificates and the lack of transparent financial reporting (Forest Trends 2012).

Imports of plantation timber are mainly Acacia, Eucalyptus, Pine, Oak and Ash and are usually FSC-certified (Smith and Uan 2013). Other non

FSC certified timber imports, that are further processed and re-exported to environmentally aware markets such as the EU and US are coming mostly from low risk countries to comply with import regulations in the certain region (Quyen and Nghi 2011).

Compared to other sources of domestic and imported timber, the legality of plantation forest is lower risk. However certain level of risk remains.

Risk	Potential mitigation action
<p>Land tenure: due to problems from non-existing or insufficient land use right certificates and conflicts arising between households and enterprises due to efforts of the government to include historical and socio-cultural aspects in land allocation decisions which have been hard to implement on the ground. It is unlikely that plantation wood, coming from plantations on conflict land will be considered as legal under the VPA (Phuc and Nghi 2014).</p>	<p>Every household or State Enterprise should physically possess the Redbook to demonstrate their land-use right to the land. The Redbook should cover the correct area. The Redbook shows the area of land covered and are approved and signed off by the Local Authority.</p> <p>If the Redbook was issued prior to 2000, the land measurements and borders may not be included. Although the pre-2000 Redbooks are still legal proof of land-use rights, care should be taken when relying on them as proof of land use rights as there is an increased risk of conflicting land-use rights where the borders are uncertain.</p> <p>A forest owner must pay for a copy of the Redbook, so there are instances where small landowners or households cannot afford to pay for their Redbook, and it is kept in the District Office. In these cases, the forest owner should still have a 'Decision' from the District Staff which shows they have a Redbook for that land.</p> <p>The local tax department will have the records of land tax receipts.</p> <p>To verify whether there are conflicting land-use claims to a forest area, stakeholder consultation on the ground should be carried out. This should include discussions with the Local Authorities.</p> <p>To verify the Business registration certificate - Check document is still valid, authentic with DPI/HEPZA's or PPC signature and stamps.</p>



<p>Taxation: There are reports that species which occur both in natural forests and plantation forests are mis-declared as originating in plantations so that owners can avoid their tax obligations.</p>	<p>Crosschecking the volumes, species and qualities given in sales and transport documents match the fees paid is as option, but frequently these documents may also have been falsified.</p> <p>Verify that the harvested species, volume and qualities match the sales documents.</p> <p>Authorities may be able to confirm that operation is up to date in payment of applicable taxes. Consultation with financial authority can verify that all required taxes have been paid.</p> <p>Because each harvesting activity is reviewed by a ranger, the risk is this category can only occur if the Ranger cannot correctly identify the timber. As the Rangers are trained foresters, they are likely to be able to correctly identify the species.</p>
<p>Illegal land conversion: There is a risk of illegality in the conversion of natural forests to other uses, including plantation, as the conversion is usually a result of a decision of state competent authorities at the local level. These decisions are at risk of involving bribery and corruption, which is extremely difficult to detect.</p>	<p>To ensure land conversion has been carried out legally, you should have access to the following information:</p> <ul style="list-style-type: none"> <li>• Decision on approving environmental assessment report of Provincial People's Committee for projects that change purposes for forest utility: 5ha or more for watershed protection forests, wave-breaking protection forests, special use forests; 10ha or more for natural forests; 50ha or more for other types of forests.</li> <li>• Document on accepting environmental protection commitment of District People's Committee or Commune People's Committee for the projects that change the purposes for forest utility and has area smaller than the area regulated in the Evidence 4.1.1.</li> <li>• Decision on approving Measure on compensation for site clearance.</li> <li>• Document of District People's Committee on allowing forest conversion for changing forest using purposes.</li> <li>• List of products to harvested</li> <li>• Harvesting registration form of households.</li> </ul>



**SEE ALSO:**

- **INF.09** Rubber wood Factsheet
- **QG.01** Document Checklist

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