



USAID Supports Vietnam's Transition to Climate-resilient, Low-emission Sustainable Development



The Story

Vietnam is highly vulnerable to the adverse effects of climate change. It lies within the tropical cyclone belt and contains more than 2,000 miles of coastline, much of which rests just above sea level. The coastal areas, which are vulnerable to rising sea levels and increased storm risks, are where Vietnam's large population centers and key agricultural sectors are located. Increasing temperatures and worsening droughts and floods threaten food security, livelihoods and lives. These factors pose significant long-term challenges to Vietnam's sustainability and development goals.

To adapt to climate change, the Government of Vietnam has been proactive in advancing disaster risk reduction and climate change policy. It has identified the water, agriculture, marine and coastal systems as most sensitive, and prioritized a need for action in the Mekong and Red River deltas. In December 2011, the prime minister ratified the "National Climate Change Strategy" and in October 2012, a National Action Plan on Climate Change reaffirmed the importance of

Key Findings. VFD has provided substantial support to improve forest management and this work has been effective to highly effective. This work has included important contributions to Vietnam's PFES program in the areas of national policy development and for operational improvements in forest management in Thanh Hoa and Nghe An provinces. These programs are effectively collecting large sums of money from water users and returning it to communities to support improved forest management.

VFD's work with the World Bank's Forest Carbon Partnership Fund has resulted in the release of \$650,000 for the development of Vietnam's Reducing Emissions from Deforestation and Forest Degradation (REDD+) program. This work is helping to build a foundation for better forest management and has the potential to generate significant income from carbon sequestration.

VFD has made a successful contribution to helping local communities increase their resilience to climate change in the delta provinces of Nam Dinh and Long An. This work has included community-level disaster preparedness planning and the review and strengthening of Early Warning Systems.

Accomplishments have included disaster risk assessments completed for 32 communes; approvals to upgrade disaster early warning systems in 10 communes; 19 safe-school assessments; and provision of 18 equipment sets to communal emergency response teams.

adaptation and gave added emphasis to reducing greenhouse gas emissions as part of a green growth strategy.

To mitigate climate change, and to improve the management of forest carbon, Vietnam has implemented two innovative approaches to conserving and restoring forests. Currently, 37 provinces have established provincial Forest Development and Protection Funds to implement the national Payments for Forest Environmental Services (PFES) program. Under this program, downstream hydropower producers, municipal water users and ecotourism operators pay for upstream forest protection and restoration. PFES water user payments totaled nearly \$70 million in 2014. Vietnam is also a global leader in promoting the Reducing Emissions from Deforestation and Forest Degradation and enhanced carbon stocks (REDD+) program, with pilot efforts underway in a number of provinces.

HOW USAID IS HELPING

USAID Partners with the GVN and NGOs to accelerate Vietnam's transition to climate-resilient, low-emission sustainable development.

The United States Agency for International Development (USAID) awarded the Vietnam Forests and Deltas (VFD) program to Winrock International (Winrock) as a cooperative agreement on September 25, 2012. The cooperative agreement began in late 2012 and runs through 2017. Total approved life-of-project funding is \$26.5 million. Winrock implements VFD through sub-awards with the American Red Cross (ARC), the Center for Sustainable Rural Development (SRD), SNV–Netherlands Development Organization (SNV) and the Vietnam Red Cross (VNRC).

VFD's goal is to accelerate Vietnam's transition to climate-resilient, low-emission sustainable development. The program assists the Government of Vietnam (GVN) to implement recently enacted national policies and legislation on climate change adaptation and green growth at the provincial and local levels. VFD focuses on adaptation activity in two coastal delta provinces and on sustainable landscapes/mitigation activity in two upland forest provinces.

VFD has three main areas of activity: 1) sustainable landscapes; 2) climate change adaptation; and 3) coordination and national policy support, which was recently added at the GVN's request. VFD also features crosscutting themes on livelihood support, gender integration and institutional capacity building.

Select VFD Results

- Support provided to revise Vietnam's PFES Policy, and for the development of a PFES payment non-compliance policy
- Support for development of Vietnam's Reducing Emissions from Deforestation and Forest Degradation (REDD+) program, including work that resulted in the release of \$650,000 in program support funds
- Improved management of the Pu Hoat Nature Reserve, including development of a biodiversity monitoring system
- Support for the development of the Thanh Hoa Green Growth Action Plan
- 14 Community-based Disaster Risk Assessments completed
- 18 safe school assessments completed
- 12 small scale mitigation projects approved and funded
- 6 NGOs with increased capacity, including in the areas of financial management and improved governance
- 29,000 persons trained in climate change-related topics

SIGNIFICANT ACHIEVEMENTS

In the key areas of sustainable landscapes and adaptation, where a majority of VFD's effort has focused, work has been effective — sometimes highly so. Some of VFD's achievements are particularly impressive considering the program has been implementing activities for only 18 months.

Sustainable Landscapes Component

VFD has provided extensive support for Vietnam's Payment for Forest Ecosystem Services (PFES) program. At the central level, VFD supported the revision of PFES Decree 90 (PFES enabling legislation) and supported the development of Decree 40, which tightens regulations for ecosystem users who are non-compliant in their payments. Decree 40 will help to increase overall PFES revenue. In Thanh Hoa and Nghe An, VFD helped to accelerate completion of PFES documents and revenue distribution to forest owners. In Nghe An, VFD helped to improve the management and transparency of the revenue distribution system.

VFD has worked with the World Bank's Forest Carbon Partnership Fund (FCPF) to develop the Northern Central Emission Reduction Program Idea Note (ER-PIN). The approval of the PIN resulted in the release of \$650,000 for the development of Vietnam's Reducing Emissions from Deforestation and Forest Degradation (REDD+) program. FCPF expressed appreciation for VFD's support and acknowledged this as VFD's most significant REDD+ contribution. In addition, VFD is supporting the development of two feasibility studies that will contribute to the development of REDD+ action plans in Thanh Hoa and Nghe An.

Together with the USAID/LEAD program, VFD assisted in the development of the Thanh Hoa Green Grow Action Plan (GGAP). VFD also assisted in the development of a provincial bamboo sector strategy in Thanh Hoa, which has the potential to increase income for up to a million small-scale producers. Provincial GVN agencies found the assistance provided by VFD to have been effective and helpful.

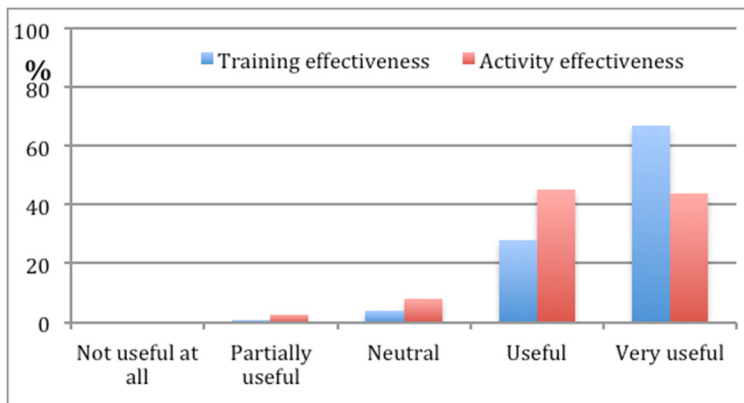
Adaptation Component

VFD has made significant contributions to helping local communities increase the resilience of people, places and livelihoods in delta areas. Results were achieved through implementing community-based disaster risk assessments, school-based disaster preparedness activities, enhancement of emergency response (PEER) organizations, and assessing and upgrading effective early warning systems (EWS). VFD plans to implement these activities in 60 communes in Nam Dinh and Long An. All of VFD's activities in this component directly support the GVN's natural disaster risk management program (Prime Minister's program 1002).



Vietnam Red Cross CADRE Team conducts a disaster response simulation exercise. Credit: Richard Nyberg, USAID/Vietnam

VFD has been successful in building local system capacity in disaster risk management. VFD training courses have provided community members with practical knowledge and skills, which they were able to apply in conducting disaster risk assessments, and in planning for improved disaster preparedness and response. In addition, VFD has funded small projects to address immediate disaster risk management needs (preparedness, response and mitigation). Local community leaders are highly appreciative of the support provided by VFD – especially given the limited local funds available to support such activities.



VFD’s disaster risk mitigation training has been highly effective. Of 121 community members surveyed, 115 people (95 percent) thought that VFD-assisted training and meetings were useful or very useful. Among the 73 people who were surveyed, 59 (80 percent) applied what they learned from the training in field practice, indicating its practical usefulness.

Livelihood Promotion

VFD has initiated a number of livelihood demonstration models designed to increase income from agricultural activity and reduce emissions, including for smart rice cultivation, maize growing along contour lines, and native chicken raising using earthworms. The evaluation, however, concluded that it is unlikely that VFD’s livelihood models will achieve significant impact by the completion of the project, although some of the demonstration models may succeed as demos. This conclusion is based on the following: 1) VFD’s models are being implemented on an extremely small scale; 2) the models have experienced mixed performance to date; 3) there is a lack of realistic plans to support the activities beyond the life of VFD; and 4) the models are not supported by realistic scaling plans. VFD does not have clear livelihood strategies or clear government support for its existing approach, and it is late in the project cycle to introduce new activities.

Crosscutting Objectives

VFD supports crosscutting activities in the areas of NGO institutional capacity building, gender integration into climate change programming, and for building knowledge and political awareness for climate change action.

Capacity Building for Local NGOs: VFD’s support to Vietnamese NGOs has included training and conducting organizational capacity assessments, followed by coaching and mentoring. The organizational development activities targeted toward six focus NGOs has been effective, particularly for improving skills related to USAID financial management requirements. Because of VFD assistance, at least one NGO has strengthened its governance structure.

Gender Integration: VFD integrates gender concerns into all project activities. For example, VFD has provided workshops to women in PFES districts to ensure they have knowledge of PFES and opportunities to participate in how benefit funds are used. Though training outputs are clear, a more focused assessment will be needed to evaluate the overall outcomes of training on gender integration.

Raising Awareness and Building Political Commitment: VFD has provided a large number of training workshops to GVN officials at the provincial and district levels to increase climate change knowledge and build a

constituency for action. The training courses and workshops for GVN officials were useful for building general climate change knowledge. However, participant selection focused on providing broad coverage for a large number of people, as opposed to aligning content to participants' specific needs and existing knowledge.

Under a new initiative, VFD is exploring the possibility of working with the Ho Chi Minh Academy to develop a curriculum for climate change training for government officials. This approach offers promise in terms of being an effective and sustainable way to reach a large number of government officials.



VFD supports the cultivation of climate-resilient rice in Nam Dinh and Long An provinces.

CRITICAL CHALLENGES GOING FORWARD

One of the program's most critical challenges is to improve coordination and alignment between VFD and government partners, and particularly with the Ministry of Agriculture's Central and Provincial Project Management Units. VFD operates under two parallel management structures: one is under USAID regulations with Winrock as prime contractor, and the other is under GVN regulations to manage VFD as an ODA project with the Ministry and Agriculture and Rural Development's CPMU as the official project co-manager. The use of two parallel management structures has led to a lack of clarity between Winrock and the CPMU on VFD's strategic priorities, implementation mechanisms, and on planning and coordination.

On the mitigation side, VFD has met with early success in its support of effective government forestry initiatives. However, the program could increase its effectiveness if it improves its focus and deepens its support for critical programs, including for PFES operations. Work is also needed to develop a system to monitor whether PFES is leading to improved forest management.

On the adaptation side, there remain challenges in the process of integrating disaster preparedness and climate change adaptation into local social and economic development plans. Currently, there are no government guidelines for the process, and local authorities do not have the funds to implement many of the recommendations made by the assessments.

Key Recommendations

To increase effectiveness, VFD should build on its success and concentrate its activities to achieve greater impact. This will require a refocus of VFD's strategy on the achievement of fewer priority outcomes. VFD's impact will likely increase if it takes the following actions: places less emphasis on general widely offered short-term training; conducts consultancy assignments only when there is a clear counterpart need and substantial counterpart engagement; and, if it can provide deeper and longer-term technical support to a few select programs and institutions. For example, VFD could expand successful PFES work to a greater number of districts, or more comprehensively address the Pu Hoat Nature Reserve's management needs. As part of a strategy to achieve specific outcomes, VFD could ensure that when providing training it covers all workforce members who may benefit, and that they are provided the tools they need to apply the skills they have acquired. VFD should prioritize its key outcomes and supporting activities as per potential emissions reductions, and in consideration of the role of other donors.

VFD should increase its support for forestry sector programs, especially for PFES, and for disaster risk reduction. VFD should drop or curtail activities that are not likely to achieve measurable impact within the life of the project.

The evaluation recommends that VFD curtail the introduction of new small-scale livelihood models. Effort in this sector should focus on reviewing GVN priorities and exploring opportunities to support existing promising initiatives. Existing and planned VFD livelihood activities should continue only if they specify significant expected impact, and contain post-VFD support plans. VFD has only about 18 months of implementation before it must begin initiating a phase-out process; this makes it unlikely that the introduction of new livelihood activities can be effective and sustained. VFD's work with climate smart rice in Long An enjoys government support and should be considered for expansion.

VFD's institutional strengthening efforts with government partners will benefit from clearer institutional development objectives and more in-depth engagement.

VFD supports a wide array of institutions and programs, and achievements in several key areas have been impressive. The program has an opportunity to use the experience gained to date to sharpen its focus within its areas of success, and further improve the program's effectiveness.

LESSONS LEARNED

- In Vietnam, rural development success requires close coordination and integration with government programs. Aligning USAID and GVN interests, and developing effective coordination structures, requires a detailed and lengthy program design process.
- To increase development impact, USAID should focus activity objectives on a limited set of high priority outcomes so as not to dilute the efforts of its work.
- To enable better management and oversight of activities, activity M&E systems should focus on the achievement of key program outcomes. This includes using clear objective and intermediate performance measures and producing routine narrative descriptions of progress, including a review of key linkages in the activity's results framework.
- USAID managers should maintain a close engagement with implementing partners and government counterparts to monitor program progress and relationships. This should include active collaboration with the GVN by USAID, including interactions with and without implementing partners. If aspects of a program are of concern, "snap-shot" independent assessments may help to provide information useful to adjust strategies or address management issues.
- For programs that are designed to support the implementation of government policy, USAID implementing partner M&E systems should overlap with government systems. This will help to facilitate effective coordination and performance monitoring.

