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**Six Monthly Technical Progress Report**

**July 2016 – December 2016**

for the BMU / ICI project

**Avoidance of deforestation and forest degradation in the border area of Southern Laos and central Vietnam for the long-term preservation of carbon sinks and biodiversity (“CarBi Project”)**

BMU signature 11\_III\_017\_ASIEN\_K\_Eindämmung Leakage

Fanie Bekker, Trans Boundary Director: CarBi

January 2017

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**ANNEXES**

**Annex 1: CarBi Summary (traffic light) Report FY17 Q1**

**Annex 2: CarBi Summary (traffic light) Report FY17 Q2**

**Annex 3: CarBi Priority Risk Assessment and Mitigation Plan December 2016**

**Annex 4: CarBi Updated Staff Establishment December 2016**

**Annex 5: Laos timber trade media products update**

1. INTRODUCTION

The CarBi Technical Progress Report for July 2016 - December 2016 is a comprehensive reflection on *actual progress* made towards the *Indicators*, *Specific Results* and *Intermediate results*, measured against the *planned progress*. *Challenges, solutions* and *adaptive management* options based on real or potential risks, are also discussed in detail. Each *Specific Result* is also complemented by a *Summary* of progress made and challenges experienced during this reporting period. The CarBi Quarterly *Summary Progress Reports* for the periodFY17 Q1 and Q2, indicating detailed progress made with specific Component activities in a *Traffic Light* format, are also attached as Annexes 1 and 2 respectively. This more cryptic version also provides a quantitative overview of implementation progress, and is updated quarterly. CarBi was able to continue the positive implementation trajectory during this reporting period and achieve the highest average implementation rate of 90.5% since project start, with 90% and 91% for the FY17Q1 and Q2 periods respectively. We have also received a no-objection from KFW to draft a final budget revision to ensure that we structure the implementation platform according to the highest priorities for the remainder of the project period, especially against the backdrop of the approved extension till April 2017, which will now allow us to maximize activity and spending intensity towards high impact.

We were also able to maintain some implementation momentum on the Laos side due to some continued external funding and redeployment of savings. The extensive systematic camera trapping in Xe Sap, which was conducted in partnership with German Leibniz Institute for Zoo and Wildlife Research (IZW) at marginal cost to CarBi, has also been concluded, and as expected, uncovered interesting results from this relatively unexplored biodiversity hotspot (results to be formally written up in the upcoming quarter). This, combined with the continued progressive steps taken by the new Laos Prime Minister to address illegal timber trade in line with our Leakage Study findings and proposed adaptive management (please also refer to Section 4 for more detail), bodes well for CarBi’s continued impact on the Laos side. The highlight of this semester must be the confirmation through an independent survey, as reported by the Laos FLEGT Standing Office, that exports of round wood from Lao PDR to Vietnam dropped by 84% in the first six months of 2016 (compared to the first six months of 2015 just before the CarBi Leakage Study’s results became known). For the same period, exports of sawn timber from Lao PDR to Vietnam went down by 62.5%.

Recent developments in the CarBi human resources domain, an overview of progress on the communications/marketing front, as well as an update on CarBi’s priority risk profile and mitigating steps taken during this reporting period based on implementation realities, are also presented. This report also provides a summary of CarBi’s growing contribution towards the Conservation Economy, specifically focusing the lens on one of our primary objectives, which is the mainstreaming of CarBi’s value offering to provide the optimal enabling environment for biodiversity and socio-economic resilience in the planning domain.

2. RISK MANAGEMENT

Risk management remains an integral part of CarBi’s strategic governance system, ensuring an updated reflection on the priority risks which impact on the project’s ability to deliver according to specification, and within a framework of dynamic change and implementation realities which could not be foreseen during project conceptualization. A priority risk assessment was conducted at the end of December 2016 to assess the extent to which priority strategic risks, updated since December 2012, and repeated every 6 months in June 2013, December 2013, June 2014, December 2014, June 2015, December 2015, as well as June 2016, have been successfully addressed through adaptive management/mitigation interventions. Please see the revised Priority Risk Assessment and Mitigation Reportfor this reporting periodattached as Annex 3 in this regard. It highlights the 8 priority risks which require specific and ongoing adaptive management intervention, and also reflects on the progress which has been made in this regard since the previous reporting period. The priority Risks discussed are:

* Budget gaps
* Staff turnover and vacancies
* Counterpart ownership
* Operating procedures
* Restoration management capacity
* Financial management
* WWF standard governance
* Financial sustainability

It can also be confirmed that all the above Strategic Risks, which were all classified as high at some stage in the implementation evolution of CarBi, have been mitigated to the extent that all Absolute Risks are now at Low or No Risk levels, as illustrated below. In line with sound governance and transparent accountability principles, we also share the draft risk Management Report with senior WWF Management staff in the Region for some possible input. No new priority risks have been identified in the reporting period. Operational risks are sufficiently addressed through CarBi’s detailed Component Catch Up Plans, and will be elevated to the priority strategic level if and when justified.

|  |  |  |
| --- | --- | --- |
| STRATEGIC RISKS | ABSOLUTE RISK CLASSIFICATION 2012 | ABSOLUTE RISK CLASSIFICATION DECEMBER 2016 |
| Budget gaps | High | NONE |
| Staff turnover and vacancies | HIGH | LOW |
| Counterpart ownership | HIGH | LOW |
| Operating procedures | HIGH | LOW |
| Restoration management capacity | HIGH | LOW |
| Financial management | HIGH | LOW |
| WWF standard governance | HIGH | LOW |
| Financial sustainability | HIGH | LOW |

3. STAFF MATTERS

A solid CarBi staff culture, sense of belonging and appropriate levels of team motivation/ inspiration, maintained our ability to retain almost all our staff during the last 6 months. There were some unavoidable contract terminations due to the significant scaling down of activities on the Laos side as reported in the previous TPR, but we were again able to recruit the skeleton staff required to continue the momentum with basic activities as eluded to above, mainly through the partial redeployment of current WWF Laos staff. CarBi’s low staff turnover is continuing to enhance our ability to maintain consistent levels of service to our internal and external clients and stakeholders as far as possible, within the constraints of the challenges highlighted under the technical progress section (Section 6).

Our Forest Guard teams also maintained its stability and continued to provide the high levels of excellence, which can clearly be seen in their outputs reflected under Section 6. However, some clear signs of concern regarding their longer-term job security, against the backdrop of the fact that we are now entering the final stage of CarBi’s life cycle, are being observed. Our continued efforts towards sustainability are also focused on fund raising, which ensured that the Forest Guards could be maintained without interruption since KFW funding in this regard was depleted more than 3 years ago. Our continued awareness of project priorities and concomitant adaptive management, also provided the framework within which we could channel some savings towards Forest Guards which will allow us to continue their deployment until the end of March’17. Our fund raising momentum will be maintained to explore all possible options to continue after March’17.

The WWF Greater Mekong Regional Management, Country Financial, Human Resource, Administrative and Communication Support Services staff, including our WWF Germany Colleagues, as well as the continued enabling environment provided by KFW, are also an integral part of the extended CarBi *Family* brand, and contribute significantly to the strengths of the collective. Our honest realization that we are still far from perfect, creates the enabling environment for continuous learning and growth, as can also be seen under the Adaptive Management reflections reported under the Intermediate Results in Section 6.

The high Occupational Health and Safety risks which the Forest Guard and Ranger teams are confronted with, necessitate a continuous strong focus on the protection of our biggest asset, our staff. CarBi places a very high premium on the establishment and maintenance of a fairly robust Occupational Health and Safety Management system in its domain. Our strategic focus, including MoUs with relevant hospitals and updated Emergency Evacuation Plans, again proved its value as no serious incidents were encountered during the reporting period.

In pursuance of cost effectiveness and also due to the fact that we are in the last quarter of CarBi’s project cycle, the Trans Boundary Director continues to also act as CarBi’s REDD and Payment for Forest Environmental Services (PFES) Regional coordinator, and will also facilitate any specific Timber Trade activities which may still be conducted till project end. We are quite fortunate to have diligent and efficient REDD and PFES project staff on the Vietnam side, which provides high levels of implementation support. The updated status of CarBi’s staff establishment, as at December 2016 is reflected in detail in the attached CarBi Staff Establishment (Annex 4).

4. COMMUNICATION

Despite the lack of dedicated CarBi communications capacity, we were still able to solicit some solid publicity during this reporting period, made possible through the dedicated support provided by the respective WWF regional and country communication staff. We are also maintaining a solid Knowledge Management System which provides good examples of our results, and will also become the building blocks of some of the Lessons Learned products we will be rounding off towards project end. A lessons Learned and Exit Strategy workshop will also be conducted with each CarBi PMU in February 2017.

CarBi’s online facility for the curation and display of our comprehensive array of camera trap photographs taken since project start, has also been revisited due to some IT challenges, and will be maintained after project end as a functional tool for the sharing of images.

Although not a direct result of CarBi’s media strategy, we were quite fortunate to indirectly get exposure of some of the project outcomes, and more specifically the Timber Trade Leakage Study, on the Laos side. Around 30 recent media articles on action taken by the Laos government against illegal timber trade and the enhancement of governance, provide solid evidence that CarBi's Leakage Study had a significant positive impact, despite the challenges caused by its leaking as discussed in the previous reports. The new Prime Minister seems to be quite focused on applying some of our proposed adaptive management interventions, which is attracting significant media attention. Please also refer to Annex 5 for a summary of the media products in this regard.

A short summary of CarBi’s media products for the last 6 months, are provided below. Although the Saola Day celebrations were conducted on 9 July’16, we also include some media exposure attracted, in this reporting period.

#### MEDIA RELEASES

1. **Save Saola Campaign**

On the first World Saola Day celebration, WWF-Vietnam highlighted the urgent need to protect the very last individuals of saola, by launching “Save Saola – the Brothers from our Motherland”. The campaign provided a platform to raise awareness and increase commitment to saola conservation from both the public and private sectors. The campaign promotion was supported by a number of celebrities in Vietnam, attracting media attention and effectively distributing details of WWF’s saola conservation work under CarBi amongst the target publics. The campaign activities received great coverage with news broadcasted and posted on key media outlets in the country, such as VNExpress, HTV7, VTV1, etc., achieving approximately 17 million views across media channels. More than 4000 people changed their Facebook profile picture to show support and spread the campaign’s message. *Please also refer to the social media posts and results in this regard under 4.*

1. **Talk show on CarBi on VTV2**

On 17 November, a whole 26 minutes of the Global Visa programme, VTV2, was contributed to CarBi. The program had more than 10 minutes of documentary and 15 minutes talk show on the work of CarBi to save the Saola in the Central Annamites. The talk show was joined by Mr. Nguyen Quoc Anh, Central Annamites Landscape Manager of WWF CarBi-Vietnam; Mr. Nguyen Dai Anh Tuan, the Director of Thua Thien Hue FPD, and Ms. Le Thuy Anh, KfW representative. The first broadcasting was on 22th November, and re-broadcasted twice on 23rd and 24th November on VTV2, a national TV channel with focus on science and education. The program can be viewed here (Please scroll down to No. 42)

[http://vtv.vn/truyen-hinh-truc-tuyen/vtv2/visa-toan-cau-0.htm](http://vtv.vn/truyen-hinh-truc-tuyen/vtv2/visa-toan-cau-0.htm" \t "_blank)

1. **Talk show on VOV on the Saola Day**

On the Saola Day (9th July, 2016), Mr. Tran Le Tra, the former policy advocacy co-ordinator joined a talk show hosted by VOV (Voice of Vietnam - the official radio of Vietnam) to talk about the biodiversity conservation in Vietnam. During the talk, Tra mentioned about the efforts and successes of the CarBi Forest Guards in saving the species of the Central Annamites. The talk show was also shared on Facebook of WWF-Vietnam

<http://vov1.vov.vn/doi-thoai-cuoi-tuan/bao-ton-da-dang-sinh-hoc-tai-viet-nam-lieu-co-that-bai-972016-c69-26425.aspx>

#### SOCIAL MEDIA

**Social media posts (on Facebook) on the campaign “Save the Saola”**

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1158031140906316/?type=3&theater>

Share 38

Reached: 9,371

Like: 451

Comment: 4

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1136013419774755/?type=3&theater>

Share: 1

Reached: 7,201

Like: 432

Comment: 1

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1136013176441446/?type=3&theater>

Share: 4

Reached: 4,957

Like: 181

Comment: 1

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1136012379774859/?type=3&theater>

Share: 17

Reached: 153,199

Like: 1.300

Comment: 5

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1131693023540128/?type=3&theater>

Share: 15

Reached: 8,327

Like: 529

Comment: 9

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1131009583608472/?type=3&theater>

Share: 1

Reached: 5,431

Like: 258

Comment: 5

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1129663993743031/?type=3&theater>

Share: 3

Reached: 8,205

Like: 556

Comment: 6

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1126479044061526/?type=3&theater>

Share: 15

Reached: 126,364

Like: 527

Comment: 2

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1125151644194266/?type=3&theater>

Share: 16

Reached: 9,037

Like: 571

Comment: 8

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1118536314855799/?type=3&theater>

Share: 209

Reached: 322,166

Like: 2,000

Comment: 9

**A post about releasing a macaque by the Community Forest Guard, supported by CarBi.**

<https://www.facebook.com/VietnamWWF/photos/a.433413126701458.97987.433021940073910/1125125367530227/?type=3&theater> c

Share: 5

Reached: 11,385

Like: 583

Comment: 5

5. BUILDING A CARBI CONSERVATION ECONOMY

Due to the importance of CarBi’s socio-economic footprint in the project ‘s domain, we will continue to provide some key indicators of progress made in this regard, with specific emphasis on Job Creation, Income Generation, and Capacity Building. A comprehensive series of detailed sub databases have been created to record all CarBi’s activities related to these indicators (by all 4 Components in both countries: Protected Area Management, Forest Restoration, Timber Trade and REDD+/PFES). This is summarised on a quarterly bases to reflect our impact on the livelihoods of the people we are privileged to share the CarBi experience with. The figures below provide an indication of the total number of beneficiaries, number of Person Days work created, income generated, as well as capacity building opportunities provided since project start. The figures in brackets indicate the accumulative totals till December 2015 (end of previous reporting period) to display progress made in the last 6 months, ending on 30 June 2016.

|  |  |  |  |
| --- | --- | --- | --- |
| **TOTAL NUMBER OF BENEFICIARIES** | **TOTAL PERSON DAYS EMPLOYMENT CREATED** | **TOTAL INCOME GENERATED (USD)** | **CAPACITY BUILDING BENEFICIARIES (NUMBER OF PARTICIPANTS)** |
| 16,308 (11,423) | 170,694 (157,116) | 1,796,872 (1,630,620) | 33,107 (27,082) |

**6. TECHNICAL PROGRESS**

# Specific result 1 – Protected area component Vietnam

|  |
| --- |
| The Saola Protected Areas of the central Vietnam provinces of Quang Nam and Thua Thien Hue as well as the expansion area of Bach Ma National Park, are effectively managed |

**Summary**

Some notable advances in increasing the effectiveness of the CarBi Protected Area management landscape were recorded. These included:

* The definition of external boundaries has been completed with the final workshop held by HSNR in which it presented the location of the 25 boundary markers, where it indicates the border with areas of adjacent agencies, and how the boundary demarcation process was conducted.
* The process of recruiting a consultant to conduct the final METT assessments has started. The METTs will be conducted in the next quarter.
* The implementation of awareness raising activities aimed at behavioural change, which is based on the CarBi Awareness Raising Strategy and Implementation Plan, continues apace. This includes:
  + The broadcast of nine news bulletins in each of the three buffer zones of the protected areas;
  + Conservation education meetings in seven villages of the buffer zone of QNSNR and Bach Ma NP;
  + An art performance festival and a Saola exhibition in A Roang Commune, A Luoi District, and an awareness event in Thuong Nhat Commune, in the bufferzone of Bach Ma NP, combined with educational games and puzzles;
  + A questionnaire based survey to measure the impact of awareness activities in villages of the bufferzones of QNSNR and Bach Ma NP.

CarBi’s law enforcement practice continued to grow towards solid impact through both regular Forest Guard and Multi Agency Team (MAT) patrols in HSNR, QNSNR, and Bach Ma NP. The results of these patrols have been entered into the SMART database, and the SMART data have been used to update the Excel file with the statistics of the Forest Guard operations.

This semester, Forest Guard and Multi Agency Teams conducted 140 patrols for a total of 4,578 patrol days. They destroyed 8,778 snares and 83 illegal camps. 149 people were encountered in the forests, most of whom received a verbal warning and some were fined. In December’16, the MAT teams arrested three people as a direct result of the training that was given following the outcomes of the law enforcement workshops conducted as part of CarBi’s Arrests Action Plan process. The results of this semester’s Forest Guard and Multi Agency teams’, are summarised as follows:

| ***SMART data for patrols of Forest Guard and Multi Agency teams in the three Vietnamese protected areas for FY17Q1 and FY17Q2*** | **Forest Guard teams** | **Multi Agency teams** | **All teams** |
| --- | --- | --- | --- |
| Number of patrols | 134 | 6 | 140 |
| Number of patrol days | 4,578 | 216 | 4,794 |
| Number of snares and traps found and destroyed | 8,699 | 79 | 8,778 |
| Number of illegal camps destroyed | 77 | 6 | 83 |
| Number of people warned or fined | 139 | 10 | 149 |

Since CarBi started, the Forest Guards and Multi Agency Teams conducted a total of 1,557 patrols in the three protected areas, representing 52,590 patrol days. Collectively they removed and destroyed 95,594 snares and traps and destroyed 1,360 illegal camps. 3,201 People were encountered in the forests, most of whom received a verbal warning and some were fined or arrested.

Although the KFW funded CarBi activities came to an end in June’15 on the Laos side, we were able to continue some basic law enforcement activities with additional funding we were able to attract. In the reporting period, the Lao Ranger team conducted six patrols in Xe Sap NPA, for a total of 175 patrol days. Since CarBi started patrolling in February 2012 in Xe Sap NPA, the Lao Ranger teams have conducted 692 patrols for a total of 4,417 patrol days.

The accumulative results of the CarBi Vietnam Forest Guard and Multi Agency Teams, as well as the Lao Ranger teams since they have become active, are summarised as follows:

| ***SMART data for patrols of Forest Guard and Multi Agency teams in the protected areas since CarBi started patrolling*** | **VPA** | | | **LPA** |
| --- | --- | --- | --- | --- |
| **Forest Guard teams** | **Multi Agency teams** | **All teams** | **Lao Ranger teams** |
| Number of patrols | 1,429 | 128 | 1,557 | 692 |
| Number of patrol days | 47,976 | 4,614 | 52,590 | 4,417 |
| Number of snares and traps found and destroyed | 93,422 | 2,172 | 95,594 | 6,496 |
| Number of illegal camps destroyed | 1,237 | 123 | 1,360 | 419 |
| Number of people warned or fined | 2,653 | 548 | 3,201 |  |

HSNR received information concerning illegal logging and transportation of timber on two occasions. The informant network remains more effective for HSRN than for QNSNR.

CarBi’s focused initiative to establish a functional Arrests Action Plan, is coming to a conclusion. Two law enforcement review workshops were held in Hue and Quang Nam, respectively, and each concluded that the current legislation provides all the necessary legal tools to undertake strict law enforcement, including arrests. Bottlenecks were found in the knowledge and skills among enforcement staff when applying the law according to specification. Following these workshops, the FPDs and PPCs in each province issued legal documents, which are now under review before it will be promulgated. A recent Prime Ministerial Decision allows forest owners, who previously could establish forest protection forces but which did not have the legal authority of rangers, to assume some formal ranger authority. It is now being discussed with relevant authorities whether the CarBi Forest Guards can become official members of such a forest protection force under this Prime Ministerial Decision, which will enhance their law enforcement ability and empower them to become officially recognised law enforcement agents.

The law enforcement workshops have also led to handbooks being drafted in both provinces, with one (in Hue) already been issued. Training has been given in using this handbook, including field training (playing out real case scenarios).

Due to concerns regarding the persistent high level of forest infractions, and the challenges with conventional interpretation of SMART data, CarBi recruited a consultant to analyse all te available patrol data since project start. The consultant has submitted his final report after extensive input and deliberation with the team, and the principal conclusion is that CarBi has achieved and exceeded Intermediate Result 1.2: a reduction of 42% vs the 30% target in snaring. While this is a positive result in itself, there are some aspects that point to the need to adjust and improve the protection system if further reduction in the number of infractions is to be achieved, and viable populations of wildlife are to be preserved. Principal recommendations to take into account in CarBi’s subsequent planned protection strategy review and adaptive management, are to increase the encounter rate with hunters, thus giving effect to the Arrests Action Plan, to target patrols more effectively to areas of high biological importance, intensification of focused behavior change interventions at local and provincial levels, and to set a significant, measurable and attainable threat reduction target for a possible next phase of CarBi.

The Occupational Health and Safety MoUs between Hue SNR, CarBi and two hospitals, and the MoU between Quang Nam SNR and Dong Giang Hospital, remained in force. No serious incidents have been encountered in the reporting period.

In an effort to widen the effectiveness of law enforcement and engender coordination and cooperation in law enforcement between the provinces of Hue and Quang Nam in Vietnam with the provinces of Salavan and Sekong in Laos, CarBi will facilitate focused trans boundary meetings to enhance the current levels of synergy towards higher impact. Discussions with FPD and departments of Foreign Affairs have been held and the PPC in both provinces in Vietnam have approved to hold these meetings. Preparatory work is ongoing and meetings are scheduled for the next quarter.

Various training courses have been organised. One was on using the recently issued law enforcement handbooks, including field training, and one was for the government SMART officers to improve the reporting system.

The high impact Saola survey work continued in HSNR and QNSNR. The summary report of the systematic camera trapping conducted through the partnership with IZW in HSNR, was translated into Vietnamese, and will be submitted to the management board in January 2017, which also concludes the current work of IZW in Vietnam. The field work of IZW on the Laos is also finished.

The project made headway with obtaining letters of permission to send further leech samples to a laboratory in Germany for analysis. The Centre for Nature Resource and Environmental Studies (CRES) of Hanoi University is facilitating the issuance of a permit letter from the Access and Benefit Sharing department of MONRE.

Previously it was reported that interpreting occupancy results on the basis of the two data points that CarBi have collected for Crested Argus and Nomascus gibbon, should be done with great circumspection , and the project subsequently decided to collect a third data point to make the basis on which trends may be discerned, more robust. The survey has been completed, and results are now being analysed and will be reported on in the Final Report.

The SMART reporting procedure is still running smoothly, and SMART data continues to form the bases of monthly SMART reports, and is also entered into CarBi’s SMART database. There are six monthly reports for each protected area on Forest Guard patrols, and one quarterly report with the data of the Multi Agency Team patrols conducted during that period. The annual external review of SMART has been completed, and the findings requiring adaptive management, have been addressed through the training conducted for SMART officers mentioned above.

Following the successful conclusion of MoUs concerning the application of PFES funds to co-finance Forest Guards, HSNR has reimbursed the agreed 50% of the 240 million VND it committed to pay. The second payment of 50% will be made in January 2017. A new MoU for 2017 has been agreed on and will be signed early January 2017. Similarly the MoU between CarBi and QNSNR has been implemented and the PA has reimbursed 20,000,000 VND per month to CarBi.

Ranger patrols in and around Xe Sap in Laos have continued throughout this reporting period, due to further financial support from CarBi. The IZW team, supported by experienced CarBi Forest Guards from the VPA team, has concluded its camera trapping work in Xe Sap, and results are being recorded and will be reported at project end.

The Lao team also continued its Biodiversity Conservation Agreement (BCA) work through livelihood support activities with continued support from CarBi. The team also organised a meeting of the steering committee to ensure that all relevant government staff that were newly deployed after a recent reorganisation, is again fully informed about the BCA work.

## Intermediate result 1.1

*Hue and Quang Nam Saola Nature Reserves and Bach Ma National Park extension: By end of the project, the effectiveness of Protected Area management has increased to 70% of total possible scores (Source of verification: WWF-World Bank Management Effectiveness Tracking Tool). The following base lines have been established: Hue SNR Sept 2010: Scored 38: Quang Nam SNR Sept 2010: Scored 33: Bach Ma NP Sept 2010: Scored 67).*

**Progress**

The **boundary demarcation** processes for both SNRs are now finalized with the final workshop for HSNR that closes the boundary demarcation process for this PA. HSNR presented in the workshop the placement of 25 boundary markers that indicate the border of Hue Saola Nature Reserve with areas of adjacent agencies, and how the boundary demarcation process was conducted. This included the consultation it conducted with stakeholders and the agreements it obtained. Leaders of relevant departments, who were also present during the workshop, supported HSNR in this. The workshop saw 30 participants, with representatives of the following institutions:

* **Provincial level**: DARD and FPD.
* **District level**: Sub-FPDs, District Peoples Committees, District Natural Resource and Environment Departments, and Forest Protection Watershed Management Boards of A Luoi and Nam Dong.
* **Commune level**: A Roang, Huong Nguyen, Thuong Long and Thuong Quang Communes.
* **Village level**: Heads of villages of A Roang, Huong Nguyen, Thuong Quang and Thuong Long.
* **HSNR** itself, plus two technical staff.
* The 673 **Border Army** Station.

The process for recruiting a consultant to conduct the final METT for 2016 has started. Results will be reported on in the Final Report.

The **awareness raising campaign** continued with strong implementation:

* Under the **MoUs** between WWF CarBi, Hue SNR/Bach Ma NP and the Radio department of A Luoi District; WWF CarBi, Quang Nam SNR and the Radio departments of Dong Giang and Tay Giang Districts; and WWF CarBi, Bach Ma NP and the Radio department of Nam Dong District, five **news bulletins** have been broadcast under the MoUs for both SNRs, and four under the MoU for BMNP. An additional news bulletin with nature and wildlife news and conservation messages has been drafted, which are scheduled for broadcast during the Tet holidays. Each MoU was extended until the beginning of March 2017. As reported in the previous TPR, Forest Guards and Rangers lead the production of the news bulletins, a process facilitated by CarBi.
* Four **conservation awareness raising meetings** were held in the four villages of the bufferzone of QNSNR, and three in villages in the bufferzone of Bach Ma NP. Conservation quizzes were part of the meetings, with Saola helmets, notebooks and posters as awards. Action plans have been drafted for three meetings in the bufferzone of HSNR and four more meetings in the bufferzone of QNSNR, scheduled for early 2017.
* A **questionnaire-based survey** to measure the impact of the awareness activities was conducted in villages of the bufferzones of QNSNR and BMNP. This survey will be completed in 2017 in the bufferzone of HSNR and results will be presented in the Final Report.
* An **Art Performance Festival** and a **Saola exhibition** with the theme *Together protect and conserve Saola and wildlife* were organized in A Roang Commune, A Luoi District, on 8 October 2016 with the support of A Roang Wildlife Conservation Group and HSBC Volunteer Group. More than 300 local people attended the event. CarBi communication materials like posters and notebooks were disseminated among the audience. Conservation education games were part of the event. Organizing an Art Performance Festival is one of the activities, which arise from applying a participating approach in working with the community, where they are given the opportunity to be directly involved in the design, preparation and implementation of the event. Conservation messages delivered by local people to other audiences ensure conservation messages are widely delivered and received, augmented by communication materials with conservation messages that are handed out during the event. The partnership between CarBi and HSBC had a greater impact than awareness raising alone: the HSBC Volunteer Group also gave a training course on communication and facilitation skills for the 23 members of A Roang Wildlife Conservation Group.
* Thuong Nhat Community Wildlife Conservation Group in the bufferzone of Bach Ma NP supported the design and implementation of the **awareness raising event** *Fact-finding contest on Saola and other wildlife* at Thuong Nhat Community traditional house. More than 200 young local people attended and received knowledge of Saola and other species and its conservation via contesting questions and answers. CarBi financed the event, and provided technical advice and information materials.

The General Department of Vietnam Highway Management did not issue a letter of agreement by 25 December 2016, which was a deadline agreed between HSNR and CarBi, concerning the placement of a **name board** along HCMC Highway at the entrance gate. The activity has now been stopped, and Hue SNR refunded CarBi what was left over from the advance amount.

**Challenges and solutions**

Awareness raising meetings were also scheduled during this quarter for the bufferzone of HSNR. Such awareness meetings are strategically organized, aiming for an audience consisting of local leaders of government and social institutions, who are key in disseminating the conservation messages further among the general public. A majority of such key audience members were not available for these planned meetings in this quarter. The PA team has rescheduled the meetings for early 2017 and works to ensure that a sufficient number of key audience members will be available.

## Intermediate result 1.2

*By end of the project, infractions (violation of law, agreements and rules/illegal activities) into the three protected areas have been reduced by at least 30 % (e.g. based on trends in snare traps detected, and confiscation of timber and wildlife in relation to resource inputs from patrolling).*

**Progress**

Enforcement activities within Vietnam continued to build upon and consolidate measures implemented during the previous reporting period. The section below is divided into protected area specific initiatives, followed by shared initiatives.

**Forest Guard teams** continued their regular patrols in the three protected areas, with 134 patrols culminating into a total of 4,578 patrol days. They destroyed 8,669 snares and 77 camps, and encountered 139 people in the forest. Details are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| ***SMART data for patrols of Forest Guard teams in the three protected areas*** ***for FY17Q1 and FY17Q2*** | **Hue SNR** | **Quang Nam SNR** | **Bach Ma NP** |
| Number of patrols | 64 | 64 | 6 |
| Number of patrol days | 2,046 | 2,316 | 216 |
| Number of snares and traps found and destroyed | 7,135 | 1,282 | 282 |
| Number of illegal camps destroyed | 44 | 22 | 11 |
| Number of people warned or fined | 89 | 9 | 41 |
| Amount of cubic meter of illegal timber destroyed | 2.18 | 0 | 0 |

These figures are on about the same level as the ones reported in the previous TPR. However, there is a noticeable increase in the numbers for December’16, which is expected to continue in January’17. This increase is a yearly phenomenon of increased hunting and poaching in the weeks prior to Tet.

**SMART reports** were prepared for all six months for each protected area.

The PACE staff evaluation approach has been replaced by the **Achievement & Impact Management (AIM) system** for the CarBi Forest guards which will allow for the incentivization of excellence as part of the WWF performance management regime. Since this is the first time AIM will be used, forms had to be prepared and tested, which resulted in some delays. Forest Guards have used the AIM forms in January 2017 to do a self-evaluation of their performance in the period July – Dec 2016. The results will be gathered and consolidated at the end of January 2017.

The Hue SNR and Quang Nam SNR Forest Guard teams received monthly **first aid supplies** as well as **patrol and camping gear** that replaced damaged items, including damaged specialized gear such as GPS units.

The **Forest Guard Statistics database** (a spreadsheet) was populated with data collated from SMART from the 134 patrols conducted at both Hue and Quang Nam SNR, as well as Bach Ma NP, between July and December 2016.

**Multi-Agency Teams** conducted six patrols for a total of 216 patrol days. They destroyed 79 snares and 6 camps, and encountered 10 people. These patrols included staff from district FPD, protected area agencies, local police and other government authorities like Commune representatives as needed or appropriate, depending on the planned location of the patrols, with occasional collaboration of the 637 Army Station (Hue SNR). Usually the Multi-Agency Teams (MAT) step up their activities in anticipation of the expected increase in poaching and hunting prior to Tet. However, the budget appeared to be a limiting factor, and in the case of QNSNR, no credible information was received via the informant network that would precipitate patrols, and the number of patrols were subsequently markedly lower in the last quarter than in the previous quarters. The patrolling figures for MAT are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| ***SMART data for patrols of Multi Agency Teams in the three protected areas for FY17Q1 and FY17Q2*** | **Hue SNR** | **Quang Nam SNR** | **Bach Ma NP** |
| Number of patrols | 2 | 3 | 1 |
| Number of patrol days | 72 | 108 | 36 |
| Number of snares and traps found and destroyed | 0 | 0 | 79 |
| Number of illegal camps destroyed | 0 | 5 | 1 |
| Number of people warned or fined | 3 | 3 | 4 |
| Amount of cubic meter of illegal timber destroyed | 7.4 | 0 | 0 |

These numbers contrast with 11, 5 and 9 patrols for HSNR, QNSNR and Bach Ma NP respectively in the previous semester. Likewise, the number of snares that were destroyed in the previous semester (396, 180 and 324), camps that were destroyed (4, 1 and 21) and the number of people encountered in the forest (0 in both SNRs but 68 in Bach Ma NP) were higher than in this semester. Specifically the number of patrols for Bach Ma NP has been affected by a lack of budget to implement MAT patrols.

Noteworthy though is that three forest violators have been arrested. The members of the patrol team have followed the training described below under the results of the Arrests Action Plan. By applying guidelines provided in the newly produced handbook, law enforcement is now more structured and robust and applied more strictly, and has now led to arrests, which will hopefully set the scene for higher impact in this regard.

The MAT patrol data have been captured in **SMART reports**.

The international consultant who conducted the **statistical analysis of the SMART patrol data of Hue and Quang Nam SNR** has concluded his work and submitted a final report. He also gave a presentation on the findings to the CarBi team as part of the results assessment process. This report represents an important milestone in the development and operation of the Forest Guard model. The final report concluded as follows:

* Using a Bayesian Hierarchical Model for analysis to statistically predict occupancy of snares (not the conventional snare numbers which cannot show un-biased increase or decrease), the conclusion was reached that the project has reached its Intermediate Result 1.2 to effect a 30% reduction through its patrolling that was instituted since 2011. The analysis confirmed the reduction in snaring by more than 40%, and also that patrolling was the main cause of this reduction.
* Preferred hunting (poaching) strategies have changed and this is an indication that patrolling by Forest Guards is having an impact on poacher behavior. There appears to be a reduction in the deployment of snare-lines relative to other snares and traps used.
* In areas where hunting is increasing (opposed to the overall trend) this occurs in accessible areas of young forest, which are probably not the highest priority areas for targeted species conservation.

The report gave a number of recommendations. Summarised, these are:

* Concerning protection strategies:
* Increase the encounter rate with hunters.
* Target patrols more effectively to areas of high biological importance.
* Set a significant, measurable and attainable threat-reduction target for a possible next phase.
* Concerning patrol data collection:
* Some practical recommendations to make data processing and analysis easier, are to not save track logs on the GPS units, to adopt a standard protocol for naming track logs, and to turn GPS units off when arriving at a camp or ranger station or while on the road.
* Two further recommendations aimed at improving data recording, are to add sections to the form to note measures taken by hunters to conceal traps and camps, and to subdivide some categories of traps currently on the field data recording form.

Information from the report was summarised and presented to the Government counterparts through the law enforcement workshops and meetings. This report is an important input to the protection system review that will be undertaken in the next quarter as part of CarBi’s adaptive management strategy.

The **informant network** remains more effective for HSRN than for QNSNR. HSNR twice received information concerning illegal logging and transportation of timber. Follow-up patrols will be reported on in the next quarter, and incentives will be paid if warranted. In QNSNR no informant provided information during this semester.

The **MoUs between Hue SNR, CarBi and two hospitals** (A Luoi Hospital and Nam Dong hospital), and the **MoU between Quang Nam SNR and Dong Giang Hospital**, remained in force, even though only a few minor accidents happened this semester. These could be treated successfully in the field and it was not necessary to invoke an emergency procedure that would have necessitated the activation of the contingency arrangements in the MoUs. Our people remain our priority, irrespective.

The **Arrests Action Plan** is now coming to fruition. The two consultants who were recruited by CarBi have worked with the FPD, DARD and other relevant agencies, and produced reports that were used in subsequent law enforcement workshops, one in Hue, and one in Quang Nam. In both cases participants agreed that the current legislation provides all the necessary legal tools to undertake strict law enforcement. As previously identified by CarBi as a major obstacle to effective law enforcement, bottlenecks were found in the knowledge and skills of applying the law among enforcement staff, as well as ambiguity regarding specific mandates.

The results of the law enforcement workshop were as follows:

* In Hue, the FPD drafted a Directive on strengthening law enforcement and wildlife protection and conservation, supported by the provincial and national consultant. This was submitted to DARD for review and approval.
* In Quang Nam, the PPC issued a Directive on strengthening law enforcement and wildlife protection and conservation. Following this, the FPD prepared an Action Plan for its implementation.
* In the meantime, however, the Prime Minister signed Decision 44/2016 / QD-TTg, dated 19/10/2016. This Decision allows forest owners who previously could establish forest protection forces, but which did not have the legal authority of rangers (whereas FPDs and sub-FPDs consist of rangers), to now assume a limited ranger authority. This does not automatically extend to institutions like the SNRs, because they already have a Sub-FPD (but neither is it automatically impossible). Both in Hue and Quang Nam, the issuance of this Decision prompted DARD in Hue, and QNSNR in Quang Nam, to suggest to the FPD in both provinces to consider whether it would be possible that the Hue FPD Directive, and the Quang Nam FPD Action Plan, could include the Forest Guards. The Prime Ministerial Decision can then be applied to convert the Forest Guard teams into forest protection forces, and thus bestow them with a limited arrest and detain authority. The provincial FPDs are now considering this. In both cases the FPD must be able to demonstrate that there is budget available to cover the costs for an agreed period of time.
* The FPD in Hue has issued a Decision on issuing a handbook covering basic principles of, and skills in forest law enforcement through a number of case scenarios. It comes into effect in January 2017 and applies to ranger and forest protection forces in Thua Thien Hue. The provincial consultant cooperated with DARD to develop the handbook and a limited number of copies have been printed and disseminated. However, the demand for the handbook is already significant and DARD/FPD asked for more copies to be printed. The FPD in Quang Nam is drafting a Decision to also issue such a handbook. Approval for this is expected in the next quarter.

In an effort to widen the effectiveness of law enforcement and engender coordination and cooperation in law enforcement between the provinces of Hue and Quang Nam in Vietnam with the provinces of Salavan and Sekong in Laos, CarBi is planning two **transboundary meetings/workshops**:

* PAM met with the Hue PMU Director and Hue FPD staff to discuss the road map to prepare the trans boundary meeting at the end of November 2016. After that meeting, Hue FPD agreed to draft a letter proposing this meeting and seeking permission. The letter was submitted to Hue DARD, which wrote a similar letter for submission to the PPC, which approved it at the end of December 2016 for the meeting to be held in the next quarter. Another meeting between staff of the FPD and staff of the department of Foreign Affairs was organized to discuss more details about the trans boundary meeting, and CarBi and Hue FPD are now designing the trans boundary meeting, which is scheduled for the next quarter.
* A similar process was followed in Quang Nam, involving the PMU Director, FPD, and DARD. The PPC approved early December that the FPD organize such trans boundary meeting in the next quarter.

Rangers and Forest Guards received several **trainings** this semester:

* In the context of the results of the law enforcement workshops discussed above, a three day training course was organised on 2-4 December in Hue. Participants included 18 government rangers; leaders (Director and/or Vice Director) from Hue and Quang Nam SNRs, and Sub-FPDs of A Luoi, Nam Dong, Dong Giang and Tay Giang, and rangers in charge of legislation of the FPDs and Sub-FPDs of Hue, Quang Nam, Bach Ma NP, Nam Dong and Tay Giang. Focal areas were introduction of the handbook that was compiled as an outcome of the Arrests Action Plan and law enforcement workshop process, and sharing of practical experiences in handling forest law violations between training participants and the trainer.
* Another follow-up three-day training course (from 8 – 10 Dec 2016) was organised in the field (Tra Lenh Ranger Station of HSNR). Participants were 30 government field rangers, including the heads of the ranger stations of HNSR, QNSNR and Bach Ma NP; leaders of law enforcement teams of HNSR, QNSNR and Bach Ma NP; rangers in charge of legislation of the sub-FPDs of HNSR, QNSNR and Bach Ma NP; and eight CarBi Forest Guard team leaders. Focal areas were introduction of the handbook and playing out case scenarios as they happened before in the field.
* CarBi also organized a two-day backstopping seminar for the six SMART Officers from HNSR, QNSNR and Bach Ma NP from 27-28 December 2016 in Hue. The seminar addressed the mistakes and errors that were reported in in the SMART review report (see below under Intermediate Result 1.4). The current SMART reports have been corrected, and the SMART databases and reports will no longer have those mistakes and errors in the next quarter. As mentioned above, participants of the seminar also spent time to discuss improving SMART field data recording.

**Challenges and solutions**

*Emergency Evacuation Plan review, Risk Assessment and AIM*

The bi-annual review of the emergency plans will be undertaken in the next quarter, together with the bi-annual risk assessment of forest guard stations and outposts: Forest Guards had been issued the forms to fill in, but they have not yet been received by the PA team.

This is the first evaluation of Forest Guards applying AIM, replacing the PACE system that has been used up till now. The results need to be reviewed and the forms improved for the next evaluation if necessary.

*Arrests Action Plan – Law enforcement workshops*

In the previous TPR the effectiveness of the MAT in relation to the informant network was discussed. This would be addressed in the Law Enforcement Forum. As discussed above, the Law Enforcement Forum has resulted in concrete legal and practical actions from FPD, DARD and PPC. Hence, the MAT, as seen above, is now more effective as arrests have been made. Its effect on the informant network is not yet known and this can only be assessed over time. Results of various activities – a/o the Saola habitat survey report, the Arrests Action including the Law Enforcement workshops, the analysis of SMART patrol data – that reflect on the effectiveness of the protection system that is currently operational in the two SNRs will all be used in the next quarter for a robust review and a discussion on how it can be improved. That review should also include a reflection on how an improved protection system can prevent a spike in hunting and poaching prior to Tet, rather than only stepping up patrolling and removing more snares.

The outcome of the Arrests Action Plan also aimed to establish an **Offender Warning System**, through which rangers can issue formal warnings following a gradient of severity. Likewise, the process aimed to improve field effectiveness of law enforcement, including a/o information packs which Forest Guard teams take along during patrols, and dedicated and targeted law information meetings in villages, as described in the document ***Additions to CarBi's LE Strategy***, which was finalised the previous semester. It is expected that such an Offender Warning System will contribute to more consistent and effective law enforcement. These measures have not found its way into the improved law enforcement that resulted from the process to date. These aspects will be included in the protection system review that will be undertaken the next quarter.

*SMART patrol data analysis*

While the main conclusion of the SMART data analysis shows that the project has achieved intermediate result 1.2 through patrolling, this positive conclusion needs to be carefully examined in its context. The following points need to be considered:

* The analysis report stated that patrolling has an impact, but that the change in hunting strategies (using other traps and snares than snare-lines) was not necessarily positive. Extrapolating this conclusion, one can argue that poachers and hunters adapt to an increase in effective law enforcement, and that if such law enforcement is to ultimately have a positive effect on wildlife populations, law enforcement must adapt accordingly to the *change management* applied by hunters and poachers.
* The SMART patrol data analysis report also noted that while snare reduction has been achieved, snare presence remains on a level that warrants concern. At present there is no objective information available concerning which level of snaring wildlife populations can sustain.
* The reduction in snaring predominantly occurred through a drop in snare presence in the first year of patrolling. The scale of this downward trend was not continued after that. In other words, continued patrolling does not lead to further reduction and without adjusting patrol strategies or law enforcement approaches, no further reduction in hunting and poaching pressure may be expected.
* The reduction appears to have occurred in HSNR, but not in QNSNR. While the report does not further elaborate, one may argue that the overall lower level of snaring in QNSNR compared to HSNR may be a causal factor. Fewer hunters are active in QNSNR than in HSNR, and patrolling therefore has less impact. This line of reasoning is consistent with the previous point, that there was a drop after patrolling started and that no further reduction was achieved after the pressure had been lowered.
* The level of patrolling in HSNR and QNSNR is "unusually high" compared to elsewhere in Vietnam and internationally. This has repercussions for resource availability (human resources and financial) if this would be replicated elsewhere, but it may also be argued that if patrol intensity is compromised in this Saola landscape, we may also compromize the remaining Saola population in the CarBi Vietnam landscape. The high intensity patrolling may also be the required bridge between 2011 and the newly introduced Arrests Action Plan process which is now being deployed. Continuous measuring of its impact will be important.
* The report notes that improvement in snare detection rates seems to have been achieved by spending more time in more accessible areas. This has come at the expense of time spent in more remote areas where Saola and other key species are more likely to survive. This happens at the same time that some hunters appear to have moved deeper into the forest and concentrated on areas near the reserve boundaries in order to avoid patrols. In the words of the report: " Thus, while the patrols may be doing better at removing more snares, they may be doing worse at removing the most dangerous ones."

The points above underline the need for CarBi and its partners to review the protection system and improve and adapt to the changes in hunting pressure to achieve the desired outcome of preserving viable populations of key species. One crucial point that the review should lead to, is moving away from Forest Guards being snare removers only, to a situation where they concentrate on both snares and the offenders. This is captured in the recommendation in the analysis report ("Increase the encounter rate with hunters") and is already being addressed through the outcome of the law enforcement workshops where MAT patrols at least appear to do more strict law enforcement and arrest people. The possibility of bestowing some arrest and detain authority on Forest Guards under the recent Prime Ministerial Decision referenced above, would also support this.

The report also discussed the methodology it used to analyse the data. Two points are worth noting. A first point is that the report observed that it used a Bayesian Hierarchical model, which, while it can remove bias, is not perfect. If other models are used, or if parameters to deploy the model are altered, analysis results may be different.

A second point is that for audiences not schooled in statistical tools and thinking, the need for deploying such a statistical model, and what it conceptually means in terms of looking at data and visualising this, are not immediately clear. CarBi has therefore prepared a presentation specifically to convey this approach, clarifying why just using straight numbers to construct trends is wrong and will lead to wrong conclusions, and clarifying the steps to prepare the data for deploying them in this statistical model.

This statistical analysis was in part needed because no baseline of hunting pressure existed. Measuring impact of patrolling is easier if a baseline survey exists that can be repeated after three or five years of patrolling. While this is true, any baseline of a complicated and multi-dimensional phenomenon like hunting and poaching pressure cannot cover all aspects, and the statistical analysis executed under CarBi would still have to be done to be able to consider aspects such as discussed above. In particular the provenance of hunters and poachers need to be studied in more detail in order to understand better who the hunters are, and what drive their behavior. The protection system review referenced above will ideally be placed in a holistic framework that combines and builds internal connections between the topics of (1) behaviour, attitudes and awareness raising aimed at behavioural change, (2) livelihoods and socio-economic trends and conditions, and (3) law enforcement *sensu lato* that also takes into account factors such as networking and geographic reach and effect.

*Transboundary meeting*

It is at this stage not clear whether the transboundary meetings scheduled for next quarter will retain the designation and design of a meeting, or whether they will rather be a workshop. It's important to agree on this, since procedures, process and structures of discussions and outcomes will be different. This also depends on the perception of what the meeting or workshop will aim for to achieve. In a next meeting with the counterparts this issue will be decided upon to ensure a common page position and a design which will maximize impact.

## Intermediate result 1.3

*IR 1.3a By 18 months after project start (end 2012), baselines for selected large ungulates, Crested Argus and Nomascus gibbon occupancy estimates have been established for Hue and Quang Nam Saola Nature Reserves.*

**Progress**

All activities pertaining to this Intermediate Result were completed during FY13Q3.

*IR 1.3b By 30 months after project start (end 2013), extensive Saola specific surveys within Hue and Quang Nam Saola Nature Reserves, using; camera-trapping, genetic analysis of dung and haemophagous leaches, have been completed to establish Saola status.*

**Progress**

Survey work through **camera trapping under CarBi** continued apace.

Action plans were developed to relocate camera traps to new locations in Hue SNR and Quang Nam SNR. A number of field visits were carried out by Forest Guards to effect the relocations, namely to forest compartments (FCs) 352 and 405 (HSNR) and 12 and 20 (QSNR).

At the end of the reporting period, 12 camera traps were at 12 locations in HSNR (4 camera traps in FC 352, and 8 in FC 405), and 6 at 6 locations in QNSNR (FC 20). Four camera traps were under repair.

CarBi camera traps recorded during 3,405 nights in this period, of which 1,584 in HSNR and 1,821 in QNSNR.

Trips to replace batteries and collect and replace memory cards were made as necessary.

All information (geo-locational details, camera positions, vegetation and habitat descriptions) was recorded in the MS Access database.

Camera trapping under IZW had come to an end in the previous reporting period after which they drafted summary reports for each PA. The summary reports for Bach Ma NP and QNSNR were submitted to the management boards of these PAs in the previous period. The summary report for HSNR was translated in Vietnamese in this reporting period and will be submitted to the management board of HSNR in January 2017.

The project made headway with obtaining letters of permission from both HSNR and QNSNR to send **leech samples** to a laboratory in Germany for analysis. CRES of Hanoi University is facilitating the issuance of a permit letter from the Access and Benefit Sharing department of MONRE.

While updating the **online photo database** with camera trap photos, technical difficulties were encountered, and the PA team subsequently met with the IT consultant who designed the system in the past. Consensus on database improvement has been reached. A contract will be concluded early next quarter and the remaining photos uploaded.

As a result, the central species list has not yet been updated.

*IR 1.3.c By project end the status (measured through occupancy estimates from monitoring plots within Hue and Quang Nam Saola Nature Reserves) for selected large ungulates, shows an increase, and is stable for Nomascus gibbon and Crested Argus.*

**Progress**

The field work of the third **listening post survey** to provide a third data point in time that will allow the project to discern occupancy trends has been completed in this quarter. The data have been transferred from the recording forms to spreadsheets and analysis will be conducted in the next quarter.

**Challenges and solutions**

While progress has been made with obtaining permission letters for exporting leech samples for analysis in Germany, the speed of the process remains a concern. Efforts will be undertaken to speed up this process in the next quarter.

The upload of camera trap photos and updating the central species list are slightly delayed due to the reasons discussed above. These will be prioritized for the next quarter, and the results of the species list update will be reported in the Final Report.

## Intermediate result 1.4

*On an annual basis as of project start, the effectiveness of the patrolling and Management Information System (MIST) has been externally verified and validated.*

**Progress**

An **independent review of the SMART reporting system** was undertaken, and a number of issues were highlighted. In response, the project organised a two-day backstopping seminar for SMART officers of HSNR, QNSNR and Bach Ma NP in Hue towards the end of December’16. While errors and mistakes have been corrected, the participants also discussed the improvement of SMART field data recording, in particular the datasheet that is used, and how the SMART system will be improved in the context of enhanced and strengthened law enforcement as per the Arrest Action Plan.

## Intermediate result 1.5

*By 12 months after project start: MIST and all ranger stations are established and fully operational.*

**Progress**

The **SMART reporting** procedure is still running smoothly, and **SMART data** collected by Forest Guard and Multi Agency Teams after each patrol continues to be entered into the SMART database. There are six monthly reports for each protected area emanating from Forest Guard patrols, and one quarterly report with the data of the Multi Agency Team patrols conducted during that period. The database now contains a significant amount of information, which is efficiently used for planning patrols, also to identify hotspots of illegal activities in the protected areas, guiding patrol planning and high impact.

## Intermediate result 1.6

*By 18 months after project start: Management plans for the Saola Nature Reserves have been developed and appraised as well as revised for Bach Ma National Park.*

**Progress**

There has been no change in the status of both the **HSNR management plan** and the **Bach Ma NP Management Plan** since the previous reporting period. Please refer to *Challenges and solutions* below for more details.

**Challenges and solutions**

Essentially the situation has not changed since the previous TPR, and the situation must be accepted that the management plans have not yet been approved, but that in both PAs the management plans facilitated through CarBi, are actively applied in discharging the agreed upon conservation work. This implies that the objectives of the management plans have been achieved.

## Intermediate result 1.7

**Progress**

The MoU between CarBi and HSNR on using **PFES funds** to partially finance the Forest Guards is being followed. HSNR has reimbursed the agreed 50% of the 240 million VND it committed to pay. The second payment of 50% will be done in January 2017. A new MoU for 2017 has been agreed on and will be signed early January 2017. Similarly the MoU between CarBi and QNSNR has been implemented and the PA has reimbursed 1,000 USD per month to CarBi.

The corporate relation between HSBC and both SNRs remained productive: HSBC volunteers have supported A Roang Wildlife Conservation Group in the bufferzone of HSNR with training on communication and facilitation skills.

**Challenges and solutions**

After March 2017, CarBi will end its support for the three PAs. While WWF remains committed to the Central Annamites region, an immediate follow-up of CarBi has not yet been decided upon. As a consequence, the three PAs need to reflect on and prepare for a **post-CarBi situation**. In the next quarter, CarBi will start a process to facilitate a post-CarBi approach for the three PAs, and HSNR and QNSNR in particular. The final PMU meetings and the planned lessons learnt workshop will be part of this Exit Strategy process. Results will be reported on in the Final Report.

# Specific result 2 – Xe Sap NPA

|  |
| --- |
| The Xe Sap National Protected Area is effectively managed |

Since the conclusion of the KFW funded CarBi Laos activities, after the budget has been spent at the end of 2014, and the formal MOU with the Laos government came to an end in June’15, we were able to continue some basic activities (after re-negotiating and extension beyond June’15) to keep the momentum going, also to ensure some continuation towards a potential Phase 2. Progress for the Xe Sap component is not reported on under each Intermediate Result, but rather focused on the some key activities, which focused primarily on community conservation, law enforcement patrol activities, as well as focused camera trapping implemented during the last 6 months.

WWF Laos- CarBi continued the **ranger patrols** in the reporting period. The Lao PA team could continue to deploy the six rangers that have been trained according to CarBi standards and were redeployed from October 2015 onwards from the SOS team. The SOS patrols were initially funded through the SOS fund of IUCN/World Bank, then later with funds from *Wildlife Reserves Singapore*. After the latter funds were depleted in May of this year, CarBi found a possibility within its own Regional funds to finance the patrols, albeit at lower frequency levels. After December 2016 there will be no more funds available to continue the patrols during the no-cost extension of the project January-March 2017. The option of using funds from an extension of a Global Wildlife Conservation (GWC) grant as reported in the previous TPR, appeared not to be possible after all. Because of the limited funds available, patrols lasted ten days in the months of August to November’16, and five days in July’16 and in December’16. As a result, the Lao Ranger team conducted six patrols for a total of 175 patrol days in the reporting period. The SMART data for Xe Sap patrols conducted in the reporting period is reflected below.

| ***SMART data for patrols of the Lao Ranger team in Xe Sap NPA*** | **FY16Q3 and FY16Q4** |
| --- | --- |
| Number of patrols | 6 |
| Number of patrol days | 175 |
| Number of snares and traps found and destroyed | 312 |
| Number of illegal camps destroyed | 18 |
| People encountered in forest | 45 |

All information is captured in SMART reports and the information stored in the SMART system. Since CarBi started patrolling in February 2012 in Xe Sap NPA, the Lao Ranger teams have conducted 692 patrols for a total of 4,487 patrol days.

Under the regional CarBi fund, CarBi has a small budget (less than 1,000 USD) to support ad-hoc patrolling in 4 villages of Xe Sap in Salavanh province if the government counterpart, the Agriculture and Forestry Department, suspects that people are illegally active in the area. Two provincial and one district officer did an ad-hoc patrol with villagers of Taoi and Samoi districts in December 2016, and they reported having found 50 snares and 4 illegal camps, which they destroyed. They also saw signs of illegal logging. The team used this opportunity to conduct awareness raising in the villages concerning the law and regulations with regard to natural resources and forestry management.

During the previous reporting period the need for refreshing law enforcement training was observed and the Lao team started to plan the required training. The preparation was finished early in this reporting period, followed by the actual training, which was conducted by CarBi/WWF's Law Enforcement Technical Advisor. The six staff of the SOS team, plus the CarBi patrol officer, and a number of PONRE staff, followed this training. The training included the topics of navigation, GPS and Sketch maps; Survival (Knots & water crossings), Tracking and Camouflage; Patrols, Searches, Powers of Arrest, Warnings, Crime scene management and Reports; and First Aid.

IZW and CarBi had agreed to expand their biodiversity monitoring partnership, more specifically the systematic camera trapping, into Xe Sap. The preparation for the monitoring programme was started in the previous reporting period and concluded early this reporting period. The first camera trap was set and activated in July’16. In total, 80 camera traps in 40 pairs (40 locations) were placed in a course grid. After two months of operation, the camera traps were relocated into a fine grid. This was also operated for two months. The last camera trap was retrieved from the field in December’16. The bio-monitoring has resulted in 6,684 camera trap nights, and the results are being captured in a report which is in draft. Among the recorded species the team could not find a photographic record of the Saola. While this is disappointing in itself, it must be taken into account that the location of the monitoring was not focused solely on Saola, also being close to a village. The choice of location was a result of the complex consultation and negotiation with the Laotian government. A team of the ADB's BCI project was conducting a non-systematic camera trapping program at the same time and on the same location. Given the location and the unstructured methodology applied, it is unlikely that this team will have better or other results than the IZW-CarBi camera trapping. CarBi-WWF Laos will obviously synchronise data to ensure that a comprehensive species list will be produced for said area.

The bio-monitoring team consisted of the two IZW experts who worked with CarBi on the Vietnam side, as well as two CarBi/WWF Forest Guards who supported IZW with the camera trapping. From the Lao side, there were two technical staff from PONRE, five technical staff from DONRE and a national consultant. Local villagers were recruited to support logistics and the Border Army assisted in security and navigation. The cooperation and coordination between IZW/CarBi on the one hand and the government on the other was good and successful, but did encounter difficulties. Field logistics made the fieldwork time consuming and demanding. Weather (rain) and site access (long distances on unpaved roads) affected accessibility, and communication problems with local villagers from ethnic minorities, contributed to a heavy workload. Because of the long distances, the team had to rent motorcycles against inflated prices because the mining company that worked in the same area paid high prices, and the BCI team that worked in the same area paid higher per diem. Despite that, the team succeeded with the fieldwork and the government staff received training in camera trapping. However, at some point the government staff left the field. WWF Lao's Southern Provinces Coordinator facilitated a meeting to clarify issues. It appeared that language issues had led to misunderstandings and lack of proper communication in the team.

In June 2016 CarBi confirmed that it would allocate some regional funds to support the continued implementation of the Biodiversity Conservation Agreements (BCAs) it piloted in Laos. The Lao CarBi team and local government authority subsequently started planning and visited the three pilot BCA villages. It was decided that the livelihood funds would be used to deepen the impact of the previous livelihood support under the BCA, and simultaneously to also monitor the BCA activities. It was also decided to support two additional villages that do not have a BCA. CarBi previously partnered with VFI to work on livelihood enhancement in these villages, in the context of a SIDA financed project that focused on policy influencing and advocacy concerning sustainable natural resources management. Before the SIDA project ended, VFI was running short of funds, while the contract between WWF and VFI ended in September 2016. As a result, VFI wasn't able to finish the plan. However, commitments were made and CarBi and the government agreed to support livelihoods in these two VFI/SIDA villages using CarBi regional funds. The Lao CarBi team identified the following livelihood activities that CarBi subsequently agreed to support in the reporting period in these five villages, with an approximate value of 16,000 USD including survey, provision of goods and on the job training:

* 12 different types of vegetable seedlings and 44 sets of vegetable watering equipment.
* Improved 1 gravity water system.
* 22 Goats.
* 45,400 Fingerlings.

For the technical on-the-job training, the CarBi team mobilised district officers. The results of these livelihood support activities will be assessed in the final months before project end.

CarBi on this occasion also monitored VFIs' work in the field. While the results are commendable, a number of shortcomings have been observed:

* Under the BCA, a number of villagers become volunteers to patrol the forest. They received training on this from CarBi through VFI in the village itself. Upon verifying actual activities, it appears that villagers visit the forest once a month. However, they don't stay in the forest. They go in and out of the forest within a day, except when there is a government order to arrange a special patrol during an important event in the area such as a national day. Also, no proper records are kept. CarBi / WWF will ensure that this matter is appropriately addressed through adaptive management in all subsequent villages patrolling work conducted, whereby patrol frequency, patrol duration, patrol equipment and record keeping will be emphasised for training and for monitoring. Since these are obligations under the BCA contract, the quid-pro-quo (support against patrolling) and how to deal with breaching contract stipulations will be elaborated upon and followed through in the field to ensure that the integrity of the system is maintained.
* It also appears that VFI did not conduct any monitoring of BCA work in the villages. This happened because the renewal MoA between CarBi and the provincial government for the extended period to implement BCAs, was only approved in April 2016. In the period that the MoA was being considered, the project couldn't advance, and monitoring was therefore not instituted. Monitoring was also not instituted after the MoA was agreed. CarBi / WWF will also take this as a lesson learnt for follow-up work: under future contracts concerning BCA, a monitoring system that will oblige contractors to submit documentation to CarBi / WWF that will allow verifying field work, will be included in such contracts.
* The monitoring system will also contain the obligation to establish an accounting system that will allow WWF to monitor the use of the Trust Fund: how much is spent on what, and by whom. Presently the Community in conjunction with the district and provincial government decides usage of the funds without WWF being able to apply accountability.

At the time when the BCAs were instituted, the Laos government embarked on an extensive reorganization process. As a result, a number of people retired or were redeployed elsewhere, and a proper handing over process was not followed with the newly appointed staff by the respective Departments. CarBi / WWF convened the steering committee and met with the deputy head of the Provincial Agriculture and Forestry Department, and ensured that the government staff involved in the BCA work are now again fully informed.

# Specific result 3 – Forest restoration component

|  |
| --- |
| Natural forests are restored and fragmentation reduced in the A Luoi corridor in ThuaThien Hue Province and the Tay Giang corridor in Quang Nam province |

**Summary**

This reporting period’s primary focus was on intensive adaptive management and catch up planning to ensure that the remaining achievable targets towards the realization of the intermediate results are met according to specification. Although progress was again challenged by inclement weather, compounded by the complexities generated by the involvement of a wide spectrum of communities and household groups, due diligence by not only the project staff and provincial counterparts, as well as experienced and qualified consultants, but also the local people and authorities, enhanced CarBi’s ability to show solid progress towards impact at the required scale. Some of the additional areas achieved during this reporting period may look insignificant to the uninformed reader, but should again be viewed against the backdrop of all the land availability and competing land-use imperatives which CarBi has to confront on a regular bases. .

An amount of VND 134,400,000 (USD 6,109) was transferred to the saving accounts of 12 households who finished the required steps of vegetation treatment and holes digging in preparation of tree planting. These households also got permission to withdraw VND 33,510,000 (USD 1,523) from their saving accounts after completing Litsea glutinosa planting on 11.2 ha in the Ta Lu area. 25 saving accounts were also opened and an amount of 288,720,000 VND (USD 13,123.6) transferred to support planting work of famers in 24.06 ha which have been treated and prepared for planting in Bhalee commune. The actual planting work has also been completed in this reporting period and households are now looking forward to the acceptance check results and money withdrawal permission.

86.9 ha of Hopea plantation on the Hue side, and 84.5 ha of indigenous tree plantation established during 2014 and 2015 on the Quangnam side, were taken care of by participating households. Although participating households in Thuong Nhat and Hong Ha communes finished the required steps for forest tending in the 2nd year. And Sub-FPUs in both districts and CarBi have also planned to conduct the acceptance check for the completed work, the latter could unfortunately not be activated due to the rainy weather. In Q2 FY17, 19 households in Areh, Panai 1, Panai 2 and Dhroòng villages of Ta Lu commune got permission to withdraw VND 33,100,000 (USD 1,504) for the 3rd time. Work has also been concluded in another 29.78 ha by 32 households in Areh, Dhroong and Panai 1 villages of Ta Lu commune. An agreed upon plan for the acceptance check and recheck, will be carried out soon to allow households to withdraw money from their saving accounts if compliance is indeed confirmed.

Good progress has also been made by the Regeneration households in all 5 communes of A Luoi and Nam Dong districts of TT Hue province, and forest tending steps required for the 2nd year are on track. The acceptance check has temporarily been postponed until after Tet, also due to the bad weather which is encountered in the area. Boundary demarcation, regenerated trees marking, and cutting climbing trees were also accomplished by 33 regeneration households in A Tep 2, A Ung and R’cung villages of Bhalee commune in the Tay Giang district, Quangnam province.

For the newly designed regeneration area of 14.91 ha in the Bhalee commune, technical training was organized for participating households to equip them with forest regeneration techniques. Regeneration work has also been completed by 3 participating households. These households also received VND 74,550,000 (USD 3,389) through the savings account system after acceptance and rechecks confirmed compliance to the required specifications.

After the approval of the NTFP planting guideline and plan by DARD and the CarBi PMU, training courses were provided to regeneration households in the five communes in TTHue. 22,100 Ba Kich and 13,900 Song may seedlings have been provided by the suppliers procured by CarBi in line with the contracts signed with 180 regeneration households. Farmers subsequently also completed the required NTFP planting process. 2 training courses on NTFP planting were also provided to 73 households in A Nong, Bhalee and A Vuong communes who completed the required regeneration forest tending steps for the second year. 13,800 Morindae officinalis Stow seedlings were provided to regeneration households, and the planting process was completed by the participating households.

In Nam Dong district, the communities who finished the prescribed vegetation treatment and holes digging in preparation for the planned Rattan planting, were immediately provided with Rattan seedlings to allow planting to be carry out promptly without waiting for saving accounts opening and money transference. For the completed Rattan planting area, 13 communities in Thuong Lo, Thuong Nhat, Thuong Long and Thuong Quang communes received VND 631,200,000 (USD 28,690) through saving accounts, of which VND 420,800,000 (USD 19,127) has already been withdrawn as payment for their satisfactory planting work.

Communities in A Roang also continued to complete the remaining area in the approved rattan planting design. 160.7 ha were completed in this phase, after which the acceptance and recheck results ensured that participating communities received VND 482,100,000 (USD 21,913.6) in their saving accounts, of which VND 321,400,000 (USD 14,609) has been withdrawn for the first time.

In Song Kon area, all 5 groups were accepted to withdraw an amount of VND 269,800,000, equal to USD 12,264 from their saving accounts after the planned rattan planting was completed according to specification. 6 household groups of village 6 in Ba commune also activated and completed the vegetation treatment and hole digging process, after which they were accepted to open saving accounts. VND 300,210,000 (USD 13,645) was transferred for the entire 100.07 ha as planned. The Rattan planting has now been completed by participating household groups, and is being checked for acceptance by Song Kon MB to allow the first money withdrawal.

Household groups in AXoo and A Tep 2 finished vegetation treatment and holes digging as per the project specifications on 121 ha planned for rattan enrichment planting, and received VND 363,000,000 (USD 16,500) via their saving accounts. These groups have also finished planting work and their results have been checked by MB of A Vuong and rechecked by the MB and CarBi staff. The remaining area of 258 ha as planned is being attended to by farmers in A Rot, A Cap and A Tep 2 villages. All these household group were accepted to open saving accounts and receive supporting money from CarBi as the requirements for the first steps of vegetation treating and hole digging have been completed, and the results checked by A Vuong MB and CarBi staff. They are also motivated and focused on completing the rattan planting step in order to enable money withdrawal before Tet.

Making use of the experience in carrying out and supporting household groups in forest protection contract implementation, both counterparts from A Luoi sub FPU and A Luoi PFMB, completed the acceptance check for the forest protection results of household groups timely. 36 communities and groups of households in Hong Ha and Huong Nguyen commune received the same amount as in FY16 Q4, corresponding to VND 57,776,500 (USD 2,626) for 8 communities in Huong Lam and Huong Phong commune, and VND 128,145,000 (USD 5,825.7) for 36 communities in Huong Nguyen and Hong Ha commune, to compensate for their patrol mandate which was conducted according to specification during this reporting period.

Awareness raising and communication capacity building interventions were carried out for contracted household and household groups under support of the provincial PFES programme. Boundaries between forests of every group of households were clearly identified in the field. In Quang Nam, four art performances which were conducted as part of CarBi’s awareness raising strategy, attracted interest and participation from almost all the inhabitants of A Roh, Nal, Poning and Ta Ry villages. Within the framework of this activity, 15 communication billboards (of which 5 were built in Quang Nam by the Bac Song Bung protection forest management board and 10 in Thua Thien Hue by the A Luoi FPUs) have been erected on the major road connecting forests and residential areas.

The design for 258 ha of Rattan enrichment planting submitted by the MB of A Vuong PF has been approved by the CarBi’s PMU in Quang Nam. After reaching an agreement on the contract contents, the survey for an additional 100 hectares of suitable land for Rattan enrichment was carried out by MB of Song Kon Protection Forest. The design submitted by Song Kon MB got approval from CarBi PMU. For Hue side, no more site selection survey is needed as the designed area has already exceeded the initial target.

As we are nearing the end of CarBi in March/April’17, the restoration component’s impact needs to be analyzed to indicate the degree to which the Forest Fragmentation Index has been addressed. A TOR for a final assessment in this regard has been completed and a qualified consultant will be recruited after Tet to complete the required assessment according to CarBi’s scientific requirements.

28.53 ha were identified as suitable land for Litsea glutinosa plantation in the Bhalee commune of Tay Giang district by the Sao La Nature Reserve. 14.91 ha for regeneration in Bhalee was also included in the design made by the Reserve. The design got quick approval from Tay Giang DPC for implementation.

The 30 communities, including 9 newly established communities from Nam Dong district (7 from Thuong Lo commune and 2 from Thuong Quang commune),.have been accepted to withdraw money in this reporting period, is a result of a strong effort from the project counterparts and CarBi staff during the reporting period. 6 communities in A Roang commune of A Luoi district and 24 others in Nam Dong district received a total amount of VND 409,105,000 (USD 18,595) to pay for members’ forest protection patrolling and other operational expenditures of the management boards.

The proposal on sustainable NTFP harvesting and processing submitted for A Luoi district (A Roang commune) and Nam Dong district (Thuong Nhat, Thuong Lo, Thuong Long, Thuong Quang communes) also got approval from the Hue CarBi PMU for implementation. Tools and equipment like long-bush hook, lifeline, binoculars, scissors, etc. were purchased and provided to communities. With more sustainable NTFP harvesting tools and enhanced methodology, NTFPs are expected to contribute to the improvement of forest quality, creating a more stable income for villagers, and also enhanced forest protection.

The tables below provide a summary of CarBi’s restoration progress since project start, including the progress made since the previous reporting period (June’16). The first table gives an overview of the restoration activities and results achieved thus far, while the second table is a reflection on the saving accounts activity since project start.

#### Summary of CarBi’s Restoration activities since project start

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Category | Approved target areas (ha) based on Change Request figures | Revised target areas based on the Revised Budget of April’ 15 \*\* | Completed areas since project start, with ongoing management by end of June'16 (ha) | Actual implement-ed from Jul Dec' 2016 (ha) | Total area achieved by end of Dec’ 2016 (ha) | New areas already planned for implementation/being implemented in 2017. (ha) | Outstanding areas which will not be achieved due to insufficient land (ha) |
| Afforestation | 209.8 | 190.0 | 171.4 | 35.3 | 206.7 | - | - |
| Natural regeneration with enrichment planting | 1,000.0 | 860.0 | 168 | 667.9 | 835.9 | 119.1 | - |
| Natural regeneration without enrichment planting | 1,021.4 | 739.0 | 577.5 | 14.9 | 592.4 | - | 146.6 |
| Protection contracts | 5,059.0 | 5,059.0 | 5,622.0 | - | 5,622.0 | - | - |
| Supporting PFES\* | 27,830.0 | 27,830.0 | 27,830.0 | 20,678.80 | 48,508.8 | - | - |
| Community forest management | 4,804.0 | 4,804.0 | 4,449.0 | - | 4,449.0 | - | 355.0 |
| Total | 39,924.2\* | 39,482.0 | 38,817.90 | 21,328.60 | 60,146.5 | 119.1 | 501.6 |

*\* The PFES support was not part of the original project target, but CarBi was able to integrate this with our Restoration activities, which enhanced the project’s total restoration footprint significantly (original project restoration target was 11,150 ha)*

*\*\* Due to the significant depreciation of the EUR against the USD since the drafting of the first CarBi Revised Budget at the end of 2014, we basically have a factor of 1:35 – 1.10 = 0.25 (18.5%) less funding available than budgeted for in the revised budget, hence the forced reduction in some of the targets since the Change Request.*

#### Summary of saving accounts opened until the end of Dec’ 2016

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Restoration Category | Number of saving accounts opened | Amount of money transferred by end of Jun’16 (VND) | Amount of money transferred from Jul to Dec’16 (VND) | Total amount of money transferred until end of Dec’16 (VND) |
| 1 | Afforestation | 170 | 1,943,440,000 | 154,680,000 | 2,098,120,000 |
| 2 | Regeneration | 309 | 3,596,500,000 | 2,239,830,000 | 5,836,330,000 |
| 3 | Community forest management | 30 | 5,339,520,000 | 0 | 5,339,520,000 |
|  | Total | 509 | 10,879,460,000 | 2,394,510,000 | 13,273,970,000 |

## Intermediate result 3.1

At least 450 ha corridor area is reforested by individuals, 4700 ha of natural regeneration (also individuals) and 3000 ha of natural forest are under a formal community forest management system by end of the project.

### Progress

86.9 ha of Hopea plantation are still being taken care of by participating households. After finishing Summer-Autumn agricultural crop harvesting, farmers in Thuong Nhat and Hong Ha communes returned to forest tending with steps required for the second stage (there are 2 stages of forest tending regulated by the technical guideline) of the second year. Although being required to replace dead trees to maintain the plantation density in this stage, thus far, no case which requires significant replanting rates, has been reported. It may be too early to conclude, but this may be indicative of a good survival rate since the planting two years ago. Although participating households in Thuong Nhat and Hong Ha communes finished the required steps for forest tending in the 2nd year, the acceptance check for the completed work by the Sub-FPUs in both districts and CarBi unfortunately had to be delayed due to the rainy weather.

The Dong Giang DPC has issued a decision to allocate land and red-books to 10 households involved in afforestation in Ta Lu commune adding to the 2 others which have been allocated before. After the second vegetation treatment was concluded and its results checked and rechecked by counterpart and CarBi staff, an amount of VND 134,400,000 (USD 6,109) was transferred to the saving accounts of 12 households which further motivated households to support and believe in the project to continue the next required steps of planting. Litsea glutinosa seedlings were also provided to farmers for planting purposes. The significant effort by CarBi to support 12 households in Ta Lu as much as possible, paid off when these household were eventually motivated to conduct Litsea glutinosa planting. As a result, after checking the workload for acceptance by the 661 project management board, also rechecked by CarBi staff, these 12 households got permission to withdraw VND 33,510,000 (USD 1,523) from their saving account.

CarBi decided to organize afforestation technique training for participating households after the afforestation plan for 28.53 ha in Bhalee commune got approval from the DPC of Tay Giang to capitalize on the enthusiasm of participating households. 24.06 ha have been completed according to specification, 25 saving accounts were opened, and an amount of 288,720,000 VND (USD 13,123.6) was transferred to support afforestation work of participating households after they finished the required tasks and it got checked and rechecked by the project counterpart and CarBi staff. The Project also provided 49,885 Litsea glutinosa seedlings and bio-fertilizer to those households for planting, which has subsequently also been completed. Households are looking forward to the acceptance check results and money withdrawal permission to prepare for lunar Tet, which will happen at the end of January’17.

For the 84.5 ha of indigenous tree plantation established in 2014 and 2015, households in Areh, Panai 1, Panai 2 and Dhroòng villages of Ta Lu commune continued to tend and protect their forests following the technical guideline. In Q2 FY17, 19 households got permission to withdraw VND 33,100,000 (USD 1,504) for the 3rd time, after completing forest tending work in the 2nd year, and getting checked and rechecked by the 661 project management board and CarBi staff. Work has also been complete on another 29.78 ha by 32 households in Areh, Dhroong and Panai 1 villages of Ta Lu commune. Counterparts and project field staff have been informed about this, and an agreed upon plan for the acceptance check and recheck will be carried out soon to help households withdraw money from their saving accounts if the checking result is according to project requirements.

After being accepted to withdraw money for the 2nd time, regeneration households in all 5 communes (Thuong Nhat, Huong Nguyen, Hong Ha, Huong Phong and A Roang) of A Luoi and Nam Dong districts of TT Hue province, have been progressing with forest tending steps required for the 2nd year which are not much different from the first year, including cutting creepers and bushes, marking target regenerating trees and setting up block boundaries. Activities have also been completed by villagers, ready for the required acceptance checks. However, this activity is temporarily postponed until after Tet due to the inclement weather in the area is encountering.

Technical training was organized for participating households in the newly designed regeneration area of 14.91 ha in Bhalee commune, to equip them with forest regeneration techniques. Material serving targeted regenerated trees marking, included red paint and nylon wire, have been purchased and delivered to these households by the Saola Reserve. Regeneration work has also been completed by 3 participating households from A Tep1 and A Tep 2 Villages. Via the respective bank saving accounts, these households received VND 74,550,000 (USD 3,389) after acceptance and rechecks have been done by QN Saola Reserve and CarBi staff, confirming that its results met the project requirements. The first money withdrawal files of these 3 households are now being reviewed by CarBi’s financial staff before payments will be approved.

Boundary setting, regenerated trees marking, and cutting climbing trees were accomplished by 33 regeneration households in A Tep 2, A Ung and R’cung villages of Bhalee commune, and the results were checked and rechecked by counterparts (Sao La Nature Reserve) and CarBi staff. The acceptance check documents are being finalized by the counterpart and will be submitted soon to CarBi to allow households to withdraw money.

After the NTFP planting guideline and plan got approved by DARD and the CarBi PMU, training courses were provided to regeneration households in the five communes to equip farmers with knowledge and planting techniques. An open bidding has been organized to select the most competitive supplier for the seedlings. According to the bidding result, Dong Tien and Phuoc Thinh companies have been selected to provide Calamus poilanei/Clamus platyacanthus and Morinda officinalis seedlings. Thus far, 22,100 Ba Kich and 13,900 Song may seedlings, in line with the contracts signed with WWF, have been provided to 180 regeneration households on the Hue side, and farmers have finished NTFP planting. Results were checked by the CarBi Task Team members and project staff.

In support of NTFP planting under the regeneration forest cover plan to help villagers generate supplementary income and stabilize their livelihoods, 2 training courses were provided to 73 households in A Nong, Bhalee and A Vuong communes who completed the required regeneration forest tending steps for the second year. They were accepted to withdraw money after acceptance and rechecks were carried out by counterparts and Carbi staff. An amount of VND 40,942,000 (USD 1,861) was withdrawn by the participating farmers. Tay Giang Agriculture Extension and Dong Tien Company won the open bidding launched by WWF to provide 13,800 Morindae Officinalis Stow seedlings to regeneration households. The distributed seedlings have been planted under regeneration forest by participating households, following guidance of CarBi field staff. The acceptance check is now being undertaken in Tay Giang by CarBi staff in cooperation with counterpart staff.

Rattan enrichment planting activities by communities commenced in both districts of A Luoi and Nam Dong, with the guidance and support from the two FPUs in the districts, covered by the contracts signed between the FPUs and CarBi. In Nam Dong district, the communities which finished vegetation treating and hole digging and got checked and rechecked by FPU and project staff, were delivered with Rattan seedling for the first stage to allow planting to be carry out promptly, and not to wait for saving accounts opening and money transferring. A new qualified and experienced consultant from FIPI (Forest Inventory and Planning Institution) - one of CarBi’s partners – has been recruited to contribute additional capacity to the Rattan enrichment planting process, focusing on directing, monitoring and catching up in the field. For the 237 ha planting which have been planned in the area for this planting season, communities could only finished planting in 210 ha due to some difficulties in mobilizing participation from villagers, and around 17 ha have been left unattended. For the completed Rattan planting area, 13 communities in Thuong Lo, Thuong Nhat, Thuong Long and Thuong Quang communes, received VND 631,200,000 (USD 28,690) through saving accounts, of which VND 420,800,000 (USD 19,127) has been withdrawn by communities as payment for their planting work which was completed according to specification.

Communities in A Roang continued to complete the remaining area in the approved rattan planting design. With the accumulated experience in CarBi’s Rattan planting during the first phase, CFMB easily mobilized its community members to go into the forest for rattan planting. 160.7 ha were completed in this phase by such communities. For this completion, which is confirmed through acceptance and recheck results, communities received VND 482,100,000 (USD 21,913.6) in their saving accounts, of which VND 321,400,000 (USD 14,609) has been withdrawn for the first time.

In Song Kon area, after finishing Rattan planting on the whole designed area of 135 ha, 5 household groups were checked and rechecked by MB of Song Kon PF and CarBi staff. As the result of the rattan planting met the CarBi’s requirements, all 5 groups were accepted to withdraw money from their saving accounts, and an amount of VND 269,800,000, equal to USD 12,264, has been withdrawn accordingly. They were required to continue with the newly planted seedling tending and replanting of dead trees, to secure permission for the following money withdrawal. After approval was secured for the design for 100.07 ha of Rattan planting for the next phase in Song Kon area, 6 household groups of village 6 in Ba commune started to treat vegetation and dig holes. The job has been done very quickly, and the groups were accepted to open saving accounts, and VND 300,210,000 (USD 13,645) was transferred for the entire 100.07 ha as planned. 110,077 Rattan seedlings have been provided to participating groups for planting. Rattan planting has been completed by participating household groups, and is being checked for acceptance by Song Kon MB to allow the first money withdrawal.

In A Vuong area, after undergoing training courses on Rattan planting techniques, household groups in AXoo and A Tep 2 finished vegetation treating and hole digging as per the project specifications on 121 ha, and received VND 363,000,000 (USD 16,500) via their saving accounts. These groups have also finished planting work and their results have been checked by the MB of A Vuong, and rechecked by the MB and CarBi staff. Money withdrawal dossiers of these groups have been submitted to CarBi as the checking results met project requirements.

The remaining area of the planned 258 ha is being attended to by farmers in A Rot, A Cap and A Tep 2 villages, with strong guidance and pushing for catching up by the A Vuong MB and CarBi staff. All of these household groups were accepted to open saving accounts and received supporting money from the project as the required job in the first steps of vegetation treating and holes digging, have been finished by themselves, and got checked by A Vuong MB and Carbi staff. They are also focused on completing the required planting step in order to enable money withdrawal before Tet.

In order to provide enough Rattan seedlings for the planned planting in A Vuong area, CarBi tried to attract interest from suppliers located in a range of provinces from Quang Tri to Quang Ngai, through announcing information in multiple ways such as sending invitation letters directly to suppliers, advertising in major newspapers and the internet, sharing e-mail on network, etc. Phuoc Thinh company and Tan Tho enterprise subsequently won the bidding to provide respectively 100,000 seedling for AXoo village, and 231,077 seedlings for A Rot and A Cap of A Nong commune (Tay Giang district) and village 6 of Ba commune (Dong Giang district).

Particularly for A Tep 2, the Forestry Seedling Producing Association formed by the Malterser project in 2013, was selected to provide 53,537 seedlings serving the Rattan enrichment plan in their own village after considering the suitability, sustainability and also motivation for local households participating in Rattan enrichment planting.

### Challenges and solutions

After a 3 months delay which allowed vegetation regeneration, site conditions were unsuitable for planting, and the counterparts and CarBi staff had to encourage households to conduct the vegetation treatment again before said households launched planting activity on 11.2 ha in Ta Lu area.

The continuous and prolonging rains which lasted up to 2 months, were extraordinary and challenging for field activities’. These difficult implementing conditions, exacerbated by a lack of sufficient human resources, made it impossible for afforestation households in Bhalee to finish Litsea planting in the entire designed area of 28.53 ha. More than 4 ha have been left unplanted, although the project field staff and partner staff have tried their best to encourage villagers into action.

One new consultant has been recruited to serve Rattan and NTFP development directing, monitoring and reporting for CarBi’s Quang Nam side. Instead of carrying out the NTFP planting through government partners, who are currently suffering from limited capacity causing significant delays which CarBi cannot afford at this stage, the activity will now be facilitated directly by project field staffs. Moreover, NTFP development guideline developed by the Project Task Team of CarBi’s TT. Hue Restoration component will also be applied for the Quang Nam side to help saving project cost.

As most of the households participating in regeneration and NTFP planting are also taking part in Rattan planting, it is challenging for them to focus their labour on completing regeneration work and also NTFP planting.

The communities in village 2 and 5 of Thuong Quang commune have not conducted vegetation treating and hole digging. Although the communities’ management boards were active in Rattan planting registration, they failed in villagers’ participation persuasion. CarBi’s staff organized a meeting with communities’ management boards as well as villages’ management boards and CPC, to conclude whether they can deal with the problem by re-encouraging farmers again. However, the local authority unfortunately confirmed that the re-encouragement is impossible.

Although the design has been approved before, Cha Mang community proposed to move the planting site of one block to an alternative site due to them wanting to grow Rattan at the proposed site to prevent forest from being encroached by an adjacent shifting land. As this was a legitimate concern and the forest status is suitable, CarBi decided to submit and get approval from PMU on the design of the newly proposed Rattan planting site.

Good organizational coordinating has been key in the success achieved thus far in rattan planting. As part of the whole process, CarBi staff organized specific planning meetings with communities to avoid any overlapping crop or conflicting activities which communities may conduct, or plan to conduct. The recruitment of sufficient and experienced and well capacitated consultants to take part in directing, guiding and monitoring Rattan planting is also seen by the team as very important to conduct this high workload successfully, while also involving many communities at the same time.

The very large planned Rattan enrichment area for this season requires a high number of Rattan seedlings to be provided to household groups for planting. In order to ensure seedling quality in the gathering yard, and a high survival rate before loading and delivery in the field, CarBi reached an agreement with the supplier to provide seedling at 3 or 4 intervals which will help reducing seedling quantity distributed in one single stage, and also seedling delivery pending time. The project also brought into full play the role of the local authority in Rattan planting encouragement and direction, which contributed to the catch up under progress.

It is generally accepted that farmers tend to prefer using seedlings produced locally, not from an outside supplier. In terms of technique, Rattan seedlings will gain good growth when it is sown and planted on the site with similar soil and climate conditions. CarBi thus bought seedling from the Forestry Seedling Producing Association formed by the Malterser project in A Tep 2 village. Through buying seedlings from the association, CarBi will not only address the product preference issue for famers, but also create more momentum for Rattan enrichment household groups while some members of the Association are also joining in Rattan enrichment planting.

The Rattan enrichment planting season overlapped with Summer-Autumn crop harvesting. It took up to a month for villagers to finish their crop harvesting, and households had to focus their human resources on this activity and could not take enough time for the enrichment planting. CarBi field based staff have tried their best to follow up closely with villagers to be aware of the progress and to mobilize farmers to get back to the enrichment planting work timely.

As mentioned above, the prolonged rains during the reporting period have been challenging to not only planting work of villagers, but also seedling transportation and delivery in the field. Due to the muddy and slippery roads, the 4WD hired to transport seedling could not reach the planting locations, and the project had to support the hiring of a tractor to deliver seedlings to the field. Via this way, seedlings have been provided promptly and contributed to the catching up of the planting progress.

Vegetation treatment and hole digging progress in A Rot village of A Nong commune were delayed many times. Project staff decided to call a village meeting with participation of villagers and commune authority to establish problems encountered and proposed solutions. The issue identified by villagers is that there were 6 villager deaths during a 2 months period, and also a lack of confidence that they will get paid after planting. After explaining clearly about project support, giving them practical examples of a neighbouring village which finished and received support, project staff required them to sign a commitment on catching up progress with a specific target date for finishing the required steps.

Together with providing advance amounts to groups, and accumulated experience in directing the first 135 ha of CarBi’s Rattan planting, the Song Kon MB succeeded in mobilizing villagers’ participation, and also stimulated the required levels of motivation to catch up progress.

## Intermediate result 3.2

Additionally 3000 ha are under performance based protection contracts in the buffer zones in both provinces by 12 months after project start.

### Progress

Similar to the previous first quarter of this reporting period, forest protection results of household groups in Huong Phong and Huong Lam communes got checked by staff of A Luoi Protection Forest Management Board and CarBi project. The acceptance check minutes showed that 8 household groups in two communes have protected their forest well and according to specification. An amount of VND 57,776,500 (USD 2,626) has been transferred to household groups’ accounts as payment for forest protection in quarter 3 of 2016 as contracted.

Quarter 3 of 2016 was the first quarter in which 36 household groups in Hong Ha and Huong Nguyen, involved in forest protection under contracts with A Luoi FPU, have received support from CarBi. Although it took much time for our counterpart to instruct and direct these contracts, the acceptance check of this activity has been conducted and completed as scheduled in September’16 to allow for the forest protection fee to be settled on time. For the forest area protected during the quarter, 36 household groups received an amount of VND 128,145,000 (USD 5,825.7) through their assigned accounts (group leaders’ accounts) from CarBi.

Making use of the experience in carrying out and supporting household groups in forest protection contract implementation, both counterparts, including A Luoi sub FPU and A Luoi PFMB, completed the acceptance check for the forest protection results of household groups timely. 36 communities and groups of households in Hong Ha and Huong Nguyen commune received the same amount settled in the previous quarter to compensate for their patrol mandate.

CarBi also added significant awareness raising value during this reporting period. According to the contracts signed between WWF and the MB of Bac Song Bung protection forest (in Quang Nam) and MB of A Luoi protection forest (in Thua Thien Hue), awareness raising trainings and communication conferences were carried out for contracted household and household groups under support of the provincial PFES programme. Boundaries between forests of every group of households were clearly identified in the field. In Quang Nam, four awareness raising art nights which were performed, attracted interest and participation from almost all people living in A Roh, Nal, Porning and Ta Ry villages. The art performances were organized with a game show, which enthused villagers to actively answer questions from the organizers, fostering a sound knowledge of PFES implementation in their village.

Within the framework of this activity, 15 communication billboards (of which 5 were built in Quang Nam by the Bac Song Bung protection forest management board, and 10 in Thua Thien Hue by the A Luoi FPUs) have been erected on the major road connecting forests and residential areas with activities supported by the provincial PFES programme. The billboards communicate the forest protection message, and also identify the areas where the PFES programme’s activities are conducted.

### Challenges and solutions

The Restoration team was fortunate to make use of CarBi’s PA and PFES teams’ communication experience, and will continue to do so when necessary in future.

## Intermediate result 3.3

By end of the project, the forest fragmentation index for the project areas with direct rehabilitation interventions has been reduced by 50 % (based on an analysis of the fragmentation and the monitoring of the forest carbon in those areas).

### Progress

The analysis in 2014 indicated that the moving target created by the change request for the approved target areas to be restored at that time, led to some difficulties in extracting and showing clearly the restoration impact. CarBi is coming to an end in March’ 17 and all restoration areas/activities would be finalized by then, after which the project’s impact in terms of forest restoration needs to be analyzed. A TOR that describes the consultant’s required tasks and duties on forest change detection and a forest fragmentation index determination, was elaborated to facilitate the required analysis.

**Challenges and solutions**

It would have been preferable to recruit the same consultant which conducted the first fragmentation Index assessment in 2014, but the incumbent confirmed his unavailability, which has resulted in CarBi approaching alternative and suitably qualified consultants for consideration.

## Intermediate result 3.4

The participatory land use planning of the forest areas to be restored has been completed for the first areas by 18 months after project start, including the development of maps and the red-book allocation.

### Progress

The design for 258 ha of Rattan enrichment planting submitted by the MB of A Vuong PF has been approved by the CarBi’s PMU in Quang Nam. Rattan enrichment planting activities commenced in the field and the progress is mentioned under IR 3.1 above.

After reaching an agreement on the contract contents, the survey for 100 additional hectare of suitable land for Rattan enrichment was carried out by the MB of Song Kon Protection Forest. Village meetings were carried out for communities to provide their ideas and comments on planting site selection and plan. The design submitted by Song Kon MB got approval from CarBi PMU. The total designed area of 100.07 ha will help CarBi complete and even exceed its target on this activity.

For the Hue side, no more site selection surveys will be needed as the designed area has already exceeded the initial target.

### Challenges and solutions

Since the change request on reducing money withdrawal frequency and period was approved, many villagers and household groups became excited and showed interest in participating in CarBi’s Rattan enrichment model. Because this activity is suitable just for production and protection forest, the MB of Song Kon had to refuse some household groups contracted for special use forest protection. The MB staff also had to explain to people that they could not benefit from Rattan planting activity in a special use forest because any impact on the forest is unacceptable in pursuance of the State regulations.

In Nam Dong district, due to the demand from the community and also difficulties for implementation in some designed areas, the project partner has surveyed and identified an alternative area with suitable forest conditions, covering 9 ha for Cha Mang village.

## Intermediate result 3.5

At least 7500 ha of forest land (e.g. natural forests and afforestation) areas are formally allocated to households and communities by the end of the project.

### Progress

The afforestation designing contract in Bhalee and A Nong communes of Quang Nam site, resulted in the identification of 28.53 ha as suitable land for plantation in this area by the Sao La Nature Reserve. In one last effort from CarBi to achieve the remaining suitable land for regeneration, households owning 14.91 ha in Bhalee commune were successfully convinced to participate in the project and also got included in the design made by the Reserve. The design got quick approval from Tay Giang DPC for implementation after its dossier was submitted according to specification (an additional area of 14.91 ha for regeneration has also been included in the design).

### Challenges and solutions

The successful cooperation between CarBi and Malteser projects facilitated strong afforestation participating for relevant communities. Although the Malteser project has finished already, its achievement in farmers’ mobilization is still helpful for CarBi carrying out afforestation activities. During the forest establishment designing process, counterparts and CarBi staff have made use of forest land allocation results from the Malteser project, and most of the participating households in the newly approved forest establishment plan, originate from the land allocation result of the Malteser project.

## Intermediate result 3.6

By 30 months after project start, first land titles with red book certificates of natural forests of good quality (at least 2c or 3a) have formally been issued to communities for sustainable forest management.

### Progress

19 communities of which 6 in A Roang, 4 in Thuong Lo, 4 in Thuong Nhat, 2 in Thuong Long and 3 in Thuong Quang commune, finished their allocated forest protection work in Quarter 2 of 2016 and their work quality has been checked by FPUs in districts and rechecked by CarBi and FPU’s staff. An amount of VND 147,295,000 (USD 6,695) has been withdrawn from communities’ saving accounts after getting permission from WWF.

The 30 communities, including 9 newly established communities which have been accepted to withdraw money in quarter 3 and 4, is a great effort of the project counterparts and CarBi staff during this reporting period. 6 communities in A Roang commune of A Luoi district, and 24 others in Nam Dong district received a total amount of VND 409,105,000 (USD 18,595) to pay for members’ forest protection patrolling and other operational expenditures of the management boards.

Under the framework of another activity, FPD has finished their assessment on NTFP harvesting and processing status of communities, and details were included in the proposal on sustainable NTFP harvesting and processing submitted to the Thua Thien Hue PMU. The proposal also got approval of the PMU for implementation. The procurement of harvesting and processing tools and equipment as proposed by communities, were facilitated by the project.. Tools and equipment like long-bush hook, lifeline, binoculars, scissors, etc. were purchased and provided to communities. With more sustainable NTFP harvesting tools and enhanced methodology, NTFPs are expected to contribute to the improvement of forest quality, creating a more stable income for villagers, and also enhanced forest protection.

### Challenges and solutions

Two communities of Lap and Ta Rinh in Thuong Nhat commune have not been accepted for money withdrawal for the 2nd quarter, as they did not finish their responsibilities as committed when allowing forest encroachment in their managed forest. The total damaged area is 12.45 ha. Besides an acceptance check minute (note) to conclude the violation from CarBi’s side with signatures of involved parties, the local authority also launched an investigation to clarify causes and perpetrators which have not been announced yet. Slow progress is being made with the land encroachment case, and project staff will follow up closely with Nam Dong FPU (our counterpart) to collect sufficient documents regarding the case’s handling. Beside, CarBi decided to facilitate a process of refunding for the damaged forest area in both villages. This will be based on the acceptance check as mentioned. The amount to be refunded is corresponding with the lost forest area and the project’s supporting amount for that area from Jul’16 – Dec’20. The unused amount for both communities up to Quarter 2 will also be returned to CarBi

## Intermediate result 3.7

By 36 months after project start: Restoration measures are completed on 50% of the designated areas for reforestation, enrichment planting and natural regeneration as well as all forest protection agreements have been signed.

Please refer to the status of afforestation and natural regeneration in 3.1, and forest protection contracts in 3.2 above.

# Specific result 5 – REDD/PFES component

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| --- |
| Enhanced REDD+ Readiness is established at National level, government counterparts’ capacity on REDD+ and PFES built at provincial, District and Commune levels, and a functional community based PFES pilot model is implemented in Thua Thien Hue |

**Summary**

After six years of PFES implementation in Vietnam (2011-2016), an amount of more than 5,226 billion VND (around 232 million USD) was paid by the PFES users to the PFES providers, which contributed to the protection of 5,299,800 ha of forest (VNFF, 2016).

Quang Nam province has implemented their PFES programme since 2011, and has generated 288.8 billion VND (12.8 million USD) of PFES funding since then, of which 27.9 billion VND in 2011, 31.1 billion VDN in 2012, 44.5 Billion VND in 2013, 45.2 billion VND in 2014, 57.6 billion VND in 2015 and 82.5 billion VDD in 2016. As a result of this investment, a total of almost 296,000 ha of PFES forest are have been protected. Thua Thien Hue province has also received PFES funding since 2011, but they only started paying PFES providers since 2015 due to limited financial regulations promulgated by the Thua Thien Hue PPC. More than 14.4 billion VND received from 2011-2014, was paid to PFES providers in 2015 and 2016 for the protection of around 130,000 ha of PFES forest.

PFES policies issued through Decree No. 99/2010/ND-CP, followed by the recently promulgated revised Decree No.147/2016/ND-CP, received significant buy-in among local people living in the mountainous areas, and the Vietnam government’s policy of socialized forest protection has been implemented at reasonable levels of success. However, several challenges and shortcomings require urgent adaptive management, such as:

* The rate of payment for the poor for forest protection is still low
* Legal status of the Provincial Forest Protection and Development Funds (PFPDFs) and Vietnam Forest Protection and Development Fund (VNFF) is not defined
* The decentralized management of PFPDFs
* Members of the PFPDF’s Board of Directors and organizational structure of the PFPDF’s management boards are not consistent nationwide
* A functional PFES M&E system should be promulgated and implemented

Based on these weaknesses in the current Vietnam PFES regime and protocols, CarBi has continued to support the relevant government PFES staff during this reporting period in improving their capacities to provide the enabling environment and guidelines on PFES implementation, to propose an enhanced and functional benefit sharing mechanism, to pilot a PFES model in the relatively inexperienced Thua Thien Hue Province, and supporting the piloting of a PFES M&E framework, in pursuance of establishing an enhanced PFES mechanism in the CarBi domain, also providing lessons learned for other provinces to follow where applicable.

Eighteen PFES related training courses were conducted during the reporting period, attended by 616 participants from related PFES government agencies at the provincial, district and commune levels of Thua Thien Hue and Quang Nam provinces, as well as local forest owners. CarBi also continued to support forest patrols in its PFES pilot area at A Roang Commune, also using the opportunity to raise appropriate levels of awareness regarding the importance of active forest protection in PFES areas, with the Provincial Forest Protection and Development Fund (FPDF). CarBi worked with Thua Thien Hue FPDF, A Luoi Sub-FPD and the management board of PFES areas in A Roang commune, to conduct 12 patrol phases of 132 person days, and destroyed 6 illegal camps, and removed 18 snares in the PFES pilot areas.

To ensure that we quantify the degree to which CarBi’s PFES value offering is contributing towards livelihood enhancement, a formal assessment, integrated with a similar evaluation of the restoration activities’ impact, has been launched in December’16. The results will be available in the next quarter

The project has also facilitated the development of a PFES Technical Guideline for enchasing PFES implementation at provincial, district and commune levels of Thua Thien Hue and Quang Nam provinces. Due to the recently updated technical guideline for Vietnam PFES Officers, the Management Board of FPDFs requested that CarBi’s PFES Technical Guidelines should focus on the forest owners instead of PFES implementers as initially planned. The final report was approved by Thua Thien Hue PFDF, and is being reviewed by Quang Nam FPDF. Thua Thien Hue FPDF agreed that they will promulgate this guideline for application in Thua Thien Hue while the final draft in English was sent to CarBi and other PFES Experts for finalization.

CarBi also reviewed the current Benefit Sharing Mechanisms which are being applied in PFES schemes in Vietnam, and subsequently proposed a suitable PFES scheme in each province of Thua Thien Hue and Quang Nam. The consultant revised the second draft report based on the comments received in the validation meetings and extensive comments from the CarBi team, after which the consultant is conducting the third round revision before we will seek final approval from the FPDFs.

CarBi’s PFES staff also worked closely with VNFF and other PFES M&E projects managed by Local NGOs (Pannature and Corenarm) on finalizing the indicators for the newly planned Vietnam PFES M&E framework. We also cooperated with the provincial FPDFs of Thua Thien Hue and Quang Nam provinces to organize a provincial consultative and validation workshop to finalize the proposed PFES M&E framework. The final PFES M&E framework with 22 indicators will be tested in the two CarBi provinces from January – September 2017.

The scope of the REDD+ component has been adjusted and migrated predominantly towards PFES implementation in conformity with the current situation of forest management in the Thua Thien Hue and Quang Nam provinces of Vietnam, hence the low intensity of REDD+ activities which have been conducted in this reporting period. The project staff continued to attend national workshops and meetings on REDD+ to follow REDD+ development and implementation in Vietnam and Laos, give comments and feedback to these ongoing programs, and more importantly, apply the best practices and lessons learnt in the CarBi domain where applicable. Some examples for this reporting period on the Vietnam side include the REDD+/Safeguard Core Group's meeting organized by the UN-REDD program, and a Workshop on Experience sharing in Sustainable Forest Management (SFM) in the context of REDD+, organized by the FAO- UN-REDD program. WWF Laos has also remained engaged with the REDD+ development process, and has continued to monitor this on national and local levels. As a registered member of the National REDD+ working group, our representative has attended most of the meetings at national level to help ensure a common understanding of the REDD+ development in Laos, and to remain well positioned regarding any future opportunities which may become available to contribute towards the CarBi provinces in this regard.

As reported before, WWF Vietnam has also been successful in attracting a UNEP grant of 150,000 USD to carry out some REDD+ activities, to review the impacts on biodiversity of REDD+ demonstration activities, developing common forest management guidelines and tools for reducing biodiversity risks and enhancing the biodiversity benefits of REDD+, developing forest biodiversity assessment and training tools to use in conjunction with REDD+ strategies, and to provide regional training that includes forest biodiversity conservation, and illegal trade in forest products. CarBi’s extensive experience and lessons learned within the realm of biodiversity monitoring and forest management guidelines, are providing a solid platform for the development of these safeguards. The review of impacts of REDD+ implementation on biodiversity at a Greater Mekong regional as well as country scale has been completed and an extensive draft report has been produced and currently under revision by UNEP as the donor. The project also established a cooperation mechanism between national parks and nature reserves on biodiversity conservation.

In addition, and in partnership with the Vietnam FLEGT program, one training workshop was conducted for Civil Society Organizations (CSOs) since it plays an important role in supporting local communities and other stakeholders engaging in the important VPA/FLEGT negotiation process and the ultimate implementation of the VPA Agreement with the EU when it is finally endorsed and signed.

## Intermediate result 5.10

*With some contribution from CarBi, an Emission Reduction Proposal Development (ERPD) is prepared by the Vietnamese Government and submitted to the World Bank for approval.*

**Progress**

Detailed progress on CarBi’s contribution towards an ERPD was provided in the previous TPR. Carbi also continued to provide strong support towards REDD+ Readiness, as can be gleaned for the following progress reflection.

The project staff attended the REDD+/Safeguard core group's meeting organized by the UN-REDD program on 9th and 10th August’16 in Son Tay town Hanoi. The objectives of the meeting were to gather inputs and feedback from Safeguards core-group on updated Cancun clarification and identification of detailed and specific information needs for the Safeguard Information System (SIS). Participants were from the Core group on REDD+/Safeguard, UN-REDD program, SRD, UNEP, SNV, SERDA. WWF staff also attended and provided some feedback on their experience with safeguards.   
  
The project staff also joined a workshop on Experience sharing on Sustainable Forest Management (SFM) in the context of REDD+. The workshop was organized by the FAO- UN-REDD program on 6th and 7th Oct’16 in Lao Cai province. The objectives were to share experiences regarding the process of SFM plan development and implementation for State Forest Enterprises (SFEs), Protection Forest Management Boards (PFMBs), and households. The participants were from 5 pilot provinces in the National UN-REDD program, SFEs, PFMBs, households, relevant NGOs, as well as Government agencies. WWF staff presented our Global Forest and Trade Network (GFTN) approach, and also facilitated group discussion with participants.

WWF Laos has also remained engaged with the REDD+ development process, and has continued to monitor this on national and local levels. As a registered member of the National REDD+ working group, our representative has attended most of the meetings at national level to help ensure a common understanding of the REDD+ development in Laos, and to remain well positioned regarding any future opportunities which may become available to contribute towards the CarBi provinces in this regard. We will continue this during the months of January-April of 2017, and WWF Laos will continue to participate and remain in this slip stream beyond CarBi to also maintain some momentum towards a potential phase 2.

As reported before, WWF Vietnam has also been successful in attracting a UNNEP grant of 150,000 USD to carry out some REDD+ activities, which are managed as match activities for CarBi, amongst others, to review the impacts on biodiversity of REDD+ demonstration activities, developing common forest management guidelines and tools for reducing biodiversity risks and enhancing the biodiversity benefits of REDD+, developing forest biodiversity assessment and training tools to use in conjunction with REDD+ strategies, and to provide regional training that includes forest biodiversity conservation, and illegal trade in forest products. CarBi’s extensive experience and lessons learned within the realm of biodiversity monitoring and forest management guidelines, are providing a solid platform for the development of these safeguards.

One of the outputs of the project which has already been achieved, is the review of impacts of REDD+ implementation on biodiversity at a Greater Mekong regional as well as country scale. An extensive draft report has been produced and revised based on comments from WWF and CarBi staff. The draft report will be further reviewed based on the comments from the UNEP as the donor. The report basically confirmed that REDD+ implementation in Vietnam, Laos and in the Greater Mekong region is just at the readiness stage which mainly includes capacity building activities and awareness raising, the preparation of the required conditions for REDD+ implementation such as MRV and Safeguards, but no real REDD+ activities conducted on the ground with concomitant credits flowing back into forest protection interventions. It was thus not possible to measure or evaluate the real impacts of REDD+ activities on biodiversity, but rather the potential impacts (both negative and positive) which REDD+ activities may cause.

One of the other outputs of the project was to establish a cooperation mechanism between national parks and nature reserves on biodiversity conservation. This mechanism outlines and recommends the strategies, methods and activities that neighboring national parks can apply to foster their cooperation on biodiversity conservation. One workshop was organized in Cat Ba NP, Hai Phong city to present this draft mechanism and solicit comments from leaders of 13 national parks. More importantly, this mechanism has been reviewed and revised with inputs by the Department of Nature Conservation (DoNC) under VNFOREST.

## Intermediate result 5.11

*By the end of project, 70% of relevant government agencies and focal points at provincial, district and commune levels are involved in project activities, and are capacitated on relevant REDD/PFES planning and management in TT Hue and Quang Nam*

**Progress**

CarBi’s PFES staff worked with the Vietnam Forest Protection and Development Fund (VNFF) and relevant PFES experts on the next steps of the PFES plan in pursuance of enhanced capacities of PFES staff at the provincial, district and commune levels in order to improve PFES implementation in Thua Thien Hue and Quang Nam provinces. During the six monthly meeting facilitated by the VNFF office, all parties have agreed to support government’s PFES staff to attend the technical PFES training courses, to develop a monitoring and evaluation framework at national level, as well as to pilot the developed tools in the CarBi provinces of Thua Thien Hue and Quang Nam.

CarBi’s Project Management Units of Thua Thien Hue and Quang Nam approved the PFES training courses for relevant PFES partners, which were focused on technical aspects of PFES, building field skills in forest protection for PFES forest owners at the commune level, community forest management, and developing an action plan for accessing PFES money as required.

CarBi co-organized the implementation of nine training courses for 378 local forest owners and commune authorities with Thua Thien Hue’s FPDF. The topic was on guiding the process of developing a PFES action plan towards getting approval by FPDF. This included five courses in A Luoi district, two courses in Nam Dong district, one course in Phong Dien district, and one course in Phu Loc district. Another training course was also conducted for 35 PFES staff in Thua Thien Hue and Quang Nam to provide them with the necessary skills to enhance the participation of local people to get involve in forest protection activities in PFES forest areas.

In Thua Thien Hue province, six training courses were conducted for 120 participants who are staff of Thua Thien Hue’s FPDF office and key rangers for PFES implementation at district level in Phong Dien, Nam Dong, Phu Loc and A Luoi. The trainings’ topics were aimed at provided skills in effective participation in meetings/ workshops, the use of equipment in a meeting, and skills in analyzing satellite imagines to assess both forest cover and illegal activities for enhanced management of PFES forest areas.

CarBi also signed an agreement with the Quang Nam PDF to organize a training course on using Quantum and ENVI software for analyzing and checking PFES areas’ forest quality through satellite images. The 5-day course was conducted for 30 participants who are from FPDF and FPD staff, as well as members of Forest Protection Units at district level. Quang Nam FPDF also co-organized a two-day training course on updating and using the online financial database and financial guidelines for 53 participants of 15 agencies who are working on PFES implementation in Quang Nam province. This course was organized by Quang Nam’s FPDF and funded by CarBi’s PFES component, and conducted by a GIS expert from the Hue University.

In this reporting period, CarBi also cooperated with Thua Thien Hue FPDF to organize four communication campaigns on PFES in priority PFES areas in Nam Dong, Phong Dien, Phu Loc and A Luoi districts. The campaigns provided local people and local forest owners the relevant contents of PFES as well as the rights and duties of those whom have been participating in PFES areas.

CarBi also continued its value offering regarding REDD+ related capacity building during this reporting period. A training workshop for Civil Society Organizations (CSO) and CBO (Community Based Organizations) was organized for two days from 7th to 8th Sep 2016 in Dong Ha city, Quang Tri provinces. The workshop attracted 24 participants from different CSOs and CBOs in the central provinces, including the CarBi domain (Hue and Quang Nam). The objectives of the workshop were to equip and update the participants on the contents and requirements of VPA/FLEGT (Voluntary Partnership Agreement/Forest Law Enforcement Governance and Trade) that potentially may impact target groups, who should be aware and prepare themselves to meet these requirements in their plantations, timber processing plants, etc. In addition, the workshop also provided the participants with the knowledge and shared experiences and lesson learnt in sustainable forest management, specifically FSC.

It was the first time for most of the participants to get to learn about VPA/FLEGT so they were very excited about the contents of the training. CBOs paid more attention to the changes that they have to cope with when the VPA is signed and become effectives. For instance, many households are currently selling their timber without preparing any paper trails proving their origin of legality. However, when the VPA/FLEGT is signed, and in order to sell their products, they must prepare the required documents to verify the source of timber. Some CBOs claimed that according to VPA requirements, their plantation must have some proof of legality such as Red Books, contracts or other certified papers from the authorities, but in reality some of their land did not have such tenure papers. They would like CarBi to report this situation to the government and especially to the negotiation team to ensure that their concerns shall be addressed and solutions proposed.

Furthermore, the CSOs wanted to know more about their role in VPA/FLEGT, and what they can do to support and help the potentially impacted target groups such as local communities and timber processing companies to do the job better. In VPA/FLEGT, CSOs can perform their role better in independent monitoring in terms of FELGT licensing, in the verification process of timber legality. In addition, CSOs can organizes consultation meetings and workshops to raise awareness within these target groups to ensure awareness and sufficient time to prepare themselves for subsequent VPA implementation.

The contents of the FSC component of the training course also drew a lot of attention from representatives of CBOs and CSOs. One of the challenges experienced by local communities is that many households tend to sell their plantation/timber at a very early stage, just about 4 years after planting trees, and this kind of product is only good enough for woodchips, and cannot be used for furniture. There are many reasons leading to this problem such as households’ poverty and using all possible resources to acquire basic needs for their families. Some even claim that in the central provinces many heavy storms often destroy their plantation if they do not harvest their trees early. It has resulted in a dilemma that many timber-processing companies in Vietnam have to import timber from outside, such as Laos, Cambodia and other countries for their production. It both causes economic loss and environmental problems such as leakage and compromizing REDD+ implementation.

Sustainable forest management, especially FSC can be a solution to partly solve this problem for local communities and households. If farmers apply FSC with their plantation they can sell their products at much higher prices. In the training course, many successful FSC models in Quang Tri were shared with the participants, confirming that households can apply FSC if they want to and with the support from authorities and companies. Some participants were concern regarding the significant administrative requirements of FSC for farmers. Some CSOs from Nghe An, Thanh Hoa and Quang Binh provinces, after listening to the presentation and sharing section of some successful models, really want CarBi and WWF to support their provinces in introducing this FSC models to local communities and households. If VPA/FLEGT and the FSC model can be introduced successfully, the problem of leakage and illegal timber trade can be mitigated, an opportunity which should also be considered for a potential Phase 2.

Regarding the FLEGT negotiation process in Vietnam, WWF-Vietnam has played an important role in supporting FLEGT coordination office of VNFOREST in negotiations with the EU, and in supporting target groups engaging in the VPA/FLEGT process. Many activities have been conducted to effectively support the VPA negotiation process in Vietnam. For instance, WWF has worked closely with VN-Forest organizing many consultation workshops and technical meetings such as Joint Expert Meeting (JEM) and Technical Working Group (TWG. In these meetings several aspects of TLAS are being discussed and addressed, such as FLEGT licensing, imported timber, operator classification system, and TLAS for households. The results of discussion from these meetings and workshops will become inputs which the Vietnam negotiation team can apply in the negotiations with the EU for enhanced and more feasible outcomes.

In addition, WWF has carried out many activities such as organizing a number of training courses to strengthen capacities and raise awareness, improve CSOs, SMEs and CBOs understanding of VPA/FLEGT, and to introduce the requirements, challenges and opportunities the Agreement might bring to these stakeholders. To improve support to SMEs, WWF also conducted a survey on CoC (Chain of Custody) of 15 SMEs to identify the current shortcomings of these SMEs in comparison with the requirements of TLAS under VPA/FLEGT. Moreover, WWF also supports the Department of Forest Protection (FPD) at the central level working and cooperating with DOFI in Lao to review the action plan of 2016 regarding the cooperation between the two countries on the prevention of illegal timber and wildlife trade, and drafting a new action plan for 2017. In addition, many communication activities have been organized to confirm the role of WWF in supporting CSOs, SMEs and CBOs engaging in VPA in pursuance of meeting the VPA’s requirements.

As a result, the VPA negotiation in Vietnam has culminated towards most of the critical contents and issues such as LD, TLAS including imported timber, OCS (Operation Classification System), FLEGT licencing, etc. have been discussed, addressed and agreed, and both sides had organized a press release on 21st Nov 2016 to declare the basic conclusion of VPA/FLEGT in Vietnam. Currently, both sides are reviewing the work that agreed for last years. It is envisioned that the VPA between Vietnam and EU will be signed in the first quarter of 2017, a major achievement for all the related parties.

**Challenges and solutions**

We also planned to train government PFES staff on PFES M&E activities towards the piloting and testing of the new M&E system in Thua Thien Hue and Quang Nam. However, CarBi had to postpone these training interventions till the next quarter while waiting for final confirmation on the required additional budget funded by the ADB. CarBi worked with the ADB to finalize the detailed project objectives and its budgets, after which they approved the PFES M&E project from January – September 2017 for the development of a PFES M&E framework at national level, as well as piloting the selected tools in Thua Thien Hue and Quang Nam provinces for enchasing PFES implementation.

## Intermediate result 5.12

*By the end of 2015, a PFES model is piloted in Thua Thien Hue province with systematic identification of forest areas and forest owners. The PFES pilot model and CarBi PFES guideline are applied by Thua Thien Hue Forest Protection and Development Fund by the end of project.*

**Progress**

CarBi worked with Thua Thien Hue FPDF, A Luoi Sub-FPD and management board of PFES areas in A Roang commune to discuss multi-agencies’ patrols in PFES forest areas where local forest owners have had limited powers to arrest loggers or hunters. The project conducted 12 patrol phases of 132 person days, destroyed 06 illegal camps, and removed 18 snares in A Ho and Ka Ron PFES forest areas (A Roang commune, A Luoi district, TT Hue). The patrol team included members from A Luoi Sub-FPD, A Roang commune police and local forest owners.

In terms of assessing the livelihood improvement for local PFES forest owners and local people, the PFES staff worked with CarBi’s Forest Restoration component to develop the Terms of Reference for this work. The assessment was combined with a related assessment for CarBi’s Forest Restoration value offering. The project advertised this position on WWF's website and contracted Ms. Tran Thi Phan for the assignment from 15th December 2016 to 25 January2017. CarBi staff accompanied Ms. Phan to work with relevant PFES partners such as provincial PFES officer, FPD, Sub-FPD in A Luoi and Nam Dong districts, commune authorities, and local forest owners of PFES area at A Roang commune, A Luoi district, TT Hue.

CarBi also organized a provincial workshop on the 01st July 2016 in Quang Nam for both provinces of Thua Thien Hue and Quang Nam for getting feedback on the draft PFES Technical Guideline report outline, issues and findings from relevant agencies, and local forest owners in Thua Thien Hue and Quang Nam. The validation meetings were conducted in Thua Thien Hue (16 November’16), and Quang Nam (18 November’16) with PFES experts and key stakeholders for finalizing the PFES outline and a second draft of PFES technical guidelines. The Management Board of the FPDFs requested that this guideline should focus on the forest owners instead of PFES implementers as originally planned as there are already some available technical guidelines for PFES implementers provided by VNFF and iPFES (Improving PFES) projects which was implemented in Lao Cai and Lam Dong provinces. The iPFES project provided VNFF a technical guideline for PFES staff in November 2016. Based on these changes, the consultant and CarBi’s PFES staff continued to work with the Management Boards of Thua Thien Hue and Quang Nam FPDFs for getting their comments on the revised TOR, updated report outline and final draft of the PFES technical guideline for local forest owners. The final report in Vietnamese was approved by Thua Thien Hue PFDF, and is being reviewed by Quang Nam FPDF. Thua Thien Hue FPDF agreed that they will promulgate this guideline for application in Thua Thien Hue while the final draft in English was submitted to CarBi and other PFES Experts for finalization.

**Challenges and solutions**

The iPFES which operated in Lao Cai and Lam Dong provinces, provided VNFF with a technical guideline for PFES staff at the provincial and district levels, based on their findings applicable for those areas, and VNFF shared these for consideration to all provincial FPDFs in November 2016.

VNFF should conduct more frequent meeting for the regular communication of PFES progress/results rather than every six months, which will ensure timeous dissemination of important PFES information to provinces participating in the PFES programme.

## Intermediate result 5.13

*By the end of 2016, a benefit sharing mechanism is developed and then applied by Thua Thien Hue Forest Protection and Development Fund.*

**Progress**

The consultant and CarBi’s PFES staff worked with the Management Boards of Thua Thien and Quang Nam FPDFs to get their input and comments on the draft PFES benefit sharing mechanism proposals in each province, and subsequently organized four separate validation meetings in Thua Thien Hue and Quang Nam provinces with participation from PFES experts, FPDF, FPD and local forest owners for finalizing the report on a benefit sharing mechanism for each province. The consultant revised the first and second draft reports based on the comments received in the validation meetings and extensive comments from the CarBi team, after which the consultant is conducting the third round revision before we will seek final approval from the FPDFs.

**Challenges and solutions**

We planned to complete this task in this reporting period, but the reports have not been ratified by the provincial FPDFs while the revised Decree 99 was still being considered before final approval in November 2016.

The Government approved Decree No.147/2016/ND-CP dated on the 02nd November 2016 to update and to revise Decree 99 on PFES. CarBi will continue to engage the provincial FPDFs to get the final approval on the benefit sharing mechanism in Quang Nam and Thua Thien Hue provinces in the next quarter.

## Intermediate result 5.14

*By September 2017, a National PFES M&E framework is developed and is piloted in Thua Thien Hue and Quang Nam provinces to enhance PFES implementation.*

**Progress**

CarBi’s PFES and WWF Vietnam staff worked with the dedicated ADB officials to discuss a revised budget and required supporting documents before getting approval from their procurement specialist. The PFES M&E activities will be now be implemented from January – September 2017 to enhance PFES implementation in Thua Thien Hue and Quang Nam. CarBi’s PFES staff has also worked closely with VNFF and other PFES M&E projects managed by Local NGOs (Pannature and Corenarm) for the finalizing of the PFES M&E framework Indicators based on the initial list of 44 indicators proposed by Dr. Nguyen Manh Ha funded by ADB.

CarBi’s PFES staff also attended two meetings with VNFF, Pannature, Corenarm, and staff of provincial FPDFs to discuss the PFES’s indicators, proposed PFES M&E framework, as well as planning a field plan for testing the final draft of the proposed PFES’s indicators. The parties have eventually agreed on 22 indicators for testing in four selected provinces, including the two provinces in the CarBi domain. CarBi is coordinating with the provincial FPDFs of Thua Thien Hue and Quang Nam provinces to organize a provincial workshop in February 2017 to finalize the proposed PFES M&E tools for piloting.

**Challenges and solutions**

Although we planned to organize two workshops on the launching of the ADB supported PFES M&E project in Thua Thien Hue and Quang Nam provinces, it was decided and agreed upon that CarBi should postpone these activities to the next quarter due to the pending final confirmation on additional budget requirements from the ADB. ADB subsequently approved this extension for the period from January – September 2017.