



DEPARTMENT OF FORESTRY

Implementation Plan

**on production forest establishment project
in Nui Thanh District, Quang Nam Province**

Book 9-2: IP Quang Nam

THE DEVELOPMENT STUDY ON CAPACITY BUILDING
FOR PREPARING FEASIBILITY STUDIES AND IMPLEMENTATION PLANS
FOR AFFORESTATION PROJECTS IN THE SOCIALIST REPUBLIC OF VIETNAM
---FICAB---

Preface

“Implementation Plan on production forest establishment project in Nui Thanh District, Quang Nam Province (Book 9-2: IP Quang Nam)” is part of the training package prepared under the development study on capacity building for preparing feasibility studies (F/S) and implementation plans (IP) for afforestation projects in the Socialist Republic of Vietnam (hereafter referred to as “FICAB”).

The immediate objective of FICAB is to strengthen capacities for the preparation of afforestation projects through practical On-the-Job-Training (OJT), seminars and workshops. Five provinces have been selected as targeted provinces for FICAB (Thai Nguyen, Son La, Quang Nam, Lam Dong and Long An Provinces).

FICAB was divided into two phases. Phase I was to prepare Model F/S and IP as well as other training materials in Thai Nguyen, a Core Province (CoP). The second phase was to implement technical training for staff members of four other provinces as Participating Provinces (PPs), i.e. Son La, Quang Nam, Lam Dong, and Long An Provinces. The training was implemented using Model F/S, IP and other training materials.

Through conducting FICAB, four forms of output are to be generated. The first is an enhanced capacity for MARD personnel. Selected staff members of MARD develop administrative and coordination capacity for supervising the quality of F/S and IP. The second is an enhanced capacity for CoP and PPs personnel. Selected staff members of CoP and PPs enhance the capacity for preparing F/Ss and IPs. The third is the development of a monitoring and evaluation method for the technical training for preparation of F/S and IP. The fourth is the development of a training package for conducting the technical training for preparing F/S and IP for afforestation projects.

The training package is prepared as one of the four above forms of output of the FICAB. The entire training package comprises the following nine (9) books:

Book 1: Training plan

Book 2: Manual for preparation of feasibility study reports for production forest / agroforestry development projects in Vietnam

Book 3: Manual for preparation of implementation plans for production forest / agroforestry development projects in Vietnam

Book 4: Model F/S of Thai Nguyen Province

Book 5: Model IP of Thai Nguyen Province

Book 6: Monitoring and evaluation report on technical training of PPs

Book 7: Market trend reference book on wood-based and agroforestry products

Book 8: F/S reports of Son La, Quang Nam, Lam Dong and Long An Provinces

Book 9: IPs of Son La, Quang Nam, Lam Dong and Long An Provinces

‘Book 9-2’ was prepared by the Provincial Study Team of Quang Nam Province under the guidance of local consultant engineers.

TABLE OF CONTENTS

Preface	i
TABLE OF CONTENTS	ii
ABBREVIATION	v
Summary	vii
INTRODUCTION	1
PART I PROJECT SUMMARY	2
1. Geographical location and area	3
<i>1.1 Location</i>	3
<i>1.2 Area</i>	3
2 Project objectives	3
<i>2.1 Overall objective</i>	3
<i>2.2 Immediate objectives</i>	3
<i>2.3 Objective of the assistance period</i>	3
<i>2.4 Project outputs</i>	3
3. Project components	4
<i>3.1 Project components</i>	4
<i>3.2 Main activity plan</i>	4
4. Project cost	4
5. Project Design matrix (PDM)	5
PART II PROJECT IMPLEMENTATION PLAN	7
CHAPTER I. ORGANIZATION	8
1. Organizational arrangement	8
<i>1.1 Organizational structure</i>	8
<i>1.2 Organizational structure for project implementation</i>	9
<i>1.3 Human resource</i>	9
2. Role and responsibility of the concerned stakeholders	10
<i>2.1 Management group</i>	10
<i>2.2 Implementation group</i>	11

2.3 Supporting group.....	13
CHAPTER II. PROJECT IMPLEMENTATION SCHEDULE	14
1. Overall project implementation schedule.....	14
2. Preparation period	14
3. Operational period.....	16
CHAPTER III. FINANCE MANAGEMENT	19
1. Finance sources	19
2. Conditions of loan	19
3. Project Finance Flow	19
3.1 <i>Production afforestation</i>	19
3.2 <i>Project Management</i>	21
CHAPTER IV. PROCUREMENT	24
1. Procurement plan	24
2. Procurement flow by the process of approval.....	24
2.1 <i>Procurement of goods</i>	24
2.2 <i>Services and consultancy</i>	24
CHAPTER V. SALES AND MARKETING.....	29
1. Overview of conditions for sales and marketing	29
1.1 <i>Supply and demand of forest products</i>	29
1.2 <i>Price and transport cost of forest products</i>	29
1.3 <i>Target markets</i>	29
2. The flow of sales and marketing.....	29
2.1 <i>Identification of stakeholders</i>	29
2.2 <i>Consideration of what to be done</i>	30
2.3 <i>The flow of sales and marketing</i>	30
CHAPTER VI. TRAINING PLAN.....	32
1. Training plan for PMB, district extension staff and PIU	32
2. Training plan for farmer households involving in the project	32
3. Plan and time for training.....	33
CHAPTER VII. MONITORING AND EVALUATION	35

1. Monitoring	35
2. Evaluation	36
CHAPTER VIII. CONSTRAINTS AND RISKS OF THE PROJECT.....	40
1. Slow issuing of Land Use Certificate (LUC).....	40
2. Risks of forest-fires	40
3. Forests affected by typhoons.....	40
4. Risks of epidemic.....	40
ANNEX.....	41
Annex 01: Overall plan in the assistance period of the project	42
Annex 02: Annual Planting Plan.....	46
Annex 03: Silvicultural guidance.....	54
Annex 04: Terms of References for Consultants	56
Annex 05: Sample of documents for preparation of implementation plan	58

ABBREVIATION

5MHRP	Five Million Hectare Reforestation Programme
ASEAN	Association of Southeast Asian Nations
CoP	Core Province
CCM	Communal Consultation Meeting
CPC	Commune People's Committee
DPC	District People's Committee
PPC	Province People's Committee
DARD	Provincial Department of Agriculture and Rural Development
DoF	Department of Forestry
DPI	Department of Planning and Investment
EIRR	Economic Internal Rate of Return
FAO	Food and Agriculture Organization of the United Nations
FICAB	The Development Study on Capacity Building for Preparing Feasibility Studies and Implementation Plans for Afforestation Projects in the Socialist Republic of Vietnam
F/S	Feasibility Study
FIPI	Forest Inventory and Planning Institute
FIRR	Financial Internal Rate of Return
FSDP	Forest Sector Development Program
GOV	Government of Vietnam
HH(s)	Household(s)
IP	Implementation Plan
JICA	Japan International Cooperation Agency
JST	JICA Study Team
LUR	Land Use Right
LUC	Land Use Right Certificate
MARD	Ministry of Agriculture and Rural Development
MPI	Ministry of Planning and Investment
NPV	Net Present Value
PAM	WFP's Programme Alimentaire Mondial
PC	People's Committee
PFD	Production Forest Development
PFEP	Production Forest Establishment Project
PIP	Project Implementation Plan
PIU	Project Implementation Unit
PMB	Project Management Board
PMME	Project Management, Monitoring and Evaluation
PA	Project Area
PPs	Participating Provinces
PST	Provincial Study Team
RRA	Rapid Rural Appraisal
SFE	State Forest Enterprise
SFFD	Support for Production Forest Development
SOE	State of Environment
Sub-DoF	Sub-Department of Forestry at province level
VBARD	Vietnam Bank for Agriculture and Rural Development
VBSP	Vietnam Bank for Social Policies
VDB	Viet Nam Development Bank
WTO	World Trade Organization

Summary

Part I Project summary

In this part, in order to clarify contents of the project which is targeted at implementation planning, among the content of F/S report, project location and area, project objectives, project outputs, project components, main activity plan and project cost are summarized, and PDM which shows the project framework, is attached.

Part II Project Implementation Plan

1 Organization

The organizational structure is formulated from province to commune levels. Staff is taken from government organizations. The key staff is from PMB and are qualified enough to flexibly coordinate the project activities with high effectiveness. The PMB of 661 programme of Nui Thanh district will be assigned to manage, implement the production afforestation project in the 5 project communes. 5 PIUs will be established in 5 communes.

Management group consists of (i) Quang Nam province PC, (ii) DARD – Sub-DoF of Quang Nam province, (iv) Nui Thanh district PC, and (v) Commune PCs. Implementation group consists of (i) PMB, (ii) PIU and (iii) households and group of households. Supporting group consists of (i) Province Agriculture Bank, (ii) District Agriculture Bank, and (iii) District Consultancy and Extension Center.

2 Project implementation schedule

The time of the preparation period is from 1st year to 5th year. Annual activities prepared for afforestation include forest land allocation, technical training, loan procedures and formation of farmers' groups. Activities directly relating to afforestation will be deployed in the field from 2nd year to 5th year. The project should be deployed simultaneously in 5 communes. In the 1st year, priority for implementation is given to the areas, which have favorable conditions such as closing to the main roads and commune centers. Land allocation is planned annually based on planting plan and harvesting plan in order to ensure the stable wood material sources for the markets.

3 Finance management

To implement the afforestation project for wood production in five communes of Nui Thanh district, the finance sources are mobilized from (i) Agriculture Bank, (ii) framers' own fund and (iii) government budget. Total project cost is VND 7.2 billion, of which farmers' own fund, bank fund and government budget account for 36.3%, 53.7% and 10.0% respectively. Household who manages land less than 3.5 ha can borrow up to VND 20 million/household with collateral. Household who manages land more than 3.5 ha can borrow more than VND 20 million/household with collateral.

The project management finance flow is taken from the province budget (may be part of it is taken from Nui Thanh district) through the functional organizations such as Department of Finance and District Treasury to the PMB, PIU.

4 Procurement

In the project, the purchased goods are seedlings and fertilizers for afforestation, office equipment such as table/chairs and materials for training. The procurement of goods and contract must follow the Bidding Law 61/2005/QH11 issued on 29 September 2005 and Decree 111/2006/ND-CP dated 29 September 2006.

5 Sales and marketing

In Quang Nam province, there exists a great demand for wood materials for processing, construction and wood furniture, as well as the demands of chip that is increasing day by day. Within the project area, the price of Acacia and Eucalyptus is between 550,000 and 600,000 VND/ton in 2006 and the price is increasing. Transport cost, in average, is 1,500 VND/ton/km. Some of processing mills are located in Quang Nam province. Six (6) stakeholders are identified namely: small holders, PFA, PIU, PMB, Intermediate agent and Timber users in Quang Nam province. There are 2 periods relating to sales and marketing. Period 1 relates to the collection of market information on buying and selling wood materials. In period two, field survey is implemented and negotiation of contract for selling and buying as well as harvest and payment is carried out. PMB is responsible for the achievement of the project objectives and shares the information on the market conditions among the stakeholders.

6 Training plan

PMB, extension and PIU staff have to implement different tasks in the field including explanation of the credit system, evaluation of land, supporting the establishment of farmer household groups and extension of the afforestation techniques. Therefore, it is necessary to open 2 times of one-day training course on skills of communication, dissemination, transferring of techniques of planting, tending and protection of plantation, skills of collection of market information. Training for farmer households is very necessary to ensure high effectiveness of pushing up the development of economy in the project area through the diversification of production.

7 Monitoring and evaluation

The monitoring is aiming at the supervision of the project implementation progress for timely amendment of plan. The PMB is responsible for general supervision, and day-to-day monitoring is the responsibility of extension staff of PIU. The coordinator and technical staff supporting the PMB will implement the field examination periodically for the cross-examination of the project implementation and prepare the progress report.

Evaluation is aiming at raising proposals for project implementation in the future and withdrawal of lessons learnt. The evaluation will be implemented during or after the assistance period based on the results, particularly the levels of the achievement of assistance objective, project objective and overall objective. An evaluation group is set up consisting of people from Nui Thanh district Agriculture Bank, Treasury and DARD/Sub-DoF of Quang Nam.

INTRODUCTION

This report is a model for application within the territory of Quang Nam province, Vietnam. Quang Nam PST prepares this report with the assistance from FIPI technical staff Vietnam from 10/2006 to 10/2007 in Nui Thanh district, Quang Nam province.

The feasibility study (report) and the implementation plan is part of the development study on capacity building for preparing feasibility study, which is agreed by the GOV of the Socialist Republic of Vietnam and Japan International Cooperation Agency in December 2004.

The objective of the project is to develop production forest in five communes namely Tam My Dong, Tam My Tay, Tam Tra, Tam Son and Tam Thanh, Nui Thanh district, Quang Nam province.

The tree species selected for the project are A.mangium and A.hybrid.

The overall outputs of the project consist of:

- The 661 programme Management Board is assigned by Nui Than District People's Committee to implement the project.
- Forest land is used properly and effectively, the livelihood of local people is improved through the selling of wood materials to users
- The finance for afforestation is provided in the form of credit loan by Nui Thanh Agriculture Bank and GOV budget through Project Management Board

During the preparation period, Quang Nam PST was supported by FIPI staff for formulation of F/S and IP reports.

PART I PROJECT SUMMARY

1. Geographical location and area

1.1 Location

The location of project is in the west of Nui Thanh district, consisting of five communes namely Tam My Dong, Tam My Tay, Tam Son, Tam Tra, and Tam Thanh. Total area of these five communes is 28,364.7 ha. The center of the project area is 15 km away from National Highway No. 1, and 20 km from Chu Lai Open Economic Park, and 40 km from the timber-processing mill and is closed to the seaports of Ky Ha, Dung Quoc, Quang Ngai province.

1.2 Area

Natural land area of the project area is 28,364.7 ha, agriculture land accounts for 95%, non-agriculture land 2%, other land 3%. The area of land is shown in Table 1.

Table 01: Land use in five project communes

No.	Land types	Total (ha)	Administrative unit				
			TM Dong	TM Tay	T Son	T Thanh	T Tra
	Total	28,364.7	1,902.9	5,330.5	5,527.7	5,420.7	10,182.9
1	Agriculture land	26,923.0	1,647.5	5,050.0	5,174.2	4,968.0	10,082.3
<i>1.1</i>	<i>Agriculture land</i>	<i>5,178.9</i>	<i>549.7</i>	<i>1,002.0</i>	<i>638.6</i>	<i>2,416.2</i>	<i>572.4</i>
<i>1.2</i>	<i>Forest land</i>	<i>21,744.1</i>	<i>1,097.8</i>	<i>4,049.0</i>	<i>4,535.6</i>	<i>2,551.8</i>	<i>9,509.9</i>
-	Forested land	19,949.9	1,097.8	3,978.0	3,797.9	2,503.6	8,572.6
-	Non-forested land	1,794.2		71.0	737.7	48.2	937.3
2	Non-agriculture land	518.1	113.8	110.4	87.9	155.4	50.6
3	Unused land	923.6	141.6	169.1	265.6	297.3	50.0

(Source: Field survey - 2006)

2. Project objectives

2.1 Overall objective

The project contributes the development of household economy through production afforestation activity in five communes of Nui Thanh district.

2.2 Immediate objectives

Improvement of production afforestation in 5 communes of Nui Thanh district Quang Nam province

2.3 Objective of the assistance period

Objective of the assistance period is to plant 1,844 ha of intensive forest of which A.mangium accounts for 1,078.8 ha, A.hybrid 765.2 ha.

2.4 Project outputs

(1) Setting up 1.844 ha of intensive forest plantation

(2) The 661 programme management board of Nui Thanh district is assigned to implement this project

3. Project components

3.1 Project components

Two components:

(1) Production afforestation

- 1-1 Credit loan mechanism between Agriculture bank and farmers is established in 2007.
- 1-2 From 2008, households involving in the project will get loans for afforestation.
- 1-3 Farmer group is established in 2007.
- 1-4 During 2007-2013, 31 training courses are organized for farmer households, extension staff and village leaders.
- 1-5 As of 2013, 1844 ha of forest planted.
- 1-6 Plan for harvest and sales is completed in 2013.

(2) Management, monitoring and evaluation

3.2 Main activity plan

Main project activities are described in the table below:

Table 02: Plantation plan in five project communes, Nui Thanh district

No.	Species	Total (ha)	Planting year			
			2008	2009	2010	2011
	Total	1,844.0	290.0	484.5	536.4	533.1
1	A.hybrid	765.2	101.2	186.7	183.2	294.1
2	A.mangium	1,078.8	188.8	297.8	353.2	239.0

Table 03: Area and production for annual harvest

No.	Species	Unit	Total	Year			
				2015	2106	2017	2018
	Area	ha	1,844.0	290.0	484.5	536.4	533.1
	Production	m ³	180,670	27,922	47,044	51,886	53,818

4. Project cost

Project cost is calculated for seven-year period (2007-2013). Total project cost is VND 27.2 billion including physical and price contingency. Project cost by components is shown in Table 04:

Table 04: Project costs by finance source

No	Items	Total (Million)	Rate (%)	Finance source		
				Bank	GOV	Farmer
1	Production afforestation	19,213.3	93.2	11,064.0	663.8	7,485.5
2	Management, monitoring and evaluation	1,394.1	6.8		1,394.1	
A	Total baseline cost	20,607.4	75.8	11,064.0	2,057.9	7,485.5
B	Physical contingency	1,030.4	3.8	553.2	102.9	374.3
C	Price contingency	5,564.7	20.5	2,987.7	555.7	2,021.4
	Total (A+B+C)	27,202.5		14,604.9	2,716.5	9,881.2

5. Project Design matrix (PDM)

(1) Project name

Production Afforestation Project in Nui Thanh district, Quang Nam province.

(2) Project area

Five (5) communes of Nui Thanh district namely: Tam My Dong, Tam My Tay, Tam Tra, Tam Thanh, Tam Son.

(3) Beneficiary group

Framer households in the project area involving in the project

(4) Assistance period: 2007 – 2013.

(5) Implementation period: 2007 – 2018.

ITEM	EVALUATION INDICATORS	OUTPUTS	ASSUMPTION
Overall objective Contribution to the development of household economy through production afforestation activity in five project communes of Nui Thanh district.	As of 2018, the turnover from selling wood materials is estimated at VND 60 billion (2006 price) As of 2018, 600 jobs are created in the project area	- Terminated project report - Management reports of timber processing companies in Quang Nam.	Stable market
Immediate objective Improvement of plantation forest management	By 2018, 180,000 m ³ of wood materials created Net income from afforestation for wood material is VND 18 million/ha/year for A.mangium and VND 23 million for A.hybrid	Management reports of mills, project Socio-economic reports Results of field examination Interviewing local people in the project area Data of supervision, evaluation Contract of selling wood materials	Stable market
Objective of the assistance	By 2013, 1,844 ha of	Decision for land allocation	With active

ITEM	EVALUATION INDICATORS	OUTPUTS	ASSUMPTION
<u>period</u>	production forest are established.	is issued by Nui Thanh DPC. Red Books for households Annual project report	participation of local people
<u>Expected results</u> 1. By 2013, an area of 1,844 ha of plantation is planted 2. The 661 programme management board of Nui Thanh district is assigned to implement this project	1-1 Credit loan mechanism between Agriculture bank and farmers is established in 2007. 1-2 From 2008, households involving in the project will get loans for afforestation 1-3 Farmer group is established in 2007. 1-4 During 2007-2013, 31 training courses organized for farmer households, extension staff and village leaders 1-5 As of 2013, an area of 1844 ha of forest planted 1-6 Plan for harvest and sales is completed in 2013; 2-1. The 661 programme management board of Nui Thanh district is assigned to implement this project	Agreement between Quang Nam province PC and the Agriculture Bank Credit loan contract Annual disbursement report of the bank Project implementation report Training report Seedling supply contract Document of quality check upon delivery Project synthetic report Financial report Decision to assign the duty made by Nui Thanh district PC;	With active participation of local people Stable credit loan provision No pests and diseases happening in the area GOV support finance and human sources for land allocation Supported by local authority
<u>Activities</u> 1-1 Establish credit loan mechanism between the Bank and farmers in 2007. 1-2 In 2007, setting up Production Forestry Association 1-3 From 2008, households involving in the project get loans for afforestation 1-4. During 2007-2013, organize 31 training courses for farmer households, extension staff and village leaders 1-5. As of 2013, plant 1844 ha of forest 1-6 In 2013, Set up plan for harvest and sales of wood materials (2) In 2007, Nui Thanh district PC assigns the 661 PMB to implement this project in 5 communes	<u>Inputs</u> (1) Total budget: VND 27.2 billion (excluded cost for land allocation). (2) Afforestation: VND 19,2 billion (3) Management, monitoring and evaluation: VND 1.3 billion (4) Physical contingency: VND 1.7 billion (5) Price contingency: VND 5 billion (6) Labour: 600 labors and staff involving in the project.		<u>Prerequisite</u> Approved by PPC; Sufficient budget for the whole cycle and advantageous in getting loans from the bank Progress of land allocation fit the project implementation progress

PART II PROJECT IMPLEMENTATION PLAN

CHAPTER I. ORGANIZATION

1. Organizational arrangement

1.1 Organizational structure

The organizational structure is formulated from province to commune levels. Staffs are taken from government organizations and they will implement the project concurrently. The key staffs are PMB staffs and they are qualified enough to flexibly coordinate the project activities with high effectiveness. It is not necessary to form a new PMB, but Nui Thanh District People Committee (DPC) will assign additional duty to the existing 661 PMB in order to implement the proposed project. The organizational structure for project implementation is as follows:

- (1) Provincial level: PPC, DARD and Sub-DoF
- (2) District level: DPC and PMB
- (3) Commune level: 5 CPCs

The PMB is under the jurisdiction of Nui Thanh DPC and is supported technically by the district Economic Section, DARD and Sub-DoF. During the conduction of the implementation, it is possible to integrate national programme on finance, human resource to build a complete project. The PMB is not responsible for finance issue as regard credit loan of farmer households involved in the project but is responsible for project management, monitoring, and evaluation of project activities to obtain the expected objectives.

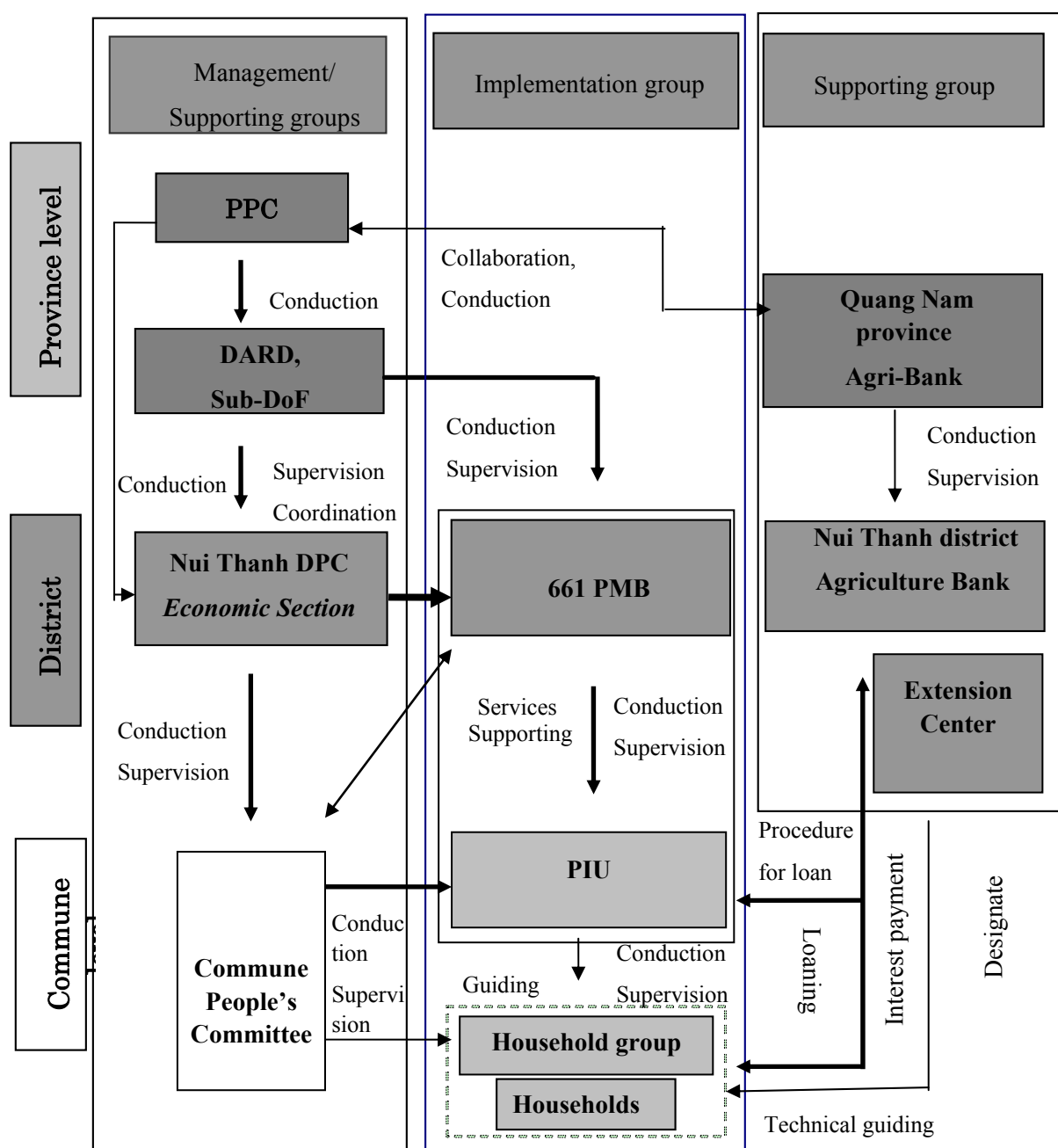
At commune level, the five PIUs will be set up to cover day-to-day field activities.

As for the village level, group of farmer households will be set up to help each other in the implementation of project activities.

The loans of each farmer household will be decided by agriculture bank of Quang Nam province. The procedures for the completion of the loan contract are undertaken by agriculture bank. The finance agency is responsible for the management of the contract and grasping the transaction of cash.

1.2 Organizational structure for project implementation

Figure 1: The Organizational Structure Chart for Project Implementation

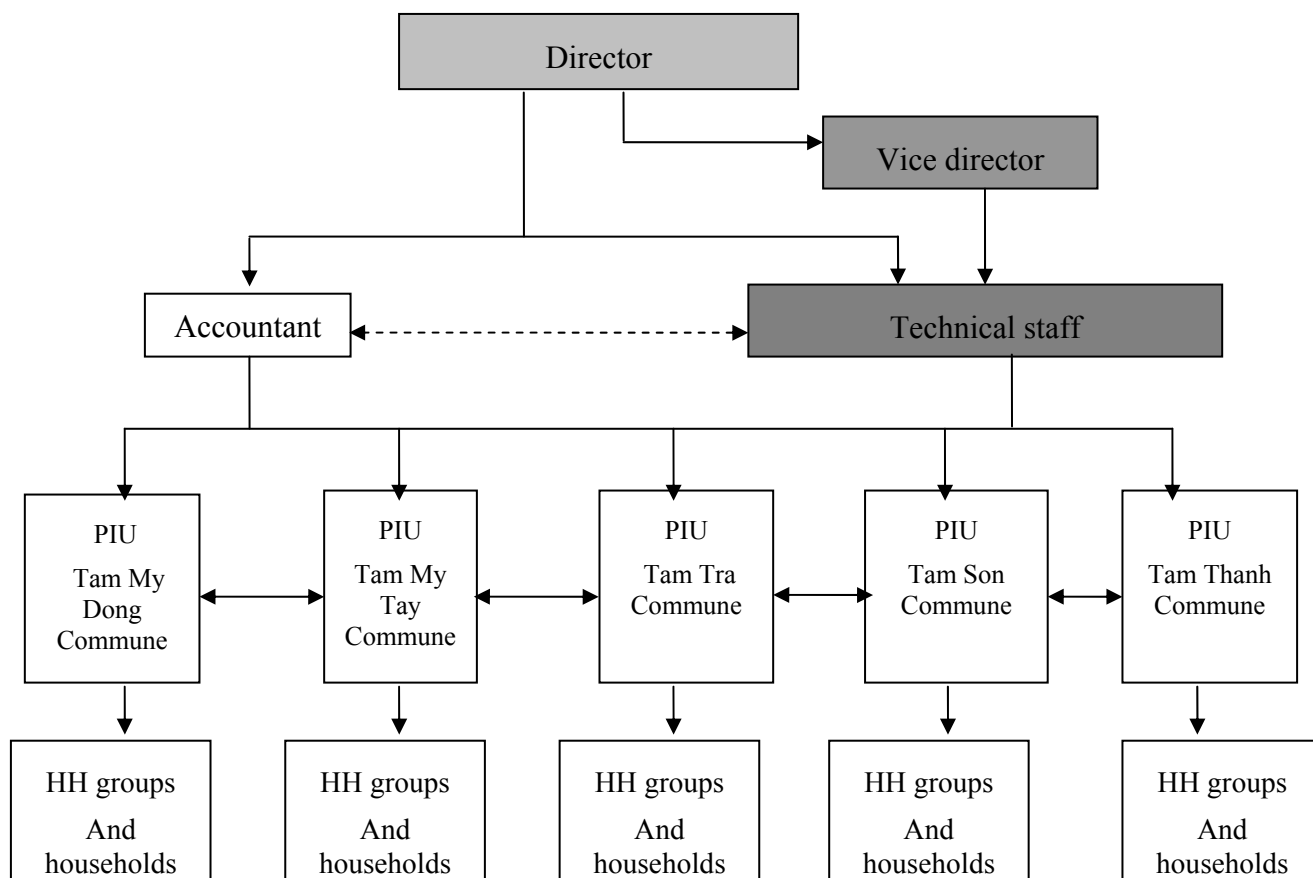


1.3 Human resource

The PMB of 661 programme of Nui Thanh district will be assigned to manage, implement the production afforestation project in the five communes. At present the PMB structure is complete, the vice chairman of DPC is assigned as the director; head of economic section is as vice director, another two staffs from the economic section will be a coordinator and an accountant.

Five PIUs will be established in five communes: Tam My Dong, Tam My Tay, Tam Tra, Tam Son, and Tam Thanh. Member of the PIU will be a commune leader, a cadastral or agro-forestry cadre and the chairman or vice chairman of CPC will be the head of the PIU.

Figure 2: Structural Organization Chart for PMB and PIU



Total 15 staffs are assigned for PMB and PIU of which five staffs are for PMB and 10 staffs are for PIUs.

Table 05: Proposed staffing for the project

PMB				PIU in 5 communes	Total
Director	Vice director	Accountant	Technical staff		
1	1	1	2	10	15

2. Role and responsibility of the concerned stakeholders

2.1 Management group

2.1.1 Quang Nam province PC

- Approval of the project and distribution of project management fee annually

- Conducting DARD to working in connection to Nui Thanh district PC and functional organizations to deal with the supervision and evaluation of project implementation plan
- Conduction of the agriculture bank to set up the credit loan scheme
- Ensuring the connection to concerned organizations and solving what are happening during the implementation of the project
- Monitoring and grasping the process of project implementation, arrangement of human sources and distribution of budget for project management component
- Conduction of Nui Thanh district PC to complete land allocation soonest, issuing land use certificate (LUC) to farmer households in the project area

2.1.2 DARD/Sub-DoF of Quang Nam province

- Provision of information, development strategic orientation for production afforestation as well as technical regulations
- Assigning implementation plan to 661 programs MB of Nui Thanh district.
- Working in connection to Nui Thanh district PC and the functional organizations to conduct the PMB to implement the plan
- Provision of information to the PMB

2.1.3 Nui Thanh district PC

- Solving the administrative procedure relating to the process of project implementation as land allocation and issuing LUC
- Conduction the establishment of the PIUs: Tam My Dong, Tam My Tay, Tam Tra, Tam Thanh and Tam Son.
- Generation of conditions for the PMB as regard finance and human issues for project implementation

2.1.4 Commune PCs

- Setting up the PIU as conducted by DPC
- Supporting in humans, planning for afforestation, tending and protection of plantations, plan for getting loans for project implementation annually
- Working in connection to the PMB to solve problems during the project implementation period
- Monitoring, supervision and evaluation of the implementation of the project annual plan as well as protect termination at the commune level
- The PIU is responsible for supporting farmer households to get loans, planning for afforestation annually, examination and supervision and checking upon delivery of project activities

2.2 Implementation group

2.2.1 PMB

Nui Thanh district PMB:

- Overall responsible for project implementation, management and supervision of the process of project implementation

- Setting up mechanism for coordination and management of the project including PIUs
- Issuing general guidance for project implementation and setting forth realistic objectives
- Consolidation of annual implementation plan and annual budget and finance flow
- Coordination of activities
- Collaboration with the concerned agencies and target stakeholders in the project implementation.
- Supporting the finance institution on silviculture for the appraisal the loans of households involving in the project.
- Provision of market information on wood material for PIUs;
- Supporting the farmers and household groups in the project implementation.
- Consolidation and approval plan for procurement and disbursement of loans;
- Regular supervision of the project progress;
- Provision of supporting services for PIUs including planning for management and doing the consultation on planting, tending and protection of plantation for farmer households involving in the project
- Establishment the system of M & E and ensuring that the system is put into use successfully and reporting the project progress

2.2.2 PIU

- Responsible for supervision at commune level
- Preparation and amendment of annual implementation plan
- Organization of meetings, reporting to the PMB
- Examination of households to evaluate the suitability of potential households and reporting the results pre-site assessment to the PMB
- Supporting to households to complete the loaning application form
- Provision of market information on the price of wood material to farmer households
- Planning and preparing for silvicultural training
- Amendment of annual plan
- Setting up groups of production forest development
- Technical support for preparation of sites for afforestation and planting
- Examination and regular contacting to get to know what are happening at commune and village
- Monitoring and evaluation to supervise project progress, the use of loans and report to the PMB
- Playing the key role of the project at commune level.

2.2.3 Households and group of households

Responsible:

- Selection of planting species among the project-proposed species;
- Buy seedlings from registered standard seed centers;
- Planting, tending, protection of plantations as planned;
- Paying of both principal and interest back to the bank as agreed upon;

Rights:

- Participate in training on planting and silviculture technique
- Borrow money from the bank
- Receive consultation service from forest extension service.
- Decide the harvest and sales of wood material on free market when the plantations are matured and receive all benefit from sale.

2.3 Supporting group

2.3.1. Province Agriculture Bank:

- Construction of credit policy for the district bank
- Supervision of policy and finance sources for the district Bank
- Regulating, arranging finance source for district bank

2.3.2. District Agriculture Bank:

- Deploying as conducted by the higher level
- Arrangement of lending
- Supervision the use of the loans
- Consulting the procedures for getting loans to farmers

2.3.3 District Consultancy and Extension Center

- Formulation of document for afforestation designate
- Technical training as: nursery, planting, tending, protection for farmer households
- Provision of market information: Price of different products, market places, price of seedlings/fertilizers ... to farmers
- Loan appraisal and administration.

CHAPTER II. PROJECT IMPLEMENTATION SCHEDULE

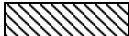
1. Overall project implementation schedule

The assistance period is seven years (2007 to 2013). The overall schedule for different components, related sub-components in the preparation period is summarized in the table below:

Due to the symbolic characteristics of the project area, so the time of the preparation period is from 1st year to 5th year. Annual activities prepared for afforestation include forest land allocation, technical training, loan procedures, and formation of farmers' groups. From 2nd year to 5th year, activities directly relating to afforestation will be deploying in the field.

Table 06: Overall schedule in the assistance period

Calendar Year	2007	2008	2009	2010	2011	2012	2013
Implementation year	1	2	3	4	5	6	7
Components	Preparation period						
	Operational period						
1. Afforestation							
Planting design							
Planting							
Tending							
Protection							
<i>Supporting activities</i>							
Technical training on planting, tending, protection.							
Procedures for getting loans							
Supporting and speeding up the formulation of groups							
2. Project management; Monitoring & Evaluation							

Note:  Preparation period  Operational period

Steps in 2 components (Component 1 - 2) of the project are integrated and implemented in a sequent manner, to implement many duties consistently/harmoniously project staff should identify the annual plans thoroughly and scientifically to implementation of project activities.

The project should be deploying simultaneously in five communes. Priority is given to areas where conditions are favorable as closing to the main roads and commune centers in the initial years. These are initial models for farmers to learn, exchange experiences during the implementation of the project. Land allocation annually is planned based on planting plans and harvest in order to ensure the stable wood material sources for the markets. However, from 2007 to 2011, forest land allocation has to be carried out every year, about 6 months prior actual planting work, to ensure that farmers receive red books before borrowing loan from the bank.

2. Preparation period

Three important points to be considered in the preparation period as follows:

i) Establishment of finance mechanism for provision of loans to farmer households involving in production afforestation practice;

ii) Building of an operational and management machine as PMB and establishment of strategic stakeholder relationship to ensure the support in finance, techniques, ensuring the provision of seedlings, materials as well the pushing up the linkages with the markets.

iii) Building of implementation plan and 7-year finance plan in the assistance period as well as the building of tools, technical guidelines for training and mobilization of resources from the community.

Table 07: Implementation schedule of the preparation period (2007 - 2013)

Step	Activity	Month												Year
		1	2	3	4	5	6	7	8	9	10	11	12	
1	Setting up credit loan plan with the Agriculture Bank													
	Negotiation with agriculture bank													07
	Detailed procedures designate, loaning contract													07
	Setting up regulation for lending													07
2	Setting up PMB and PIU													
	Preparation of ToR for PMB and PIU													07
	Nomination of director/vice director, coordinator and accountant													07
	Nomination of PIU staff													07
	PMB, PIU meetings, identification of objective													07
	Project bank account													07
	Procurement of office equipment plan													07
	Initial meeting: PPC, DARD, DPC, PMB and PIU													07
3	Preparation of action plan													
	Preparation of planting plan													07-10
	Preparation of procurement plan													07
	Preparation of training plan													07-11
	Preparation of document sample tables													07-11
4	Training													
	Overall objective and plan of the project													07
	Credit plan													07-10
	Facilitation skills													08,09
	Skills for site assessment													08,09
5	Initial community mobilization													
	Preparation of contents, tools													07-10
	Community meeting													07-10
	List of farmer households involving in the project													07-10
6	Forest land allocation													
	PMB sets up plan for land allocation, submits to DPC for approval													07-10
	Survey, measuring for land allocation mapping													07-10
	Issuing the results of measuring.													07-10
	Issuing LUC to households													07-10

Step	Activity	Month												Year
		1	2	3	4	5	6	7	8	9	10	11	12	
7	Forest development													
	Technical training for planting, tending and protection													08-10
	Guiding for loaning procedure, market information													07-13
8	Management, supervision and evaluation													
	Setting up plan for project implementation													07-13
	M & E planning													07-13

3. Operational period

During the operational period, afforestation activities are conducted repeatedly in the planting sites. Afforestation activities start with the mobilization of community in the 1st year of the cycle in order to identify farmers to involve in the project. Planting is started in 1st year one, tending from 2nd to 4th year and protection from 2nd to 7th year. The monitoring of the project progress is conducted by manual manner

Table 08: Activities in a cycle of an afforestation model in operational period

Step	Activity	Cycle of a model							
		Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8
1	Community mobilization								
2	Preparation of detailed plan for planting								
3	Designate for planting								
4	Site preparation								
5	Preparation of seedlings and fertilizers								
6	Filling in								
7	Planting								
8	Beating up								
9	Tending								
10	Protection								
11	Harvest								
12	Supervision and evaluation								

The focus of Step1: Mobilization of community in the management cycle (Table 08) consists of 5 points and monthly plan shown in Table 09 below:

- 1) Identification of households involving in production afforestation
- 2) Selection of potential households
- 3) Formulation of farmer groups
- 4) Completion of loaning contract
- 5) Silviculture training for farmer households

Table 09 Monthly time schedule for Step 1 (community mobilization)

Activity		Month											
		1	2	3	4	5	6	7	8	9	10	11	12
Assessment of households and sites													
	Dissemination of survey results												
	Survey of households and site												
	Report on Survey of households and site												
Re-checking up the farmer households involving in the project													
	Initial approval at PMB												
	Meeting with finance institution												
	Approval by finance institution												
	Informing the selection of farmer households												
Community meeting													
	Preparation												
	Preparation of loaning application form												
	Village meeting												
	Handing out of loaning application form												
Construction of farmer groups													
	Meeting with people involving in the project to explain about the groups formulation												
	Formulation of group regulations												
	Formulation of groups												
	Identification of area for planting annum												
Training on planting for households/groups of households													
	Information about the training												
	Training practice												
Meeting to prepare loaning application													
	Explanation of loaning contract, procedure of disbursement and payment of principal and interest												
	Preparation of loaning application form												
Meeting for loaning													
	Information of the approval and explanation of necessary steps												

The focus of Step 2 to Step 11: Activities relating to afforestation during the cycle (Table 8) consist of 3 points shown in Table 10 below:

- 1) Detailed afforestation plan preparation
- 2) Ensuring the supply of materials (seedlings and fertilizers)
- 3) Planting and protection

Table 10: Monthly time schedule from Step 2 to Step 12

(Activities relating to afforestation)

Activity		Month											
		1	2	3	4	5	6	7	8	9	10	11	12
Step 2: Detailed planting plan preparation													
	Amendment of seedlings and fertilizers procurement plan												
	Preparation for training												
	Designate												
Step 3: Designate for planting													
	Demarcation of stands												
	Procurement of seedlings and fertilizers												
Step 4: Site preparation for planting													
	Vegetation treatment												
	Hole digging												
Step 5: Transport of seedlings and fertilizers													
	Fertilizers												
	Seedlings												
Step 06: Filling in													
Step 07: Planting													
Step 08: Beating up													
Step 09: Tending													
Step 10: Protection													
Step 11: Harvest													
Step 12: Supervision and Evaluation													

CHAPTER III. FINANCE MANAGEMENT

1. Finance sources

In order to implement the project of production afforestation in five communes of Nui Thanh district, the finance sources are mobilized from following three sources. Total project cost is VND 7.2 billion, of which framers' own fund accounts for 36.3%; the bank 53.7% and government budget 10.0%.

(1) Agriculture Bank

Loan from Agriculture Bank is used for procurement of materials, fertilizers, and part of payment for labor. Agriculture Bank lend VND 6 million for one ha afforestation activities and the disbursement of loan is conducted in three years (1st year: 3.5 million VND, 2nd year: 1.5 million VND and 3rd year: 1 million VND)

(2) Framers' own fund

This is for afforestation activities, which is calculated by man-day that farmers spend on the planting, tending, and protection (their own labor force).

(3) Government budget

This is used for management, supervision, designate, quality check upon delivery and procurement of equipment to serve the project.

2. Conditions of loan

Households should follow the following conditions:

(i) Household who manages less than 3.5 ha of forest land can borrow up to VND 20 million by credit collateral and household must have following conditions:

- Having management plan, document of planting designate
- Loan contract

(ii) Household who manages more than 3.5 ha of forest land borrow more than VND 20 million with collateral and household must have following conditions:

- Having LUC (or property for collateral)
- Having management plan, document of planting designate
- Loan contract

3. Project Finance Flow

The Production Afforestation Project in 5 commune of Nui Thanh district consists of 2 components (1) production afforestation; (2) management, monitoring and evaluation.

3.1 Production afforestation

As regard the finance flow for afforestation component of the project, which is the source, borrowed by farmers from the Agriculture Bank (proposed bank) and farmers are loan users for their own purpose and repayment as regulated. The bank is responsible for the management of the loans and loaning activities. The diagram below shows the organizational structure and necessary finance procedures in close relation to afforestation component.

Figure 3: Finance flow for afforestation component

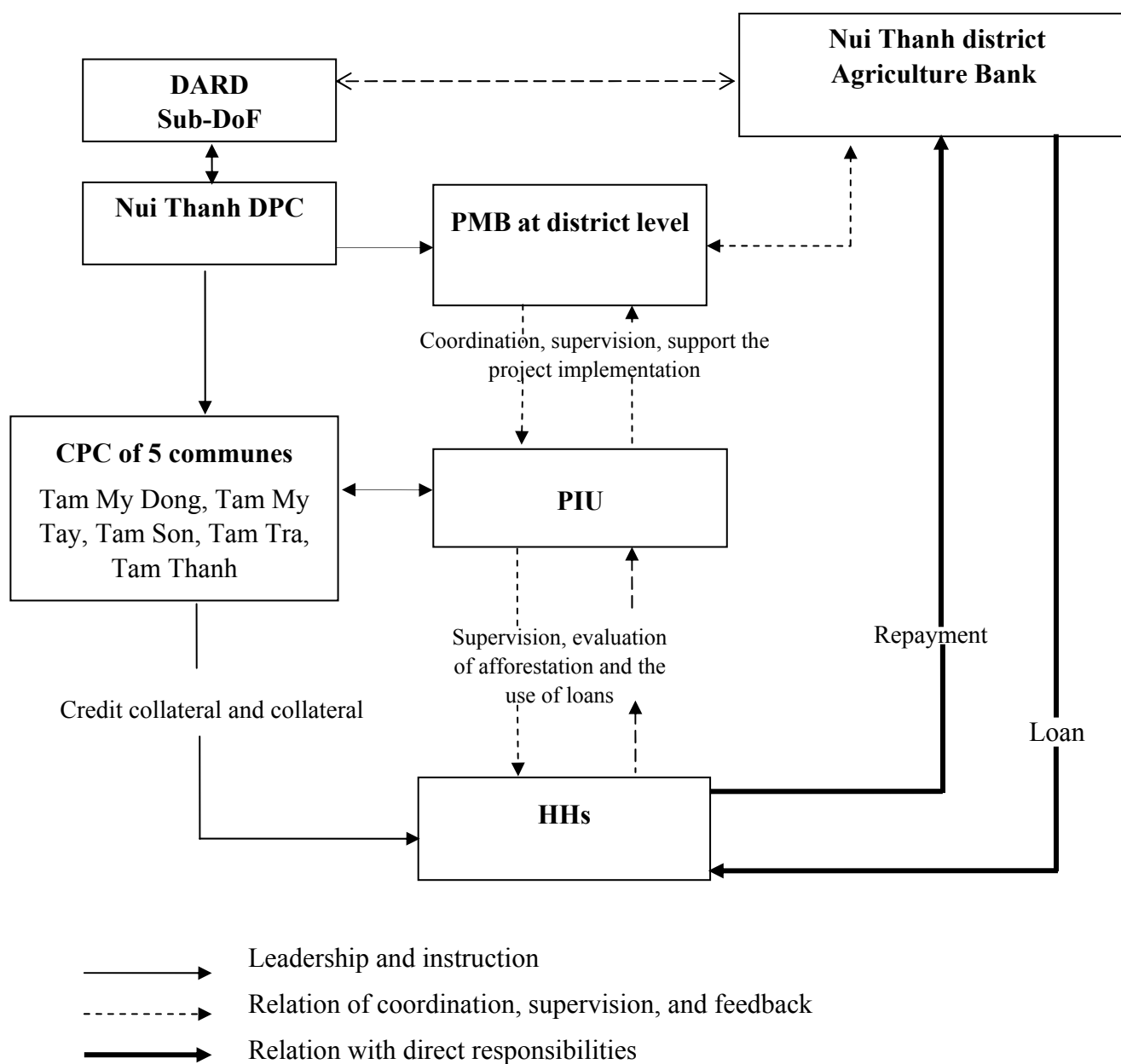


Table 11: Cycle of loaning for afforestation annually

Item	Month	6	7	8	9	10	11	12	1	2	3	4	5
Annual planning													
households prepare for loaning procedure													
Submission to PIU													
Submission to PMB													
Submission to Nui Thanh Agriculture Bank													
Appraisal													
Decision of the Agriculture Bank													
Disbursement of loan by the Agriculture Bank													

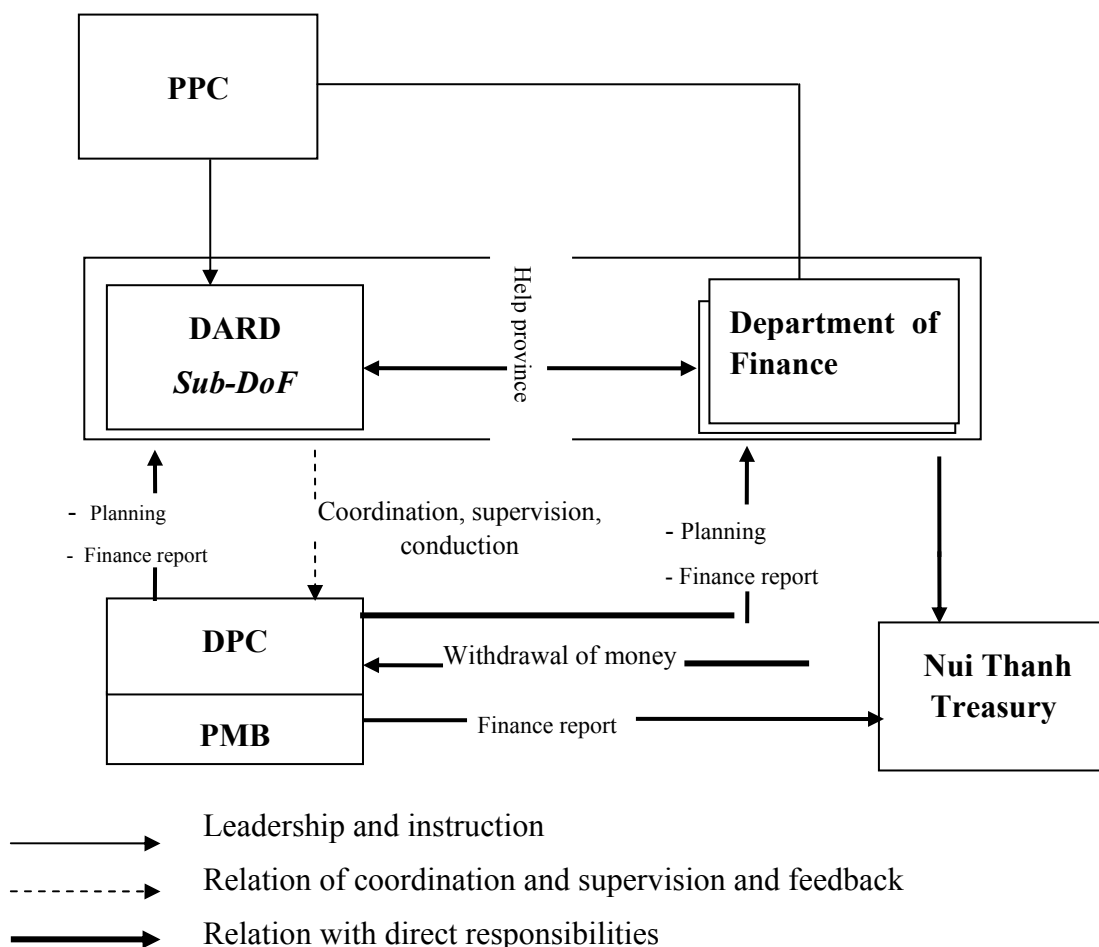
The needs of loan annum are forecasted as the production progress planned. The PMB and PIU implement the project by means of working in connection to CPC and representatives of villages, villagers and finance institution.

Households involving in the project have to prepare a set of loan document and participate in the training courses relating to the procedure of loan organized by the PMB with the support from CPC. Having notified by CPC on the set of loan document, it will be submitted to Agriculture Bank of Nui Thanh district. The Bank will appraise the document and approves the sum of loan, and the households receive the loan from the bank when they are having the notification of the PMB on the quantity of work of the households. The disbursement is done 3 times in year 1, year 2 and year 3 of the project.

3.2 Project Management

The project management finance flow is taken from the province budget (may be part of it is taken from Nui Thanh district) through the functional organizations to the PMB, PIU. The related functional organizations are Department of Finance, District Treasury. (See also the diagram below).

Figure 4: Finance flow for project management component



As planned, budget for project management is taken from Quang Nam province budget (may be part of it is taken from Nui Thanh district), the payment is implemented through the functional sections of the PMB. The formulation of financial plan is presented underneath.

In July/August, PMB relies on the annual distribution to the project to set up annual implementation plan including detail monthly plan, submits to DARD/Sub-DoF. In September DARD/Sub-DoF appraise the plan then submits to PPC for approval

Then, in September, DARD/Sub-DoF basing on the annual plan proposed by the PMB and approved by PPC will set up detailed finance plan and submits to Department of Finance. In October/November, the Department of Finance appraises the finance plan and submits to PPC for approval. In December, PPC issues decision of distribution of budget to the PMB. The Department of Finance will transfer the sum of money to the District Treasury. The District Treasury transfers the money to the Bank Account of the project for use. The Nui Thanh district Treasury supervises the expenditure of the PMB.

Table 12: Annual finance cycle for different component of the project

Item	Month	7	8	9	10	11	12	1	2	3	4	5	6
Annual planning													
Submission to PPC													
Appraisal													
Decision of PPC													
Decision of PMB, and disbursement													

The PMB submits reports of project implementation in a monthly, quarterly and annually manner to the functional organizations at province and district levels as regulated. Every year PMB has to submit finance report to the functional organizations at province and district levels

PMB aggregates and balances the progress report of project implementation and finance report for amendment to report to province and district.

When termination (assistance period), PMB prepares the final finance report and submits to province and district

Similar to the general auditing the State Auditing Committee will deal with the auditing comprehensively on the annual basic or at any time in the year.

CHAPTER IV. PROCUREMENT

1. Procurement plan

In the project, the purchased goods are seedlings and fertilizers for afforestation, office equipment as table/chairs and materials for training. The procurement of goods and contract must follow the Biding Law 61/2005/QH11 issued on 29 September 2005 and Decree 111/2006/ND-CP dated 29 September 2006.

For afforestation project, farmers need seedlings and fertilizers. However, this is household-based project, since the total expenditure for seedling and fertilizers is not too big; then, farmers are possible to apply a form of direct purchase.

Table 13 below shows the procurement plan of the project. It shows items to be procured by batch of goods for different components, method of procurement and responsible organizations.

Table 13: Procurement plan

Component	Item	Batch of goods	Method	Responsible
Component 1	Seedlings	Batch per year	Local shopping	households
	Fertilizers	Batch per year	Local shopping	households
	Designate for planting service	Batch per year	Direct contract	PMB + Forestry consultancy
	Technical training service	Batch per year	Direct contract	PMB + Forestry extension
	Loaning procedure/ market information service	One batch	Direct contract	PMB + Forestry extension
Component 2	Office equipment, materials for training	One batch	Local shopping	PMB

2. Procurement flow by the process of approval

2.1 Procurement of goods

As for the production afforestation component, households buy seedlings, fertilizers themselves from seed centers by contract with the assistance of PIUs and support of local people in procurement of goods, for example helping them in check the quality of delivered goods.

For fertilizer, household directly make contract with local suppliers selected by PMB in advance.

As for office equipment, PMB will directly buy these based on the quotation from at least three suppliers as stipulated in the Law and Decree mentioned above.

2.2 Services and consultancy

As for the detailed planting design, PMB conduct by them or employ the consultancy institutions. If the package is more than VND 500 million, a bidding procedure is required.

Services as training, guiding of procedure for loaning, market information are undertaken by the Extension Center.

Table 14: Procedure flow for procurement of seedlings and fertilizers

No.	Tentative time schedule	Work	Small holder	PIU	PMB	Supplier	Sub-DoF DPC (GO)	Note
1	February	Calculation of quantity of seedlings and fertilizers						People estimate number of seedlings, fertilizers necessarily (with support from PIU or through training), reporting to PMB through PIU on the quantity for technical assessment
2	March	Recommendation of suppliers						PMB aggregates number of seedlings / fertilizers necessary for the year. Based on the request, PMB recommends some of the suppliers (legal producer of this article) and legal fertilizer supplier for selection by buyers.
3	April	Place an order of seedlings and fertilizers						Farmers select suppliers recommended by PMB then, PMB aggregates and M&E quantity of seedlings, fertilizers and place an order to the suppliers.
4	August	Confirmation of quality of seedlings and fertilizers						PMB in connection to Sub-DoF examine numbers and quality of seedlings, fertilizers of the suppliers
5	August	Distribution and examination of seedlings and fertilizers						Suppliers inform farmers on the place and time of delivery. PMB & PIU does the inspection right in the field on the quality of seedlings, fertilizers. Farmers confirm the quantity of seedlings, fertilizers delivered. Farmers sign on receipt and send to the suppliers
6	August to September	Payment for seedlings and fertilizers						C/F directly pay the suppliers as said in invoice

Table 15: Procedure flow for consultancy service (training, guiding)

No.	Tentative time schedule	Work	PIU	PMB	Consultancy company	Sub-DoF DPC (GO)	Note
1	January to February	Identification of services to be supplied					PMB considers the necessary services and preparation of TOR for those services. PMB submits plan to DPC for approval through Nui Thanh Economic Section. Before submitting the TOR to DPC, PMB asks for comments made by PIU.
2	March	PMB approves the service contents					PMB examines and approves the TOR. If it should be amended, work with the consultancy organization for amendment
3	March	Selection of a consultancy agency, consultancy service proposal and plan					After approval, PMB selects the consultancy organization based on the procurement guidance and requests the consultancy organization to prepare the proposal and plan for the consultancy services.
4	March	Evaluation of the TOR of the consultancy agency					The consultancy organization proposes service plan. PMB examines the plan and inform the PIU for comments. The PMB approves the plan and inform DPC on the approval of the proposed service plan.
5	April to December	Payment for consultancy service					PMB pays service fee to the consultancy organization for what they have done for the project.

Table 16: Procedure flow for consultancy service (planting design)

No.	Tentative time schedule	Work	PIU	PMB	Consultancy company	Sub-DoF DPC (GO)	Note
1	January to February	Identification of services to be supplied					PMB considers the necessary services and preparation of TOR for those services. PMB submits plan to DPC for approval through Nui Thanh Economic Section. Before submitting the TOR to DPC, PMB asks for comments made by PIU.
2	March	DARD approves the service contents					DARD examines and approves the TOR. If it should be amended, work with the PMB for amendment.
3	April	Selection of a consultancy agency, Proposal and service plan					After approval by DARD, PMB selects the consultancy organization based on the procurement guidance and requests the consultancy organization to prepare the Proposal and service plan for the consultancy services
4	May	Evaluation of the proposal and plan of the consultancy agency					The consultancy organization proposes service plan. PMB examines the plan and inform the PIU for comments. The PMB approves the plan and inform DPC on the approval of the proposed service plan.
5	December	Payment for consultancy service					PMB pays service fee to the consultancy organization for what they have done for the project.

CHAPTER V. SALES AND MARKETING

1. Overview of conditions for sales and marketing

1.1 Supply and demand of forest products

In Quang Nam province, there exists a great demand for wood materials for processing, construction, and wood furniture. The demand of chip is also increasing day by day. As of 2006, the demand of small size wood for processing is 470,000 ton/year, and as of 2015, the demand of that will be 750,000 ton/year. Now, the supply can only cover 69% of the processing capacity of the mills.

Therefore, the supply of small size wood to the processing mills is insufficient or 140,000 ton/year. This is a good opportunity for the implementation of afforestation projects in the province.

1.2 Price and transport cost of forest products

Within the project area, in 2005 the price of Acacia and Eucalyptus ranges from 450,000 to 500,000 VND/ton, in 2006, 550,000 to 600,000 VND/ton, or 20% increased and the increasing of price are going on in the coming time.

Transport cost depends on the distance from the raw material area to the market place. The average transport cost is 1,500 VND/ton/km.

1.3 Target markets

Some of processing mill locate in Quang Nam province, others are outside of the province, of which there are two processing companies: (1) Quang Nam Forest Processing Share Stock Company, (2) Quang Nam Planting and Processing of Paper Wood are target users as they are closest to the project area.

2. The flow of sales and marketing

2.1 Identification of stakeholders

Based on the results of the feasibility study in Quang Nam province, a study is implemented on the stakeholders involving in sales and marketing. Six (6) stakeholders are identified namely: farmer holders, PFA, PIU, PMB, Intermediate agent and Timber users in Quang Nam province.

Farmer households are key persons of the project as wood material producers. PFA consists of groups of farmer household. PFA conducts many jobs such as aggregation of opinion of local farmer households, supervision, witness, and support of harvest of wood materials

PMB and PIUs are undertaking the role as project implementing agency. PMB coordinates with a viewpoint of obtaining the project objective, exchanging information on the supply and demand of wood materials.

The timber processing mills in Quang Nam are important stakeholders in the process of sales and marketing of wood materials. The mills will buy wood materials by two ways (1) direct purchasing from producers (farmer households) and (2) purchasing through intermediate agents but there must be a commitment to ensure benefit of all concerned stakeholders including producers (farmer households)

2.2 Consideration of what to be done

There are 2 periods relating to sales and marketing. Period 1 (from No. 1 to No. 6 in the diagram below) relates to the collection of market information on buying and selling wood materials. In this period, collection of market information, dissemination the market information to stakeholders and it is also inform them in general about the market conditions. The exchange of information on supply-demand of wood materials between PMB and processing mills in Quang Nam is implemented at the end of period 1, which is the last arrangement on the information for sales and marketing of products.

In period 2 (No. 7 – No. 10), field survey is implemented and negotiation of contract for selling and buying as well as harvest, this is the last activity of this period, at the same time the payment is also done. The whole 10 steps are identified for sales and marketing activity of both 2 periods.

2.3 The flow of sales and marketing

As for each step of sales and marketing, it is necessary to consider the role and function of each stakeholder and their relationship relating to sales and marketing, after that the diagram of sales and marketing is constructed.

First, for sharing information on the market conditions among the stakeholders, PMB is responsible for the achievement of the project objectives will exchange market information with timber processing mills in Quang Nam, timber users and producers.

Table 17: Sale and marketing

No.	Stakeholders Activity	Farmer households	PMB	Intermediat e agent	Target market	Potential market	Note
1	Assessment of market conditions and potential market						PMB and households evaluate, update and collect market information.
2	Market information supply						PMB provides producers with market information as price, specifications of wood materials.
3	Selling plan						Producers inform intermediate agent on the intention of selling timber on: area, type of products, specifications and species to be harvested.
4	Exchange of information on supply-demand of wood materials						PMB and producers exchange information on supply-demand of wood materials (specification, place of delivery and price)
5	Agreement between the intermediate agent and the mill						Mills and intermediate agent agree upon the condition for buying of wood materials
6	Site survey						Intermediate agent agrees with the producers and PMB on the site for harvest.
7	Negotiation of selling conditions						The intermediate and producers agree on selling conditions: Price, specifications, quantity and conditions for delivery. PMB helps farmers in negotiation.
8	Contract (selling)						The producer and intermediate agent sign the selling contract. PMB witnesses the signing of contract.
9	Harvest and delivery of wood materials						Delivery of wood materials is done as said in the contract PMB examines the harvesting site.
10	Payment						Mill pays intermediate agent and agents pay the producer as



Indicates a stakeholder who are directly involved in actions concerned



Direction of activity



Stakeholders that coordinate activities of those directly involve in the whole process

CHAPTER VI. TRAINING PLAN

1. Training plan for PMB, district extension staff and PIU

PMB, extension and PIU staff will be assigned to work with farmer households in five project communes. They have to implement different tasks in the field including explanation of the credit system, evaluation of land, supporting the establishment of farmer household groups and techniques for afforestation. Therefore, it is necessary to open two one-day training courses on skills of communication, dissemination, transferring of techniques of planting, tending and protection of plantation, skills of collection of market information. Beside this type of training, staff and coordinator should teach themselves by means of on job training.

Through training, the following skills must be strengthened:

- Preparation of annual plan
- Silvicultural techniques
- Skills of lecturing to transfer of technology on planting, tending and protection of plantations
- Skills of pushing up the participatory activity
- Basic knowledge of credit mechanism including the procedure of payment of the loans
- Skills of preparation and management of documents and reports
- Skills on project supervision
- Dissemination of the existing policies relating to production afforestation

2. Training plan for farmer households involving in the project

Low technical knowledge of farmer households involving in the project is one of the key constraints in the implementation of the production afforestation project. Training for farmer households is necessary to ensure high effectiveness at the same time pushing up the development of economy in the project area through the diversification of production.

The results of RRA implemented in the preparation period show that many farmers participating in a one-day training course, organized by 327 or 661 programmers in the past. Through training, they learned the basic skills of planting. However, as for skills for site preparation such as size of hole, planting density as well as the knowledge of tending and protection, local people still does not have sufficient skills and knowledge, while they are not interested in this issue.

Within this project, one-day training course “Production Forest Development with Small Scale” will be organized twice a year for farmers of five communes on techniques of planting, tending, and protection of plantations, information on policy, market. Extension staff will organize the training at commune level.

3. Plan and time for training

Table 18: Training courses

No.	Commune	Total	Training course				
			2007	2008	2009	2010	2011
	Total	31	1	6	8	8	8
I	Training at grass root level	2	1	1			
II	Training in the field	29		5	8	8	8
1	Tam My Dong	4		1	1	1	1
2	Tam My Tay	7		1	2	2	2
3	Tam Son	4		1	1	1	1
4	Tam Tra	7		1	2	2	2
5	Tam Thanh	7		1	2	2	2

Table 19: Training budget

No.	Training course	No. of course	Trainee	Budget
1	Project	02	30	- Trainers: 100,000 VND x 2 = 200,000 VND
				- Trainees: 30,000 VND x 30 = 900,000 VND
2	households	29	1450	- Trainers: 100,000 VND x 2 x 29 = 5.8 million VND
				- Trainees: 30,000 VND x 1450 = 43.5 million VND
	Total	31	1480	50.4 million VND

Table 20: Training plan

Name	Objective	Contents of training	Course	Entity	No. of trainee	Training time	Time	Budget	Trainer	Venue
Staff training course	Strengthen capacity on management, running the plan, techniques, finance	- Preparation of annual implementation plan; - Silviculture technique; - Teaching skill in transforming technique/technology on forest planting, tending and conservation; - Participation technique; - Basic knowledge on credits and repayment procedures; - Report writing skill; - M&E skill; - Policies on afforestation; - Skills of communication, dissemination and transfer of technology to farmer	2	Commune extension worker, forestry staff, village heads, mass organizations	15	1 day	Month 3, 4 - 2007 2008	VND 1.1 million	Province or district management staff	Nui Thanh district town
Farmer training course	Strengthen capacity on project activity implementation	- Techniques of on planting, tending, protection of plantation - Market information - Policy on management, protection and development of forest production forest	29	Farmer	1,450 (Average: 50 households /course)	1 day	Month 5, 6, 7 from 2008 to 2011	VND 49.3 million	Staff of Extension Station and Economic Section	In project villages
Total			31					VND 50.4 mill		

- Total budget for training: 50.4 million VND for 31 training courses as planned

- Number of trainees: 1,480 farmers, PMB staffs etc.

Of which:

+ Management training for project implementation level: 30

+ Farmers: 1,450

- Budget: Annual management fee

CHAPTER VII. MONITORING AND EVALUATION

1. Monitoring

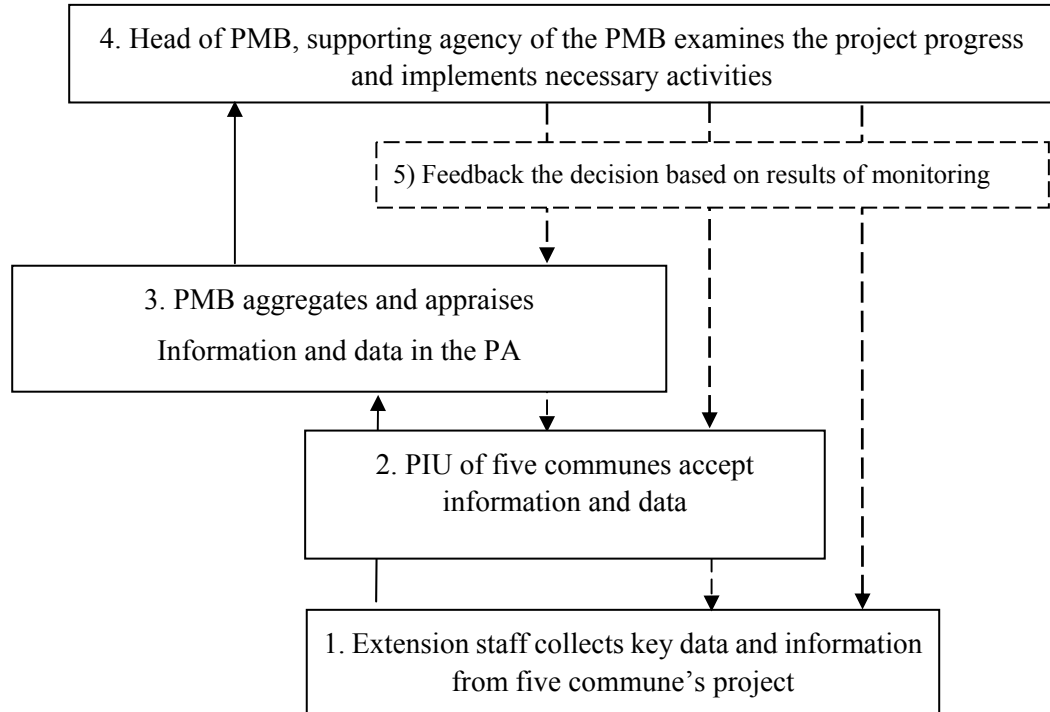
The monitoring is aim to examine the project implementation progress and take necessary actions for the project implementation, if necessary.

The PMB is responsible for overall monitoring and day-to-day monitoring is conducted by extension staffs of PIU. When completing a certain important work such as community meeting, establishment of groups, conducting of the loan contract, group training, delivery of materials, the PMB is informed about the result of project implementation by the PIU.

The coordinator and technical staff of the PMB will implement the field examination periodically for the cross-examination of the project implementation and prepare the progress report. PMB promptly responds against poor performance of the project rather than waiting the evaluation until the end of the year or preparation of the financial plan for the coming year.

The figure below shows the tentative monitoring mechanism and the information flow from extension staff to the decision-making agency of the project and the system of feedback.

Figure 5: Tentative Monitoring Structure and Information flow



Key data and information collected are called progress indicators. As is shown in PDM, the indicators below are established to monitor the results of the outputs:

- (1) Credit loan mechanism between Agriculture bank and farmers is established in 2007 (component 1-1)
- (2) From 2008, households involving in the project get loans for afforestation (component 1-2)
- (3) Farmer group is established in 2007 (component 1-3)
- (4) From 2007 to 2013, 31 training courses are organized for farmer households, extension staffs, and village leaders (component 1-4)
- (5) By 2013, 1844 ha of production forest are established (component 1-5)
- (6) Plan for harvesting and sales is completed in 2013 (component 1-6)
- (7) In 2007, 661 PMB is given more duty (Component 2-1)

As for the periodic monitoring in the assistance period of the project, the indicators for afforestation annum are established in the part below. Report made by extension staff is used as a tool for monitoring. Moreover, reports from farmer groups as information on the process of spending will be use by PMB for cross-examination the implementation of the project.

2. Evaluation

Evaluation aims to make proposals for project implementation in the future and withdrawal of lessons learnt. The evaluation is implemented during or after the assistance period based on the results, particularly the levels of the achievement of objective for assistance period, project objective and overall objective. With the indicators of implementation progress dealt with above, the following development indicators are used for the project evaluation:

- (1) Formulation of evaluation indicators of the implementation of the assistance objective

Indicators set up for the identification of total planted area as annual plan. About 1,844 ha of forestland are used for afforestation for wood materials as of 2013.

- (2) Formulation of evaluation indicators of the implementation of the project objective:

Evaluation will be implemented by the quantity of timber logged from 2015. About 45,000m³ of wood materials is harvested every year.

- (3) Formulation of evaluation indicators of the implementation of the overall objective:

The reduction of the rate of poor households is monitored annum after the termination of the assistance period. Relating to this indicator, the contribution of the project to the income of the households is also evaluated, by interview for example.

The evaluation requests a more objective view. As planned, an evaluation group set up the third party consisting of people from Nui Thanh district Agriculture Bank, Treasury, and DARD/Sub-DoF of Quang Nam. However, if it is impossible to set up an independent evaluation group, the provincial organizations as DARD will be responsible for project

evaluation. Representatives of the beneficiary groups are also involving in the evaluation group.

The evaluation group will show their opinion on the results of evaluation and informs the results PPC, DPC, and CPC. In this case, PPC will also receive ideas of the third party on the implementation of the project to ensure the effectiveness of the evaluation.

Table 21: Supervision and Evaluation Plan

Description	Indicator	Means for evaluation	Information collection			Report aggregation			Decision maker		Send out decision for implementation	
			Collected by	Time	Method	Send to	Time	Method	Person/institution	Time	Time	Method
Overall objective	- By 2018, turnover 60 billion VND (2006 price) - 600 jobs for people in the project area created.	- Final project report - Management reports of Quang Nam Forest Product Processing Companies.	Evaluation group	Month 9-11 annum, once every 3 years from 2015	Data collected from district/province; Interview	DARD	Month 12, once every 3 years from 2015	Aggregation and analysis of collected data	PPC	Month 12, every 3 years from 2015	Month 12, every 3 years from 2015	Evaluation report
Project objective	- By 2013, 1.844 ha of forest planted - By 2018, 180.000 m ³ of wood material created - Net income estimated at 18 million VND/ha per a management cycle	- Annual report of PMB - Management reports of Quang Nam Forest Product Processing Companies - Results of field checking - Interview farmer in the project area	Evaluation group	Month 12, once every 3 years from 2015	Data collected from mills and district/province; Interview	DARD	Month 12, once every 3 years from 2015	Aggregation and analysis of collected data	PPC	Month 12, once every 3 years from 2015	Month 12, once every 3 years from 2015	Evaluation report
Assistance objective	Completion of land allocation to households of 5 project communes 1.844 ha of intensive forest established	Annual project implementation report,	Evaluation group	Quarter (Q) III 2010 Q. I, 2012	Reference to documents; Collection of data in the field	PIUs, supporting technical and conducting staff of PMB	Q. III 2010 Q. I, 2012	Aggregation and analysis of collected data	Head of PMB	Q. III, 2010 Q. I, 2012	Q. III, 2011 Q. I, 2012	Conduction from head of PMB
Output 1	Credit loan mechanism between Agriculture bank and farmers is established in 2007 (component	Agreement between Quang Nam province PC and the Agriculture Bank	Extension staff	2007-2008	Study of agreement	PIUs, supporting technical and conducting staff of PMB	2007-2008	Aggregation and analysis of collected data	Quang Nam province PC and the Agriculture and PMB	2007-2008	2007-2008	Conduction from head of PMB

Description	Indicator	Means for evaluation	Information collection			Report aggregation			Decision maker		Send out decision for implementation	
			Collected by	Time	Method	Send to	Time	Method	Person/institution	Time	Time	Method
	1-1).											
Output 2	From 2008, households involving in the project will get loans for afforestation (component 1-2)	- Social-economic report - Credit loan contract - Seedling supply contract - Synthetic report of the project - Finance report	Extension staff	Q. I annum, from 2007 to 2013	Checking doc and data of the project	PIUs, supporting technical and conducting staff of PMB	Q. I annum, from 2007 to 2013	Aggregation and analysis of collected data	Head of PMB	Q. I annum, from 2007 to 2013	Q. I annum, from 2008 to 2013	Conduction from head of PMB
Output 3	Farmer group is established in 2007 (component 1-3)	Implementation progress report, results of training	Extension staff	Q. I annum, from 2007 to 2011	Checking doc and data of the project and interview farmer households	PIUs, supporting technical and conducting staff of PMB	Q. I annum, from 2007 to 2011	Aggregation and analysis of collected data	Head of PMB	Q. I annum, from 2007 to 2011	Q. I annum, from 2007 to 2011	Conduction from head of PMB
Output 4	During 2007-2013, 31 training courses organized for farmer households, extension staff and village leaders (component 1-4)	Training report, Evaluation sheets	Extension staff	Q. I, 2007 2011	Study of project doc, interview trainees in the field	PIUs, supporting technical and conducting staff of PMB	Q. I, 2007 2013	Analysis of collected data and reports	DPC of Nui Thanh district Head of PMB	Q. I, 2007 2013	Q. I, 2007 2013	Conduction from head of PMB
Output 5	As of 2013, an area of 1844 ha of forest planted (component 1-5)	Implementation report, Field check;	Extension staff	Q. III annum, from 2008 to 2013	Study of project report; Field check	PIUs, supporting technical and conducting staff of PMB	Q. III annum, from 2008 to 2013	Aggregation and analysis of collected data	Head of PMB	Q. III annum, from 2008 to 2013	Q. III annum, from 2008 to 2013	Conduction from head of PMB
Output 6	Plan for harvest and sales is completed in 2013; (component 1-6)	Plan for harvest	Extension staff	Q.III, 2013	Study of harvest plan; Field check	PIUs, supporting technical and conducting staff of PMB	Q.III, 2013	Aggregation and analysis of collected data	Head of PMB	Q.III, 2013	Q.III, 2013	Conduction from head of PMB
Output 7	In 2007, the 661 PMB is given more duty (Component 3-1);	Decision to assign the duty made by Nui Thanh district PC;	Extension staff	2007	Study decision	Nui Thanh DPC	Q IV 2007	Analysis of collected data and reports	Nui Thanh DPC Chairman	Q IV 2007	Q IV 2007	Q IV 2007

CHAPTER VIII. CONSTRAINTS AND RISKS OF THE PROJECT

The production afforestation project has a management cycle of seven years. During the implementation period, following project risks may happen. The project owner takes necessary actions in order to avoid or mitigate negative impacts.

1. Slow issuing of Land Use Certificate (LUC)

LUC is an important document for the decision of lend loan by the Agriculture Bank to farmer households. However, the progress of land allocation may be slow in three of five project communes (as these three communes have not implemented the measurement for land allocation). Delay of issuing LUC causes negative impacts on the borrowing money of farmer households as well the project implementation.

2. Risks of forest-fires

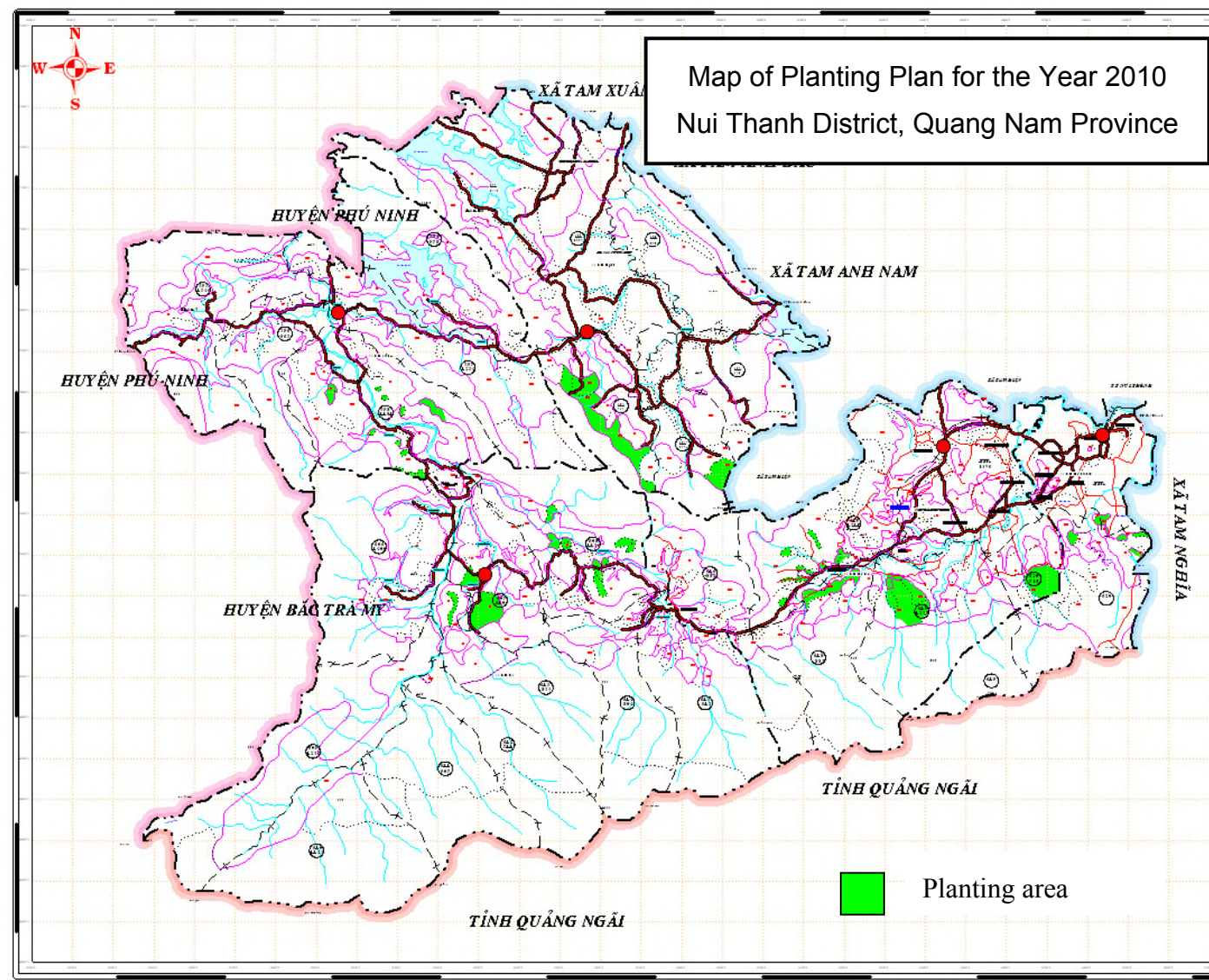
The central zone in general and Quang Nam province in particular have a long dry season, of high temperature base, and forest-fires may happen easily particularly for large scale in mono-culture plantations. In order to reduce threat of forest-fires, it is necessary to deal with dissemination/education to raise the awareness for local people in the project area in the use of fire in the forests, at the same time in dry months (Month 5 to Month 7). There must be task force for dealing with forest-fires prevention and control when it happens.

3. Forests affected by typhoons

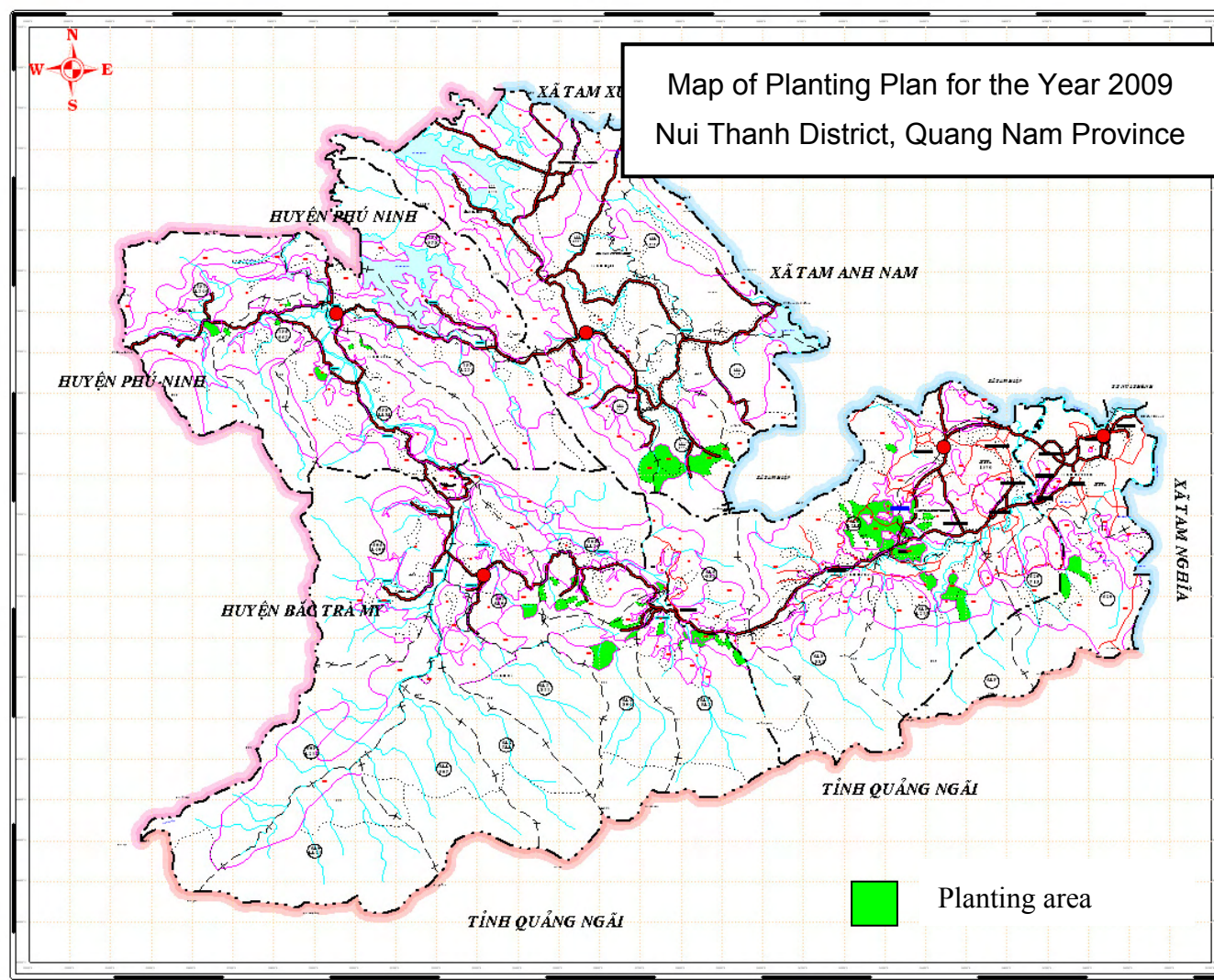
Quang Nam province as well as the central zone of Vietnam has to suffer from typhoons every year, which cause great losses to this zone. As for the fast growing tree species, the late lignifications makes them broken easily when typhoon happens which reduces the values of forest plantations. In the project area, as for A.hybrid, it is better to select sites for planting, where elevation is less than 100 m and slope is less than 20⁰ for reducing the negative impacts of the typhoons.

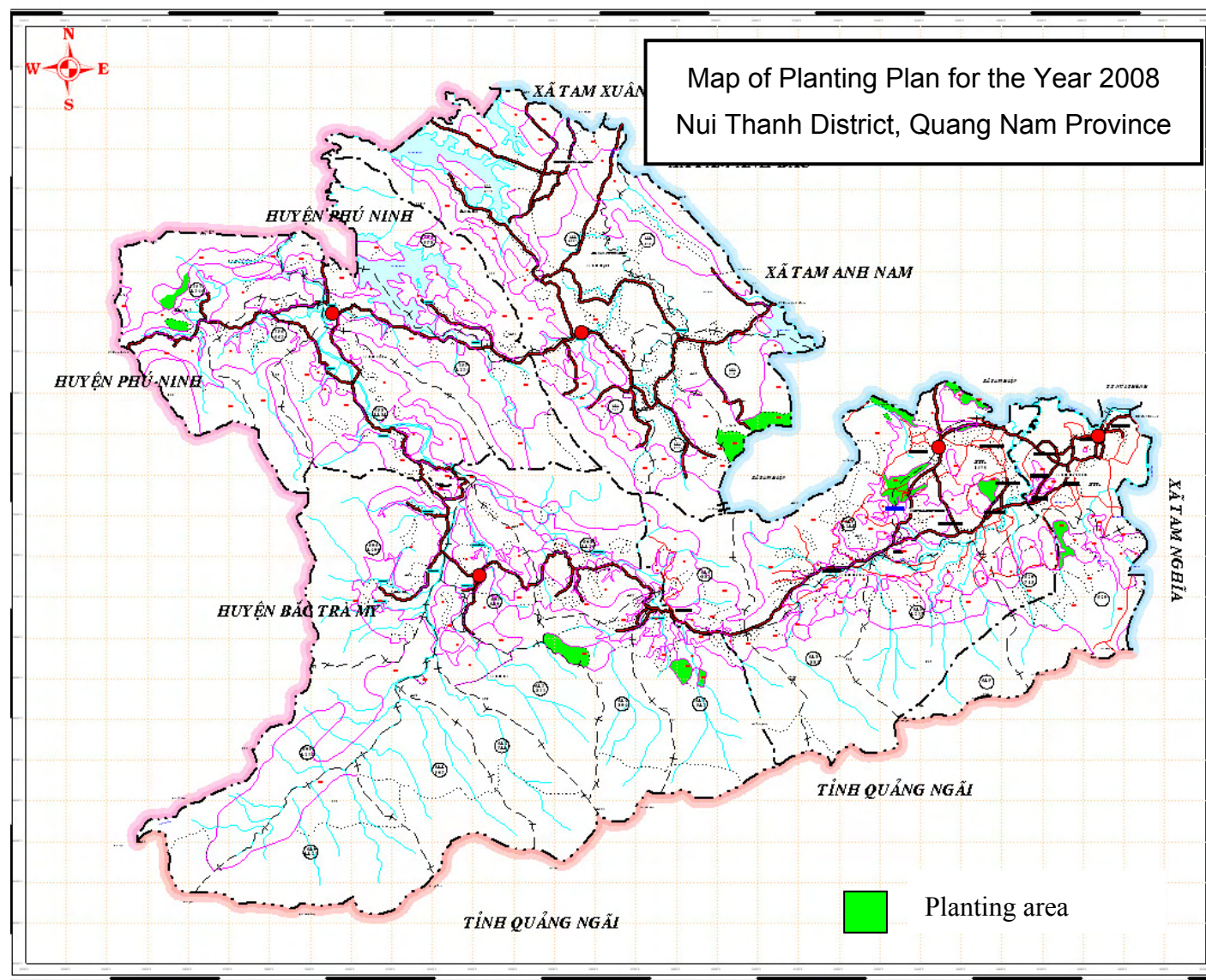
4. Risks of epidemic

Large-scale mono culture plantations reduce the biodiversity. It is synonymous to the gradual loss of natural factors that control the appearance of epidemic, and pests have opportunity to develop. To reduce the epidemic, large-scale pure species plantation is not recommended in the same place for long (many cycles).



Map of Planting Plan for the Year 2009
Nui Thanh District, Quang Nam Province





ANNEX

Annex 01: Overall plan in the assistance period of the project

Calendar year		2007	2008	2009	2010	2011	2012	2013	Responsible and supporting person	Key stakeholders	Notes
Implementation year		1	2	3	4	5	6	7			
Activity	Expected results	Preparation period									
		Operational period									
1-5. Afforestation activities of the farmer households	1.844 ha planted with high economic tree species								Head of PMB	Farmer households	Need participation of the farmer households
1-5-1 Community mobilization											
1-5-2 Preparation of a detailed planting plan											
1-5-3 Harvest existing trees											
1-5-4 Design for planting											
1-5-5 Site preparation											
1-5-6 Distribution of seedlings and fertilizers											
1-5-7 Filling in											
1-5-8 Planting											
1-5-9 Beating up											
1-5-10 Tending											
1-4-11 Protection											
1-4-12 Supervision and evaluation											
1-1. Credit loan mechanism between Agriculture bank and farmers is established											Agreement between Quang Nam PPC and Province
1-1-1. PPC and finance institution agree on the establishment of a loaning plan	Agreement between Quang Nam PPC and Province Agriculture Bank								Quang Nam province PC chairman	PPC and DARD staff	
1-1-2. Employing experts to monitor the loaning plan in connection to the province and district agriculture bank	Loaning plan								Head of PMB Nui Thanh district Agriculture bank staff	Expert employed by the project and province / district Agriculture bank staff	

Calendar year		2007	2008	2009	2010	2011	2012	2013	Responsible and supporting person	Key stakeholders	Notes
Implementation year		1	2	3	4	5	6	7			
Activity	Expected results	Preparation period									
		Operational period									
1-1-3 Nui Thanh Agriculture bank staff appraises project activities proposed by farmer households.	Identification of project activities that need financially supported.								Director of Nui Thanh district Agriculture bank staff	Nui Thanh district Agriculture bank staff	
1-1-4 After approval loaning form Nui Thanh agriculture bank signs loaning contract with farmer households.	Loaning contract										
1-1-5 Nui Thanh district Agriculture bank agrees on the disbursement of loans	Disbursement of loans										
1-2. From 2008, households involving in the project will get loans for afforestation	From 2008, households involving in the project will get loans for afforestation										Agri bank and farmers
1-2-1 From 2008, households involving in the project will get loans for afforestation											
1-3. Support / mobilization of community to set up groups of household and PFA											Need participation of the farmer households
1-3-1. Extension staff support / mobilize people to set up household groups with the support of expert	Setting up farmer household groups								Head of PMB	PMB and PIU staff	
1-3-2. Extension staff support / to set up household groups the set up PFA with the support of expert.	Setting up the PFA								Head of PMB	PMB and PIU staff	

Calendar year		2007	2008	2009	2010	2011	2012	2013	Responsible and supporting person	Key stakeholders	Notes
Implementation year		1	2	3	4	5	6	7			
Activity	Expected results	Preparation period									
		Operational period									
1-3-3. Market study									Head of PMB	Experts employed by the project	
1-3-4 Market experts employed by project implement market study	Plan of logging and marketing								Head of PMB	Experts employed by the project	
1-3-5 Experts link market information based on their study	Provision of market information to local people								Head of PMB	Experts employed by the project	
1-4 Silvicultural training for trainers, household groups and farmer households	15 key staff trained and provided information 1000 households involving in project trained and provided information										Need participation of the farmer households
1-4-1. Province extension staff provide training service on silviculture and training of trainers	A training course for project staff, district extension staff and PIU staff								Head of PMB	Technical staff and coordinator of PMB and extension staff of Extension Center	
1-4-2 District extension staff provide training service to farmers and group management	About 20 training courses implemented for farmers households								Head of PMB	Technical staff and coordinator of PMB and extension staff of PIU	
2. PMB and PIU setting in Nui Thanh district	PMB set up 5 PIUs set up										Approval by local authority
2-1 Quang Nam PPC approves the additional assignment to 661 PMB.	Decision of PPC								PPC chairman	PPC staff	

Calendar year		2007	2008	2009	2010	2011	2012	2013	Responsible and supporting person	Key stakeholders	Notes
Implementation year		1	2	3	4	5	6	7			
Activity	Expected results	Preparation period									
		Operational period									
2-2 Nui Thanh DPC sets up PMB based on the TOR for human allocation with support from the province level	Set up PMB								DPC chairman	DPC staff	
2-3 District conducts the setting up of PIUs.	District conducts the setting up of PIUs								DPC chairman	DPC staff	
2-4 PIUs of 5 communes set up with support from district	Setting up of PIUs								CPC chairman	CPC staff	
2-5 Experts train on institution for PMB and PIUs staff on management and operation	Knowledge of management, technical staff of PMB and PIUs improved								Giám đốc BQLDA	Cán bộ của BQL và Đ VTH dự án	
2-6 PMB evaluate the F/S and IP, tools and guidelines									Head of PMB	PMB staff	
2-7 PMB prepare IP and finance plan									Head of PMB	PMB and PIU staff Sections of finance and economics	
2-8 PMB ensures the management and operational budget of the project									Head of PMB	Planning Section	

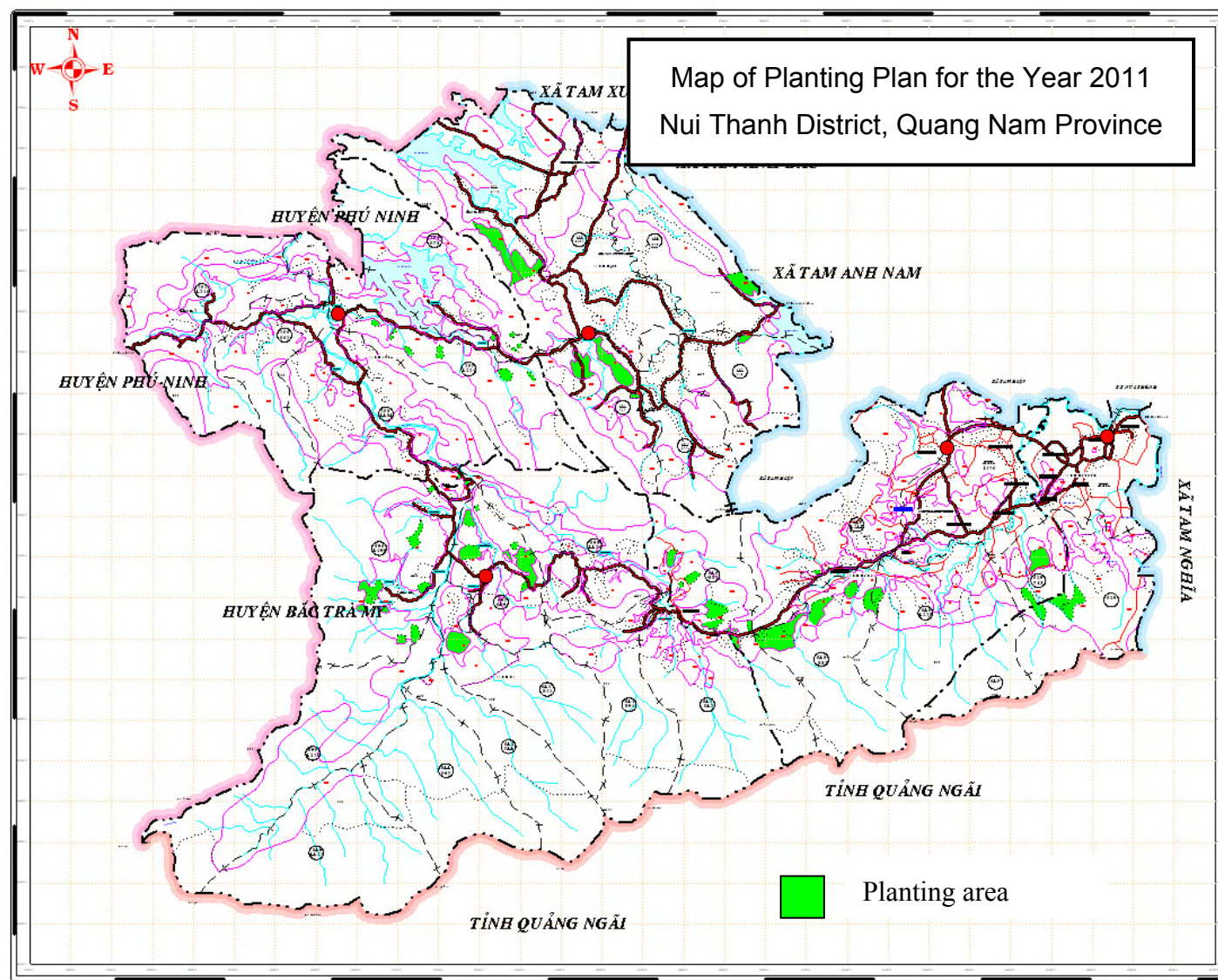
Annex 02: Annual Planting Plan

No.	Commune Name	Forest district	Holder	Status	Owner	Red Book	Land unit	R.C*	Suitability	Species	Area (ha)
	Total										1844,0
1	2008										290,0
	Tam My Dong	620	17a	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	22,0
	Tam My Tay	617	8	IA	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	1,8
	Tam My Tay	617	1	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	17,3
	Tam My Tay	617	7	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	17,3
	Tam My Tay	NTK	15a	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	17,6
	Tam My Tay	NTK	16	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	24,9
	Tam My Tay	NTK	4	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	4,0
	Tam Son	595	12	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	11,9
	Tam Thanh	602	11	DUA	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	34,0
	Tam Thanh	602	12	DUA	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	33,0
	Tam Tra	615	26	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	5,6
	Tam Tra	615	24	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	20,7
	Tam Tra	614	10	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	40,1
	Tam Son	595	3	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	19,0
	Tam My Tay	617	14b	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	20,8
2	2009										484,5
	Tam My Tay	617	26	KLTH	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	5,0
	Tam My Tay	617	27	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	0,9
	Tam My Tay	NTK	35	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	1,2
	Tam My Tay	NTK	36	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	1,7
	Tam My Tay	619	7	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	4,1
	Tam My Tay	NTK	25	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	4,8
	Tam My Tay	617	12	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	4,0
	Tam My Tay	619	19	KLTH	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	17,8
	Tam My Tay	617	17	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	4,5
	Tam My Tay	617	18	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KTT	4,0
	Tam My Tay	NTK	32	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	3,7
	Tam My Tay	NTK	22	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	6,0
	Tam My Tay	619	18	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	11,4
	Tam My Tay	617	32	KTTII	HH	Yes	T1G1ICD2H1R1	I	S1	KL	1,6
	Tam My Tay	NTK	24b	IC	HH	Yes	T1G1ICD2H1R1	I	S1	KL	4,0
	Tam My Tay	619	8	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	10,9
	Tam My Tay	NTK	34b	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	23,0
	Tam My Tay	NTK	34a	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	7,7
	Tam My Tay	617	22A	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	38,7
	Tam My Tay	617	22b	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	36,5
	Tam Son	595	10	BDC	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	0,5
	Tam Son	598	3a	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	2,3
	Tam Son	598	3b	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,4
	Tam Son	595	14	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	9,5
	Tam Son	596	6	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,8
	Tam Son	596	4	IC	CPC		T1G1ICD2H1R1	I	S1	KL	1,2
	Tam Son	598	7	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	6,3
	Tam Son	596	10	IC	CPC		T1G1ICD2H1R1	I	S1	KL	0,7
	Tam Son	595	16	IC	CPC		T1G1ICD2H1R1	I	S1	KL	1,1
	Tam Thanh	602	10	BDC	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	28,4
	Tam Thanh	602	16	DUA	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	13,3
	Tam Thanh	603	16	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	25,2
	Tam Thanh	602	12	DUA	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	18,8
	Tam Thanh	602	11	BDC	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	33,3
	Tam Tra	615	12	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,9
	Tam Tra	615	13	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,7

No.	Commune Name	Forest district	Holder	Status	Owner	Red Book	Land unit	R.C*	Suitability	Species	Area (ha)
	Tam Tra	615	4	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	4,2
	Tam Tra	614	3	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,1
	Tam Tra	608	38	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,3
	Tam Tra	614	7	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	4,0
	Tam Tra	608	31	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	3,4
	Tam Tra	608	36	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	6,7
	Tam Tra	608	35	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,2
	Tam Tra	608	28	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,2
	Tam Tra	608	29	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	3,0
	Tam Tra	607	20	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	9,9
	Tam Tra	615	8	IA	CPC		T1G1IAD2H1R1	II	S1	KTT	1,6
	Tam Tra	614	2	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	0,7
	Tam Tra	614	6	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	9,2
	Tam Tra	614	11	IB	CPC		T1G2IB2D2H1R1	II	S2	KTT	29,4
	Tam Tra	608	24	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	3,1
	Tam Tra	608	34	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	3,4
	Tam Tra	608	32	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,8
	Tam Tra	608	27	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,9
	Tam Tra	615	11	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	4,0
	Tam Tra	608	26	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,0
	Tam Tra	615	23	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	6,7
	Tam Tra	615	18	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,7
	Tam Tra	615	9	IA	CPC		T1G1IAD2H1R1	II	S1	KL	10,9
	Tam My Dong	620	17b	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	17,0
	Tam My Dong	620	23	BDC	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	11,2
3	2010										536,4
	Tam My Dong	620	8	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	3,3
	Tam My Dong	620	6	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	6,4
	Tam My Dong	NTK	15	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	5,2
	Tam My Dong	620	1b	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	2,9
	Tam My Tay	617	54	IB	HH	Yes	T1G2IB2D2H1R1	II	S2	KTT	3,1
	Tam My Tay	617	52	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	2,1
	Tam My Tay	617	28	KLTH	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	4,0
	Tam My Tay	617	39	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	2,4
	Tam My Tay	617	41	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KTT	1,7
	Tam My Tay	619	9	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KTT	3,0
	Tam My Tay	619	15	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	7,3
	Tam My Tay	617	51	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	4,0
	Tam My Tay	617	38	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	2,2
	Tam My Tay	617	40	KTTII	HH	Yes	T1G1ICD2H1R1	I	S1	KL	5,5
	Tam My Tay	617	25	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	4,4
	Tam My Tay	619	11	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KTT	3,6
	Tam My Tay	619	17	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KTT	14,0
	Tam My Tay	617	49	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	2,0
	Tam My Tay	619	16	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	56,1
	Tam My Tay	618	5	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	31,5
	Tam Son	598	29	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	1,5
	Tam Son	598	30	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	5,5
	Tam Son	598	19	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,4
	Tam Son	598	17	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,1
	Tam Son	598	18	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,5
	Tam Son	598	20	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,0
	Tam Son	598	13	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	6,0
	Tam Son	598	22	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,5
	Tam Son	598	23	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,2
	Tam Son	598	12	IC	CPC		T1G1ICD2H1R1	I	S1	KL	2,6
	Tam Thanh	603	7	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	25,2
	Tam Thanh	602	14	IB	CPC		T1G2IB2D2H1R1	II	S2	KTT	29,3

No.	Commune Name	Forest district	Holder	Status	Owner	Red Book	Land unit	R.C*	Suitability	Species	Area (ha)
	Tam Tra	607	14	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	13,7
	Tam Tra	608	18	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,6
	Tam Tra	608	3	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	7,5
	Tam Tra	608	7	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	3,7
	Tam Tra	608	23	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	3,3
	Tam Tra	608	10	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	7,7
	Tam Tra	608	14	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,5
	Tam Tra	608	6	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	6,6
	Tam Tra	608	11	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,4
	Tam Tra	608	12	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,2
	Tam Tra	613	1	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	9,5
	Tam Tra	608	30	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	12,7
	Tam Tra	607	19	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	50,1
	Tam My Dong	620	13a	BDC	HH	Yes	T1G1IAD2H1R1	II	S1	KL	3,1
	Tam Son	598	28a	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	12,5
	Tam My Tay	620	5	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	49,1
	Tam Thanh	603	13a	DUA	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	28,7
	Tam Thanh	603	13b	DUA	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	70,4
	Tam My Dong	620	9	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	3,6
4	2011										533,1
	Tam My Tay	616	17	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	6,8
	Tam My Tay	616	22	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	1,2
	Tam My Tay	616	23	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	0,8
	Tam My Tay	616	25	KLTH	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	2,5
	Tam My Tay	619	13	IA	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	3,2
	Tam My Tay	618	4	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	9,0
	Tam My Tay	618	14b	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	2,4
	Tam My Tay	616	6	KTTIII	HH	Yes	T1G1ICD2H1R1	I	S1	KL	1,3
	Tam My Tay	616	27	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	4,5
	Tam My Tay	617	48	KLTH	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	1,3
	Tam My Tay	620	4	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	19,9
	Tam My Tay	618	8	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	10,5
	Tam My Tay	616	5	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	6,1
	Tam My Tay	619	12	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	6,4
	Tam My Tay	616	21	IC	HH	Yes	T1G1ICD2H1R1	I	S1	KL	0,6
	Tam My Tay	617	33	KLTH	HH	Yes	T1G1ICD2H1R1	I	S1	KL	0,6
	Tam My Tay	616	2	KTTII	HH	Yes	T1G1ICD2H1R1	I	S1	KL	8,2
	Tam My Tay	616	11	KLTH	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	13,8
	Tam My Tay	618	10	BDC	HH	Yes	T1G2IAD2H1R1	II	S2	KTT	12,2
	Tam My Tay	618	17	KTTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	36,3
	Tam Son	597	25	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	6,9
	Tam Son	594	14	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	1,7
	Tam Son	594	15	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,4
	Tam Son	594	17	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,0
	Tam Son	597	21	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	3,1
	Tam Son	597	24	KLTH	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	4,1
	Tam Son	597	28	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	1,8
	Tam Son	597	16	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,3
	Tam Son	597	17	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,2
	Tam Son	597	19	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	0,9
	Tam Son	594	18	BDC	HH	N/A	T1G2IAD2H1R1	II	S2	KTT	1,0
	Tam Thanh	602	2	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	4,7
	Tam Thanh	599	20	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	25,8
	Tam Thanh	603	9	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,3
	Tam Thanh	601	6	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	22,1
	Tam Thanh	603	5	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	24,9
	Tam Thanh	603	4	KLTH	HH	N/A	T1G1ICD2H1R1	I	S1	KL	35,4
	Tam Thanh	599	19	DUA	HH	N/A	T1G1IAD2H1R1	II	S1	KTT	38,9

No.	Commune Name	Forest district	Holder	Status	Owner	Red Book	Land unit	R.C*	Suitability	Species	Area (ha)
	Tam Thanh	600	24	KTTIII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	0,8
	Tam Tra	613	6	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	21,7
	Tam Tra	606	23	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	7,3
	Tam Tra	606	24	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	4,0
	Tam Tra	606	21	KLTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	3,1
	Tam Tra	606	17	KLTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	14,5
	Tam Tra	607	9	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,0
	Tam Tra	607	1	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	1,0
	Tam Tra	606	13	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	10,1
	Tam Tra	606	16	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	6,6
	Tam Tra	606	20	KTTII	HH	N/A	T1G2ICD2H1R1	II	S2	KTT	2,5
	Tam Tra	607	11	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	2,5
	Tam Tra	607	2	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	7,5
	Tam Tra	606	19	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	3,4
	Tam Tra	606	1	IC	CPC		T1G2ICD2H1R1	II	S2	KTT	3,9
	Tam Tra	607	15	KTTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	32,4
	Tam Tra	607	10	KLTII	HH	N/A	T1G1ICD2H1R1	I	S1	KL	15,7
	Tam Tra	606	8	IB	CPC		T1G1IB2D2H1R1	I	S1	KL	2,0
	Tam My Tay	620	9	KLTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	1,1
	Tam My Tay	618	7	KTTII	HH	Yes	T1G1ICD2H1R1	I	S1	KL	18,6
	Tam My Dong	620	25	KLTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	26,4
	Tam My Tay	620	8	KLTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	7,7
	Tam My Dong	620	25b	KLTII	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	7,4
	Tam My Tay	616	7b	IC	HH	Yes	T1G2ICD2H1R1	II	S2	KTT	3,8



Annex 03: Silvicultural guidance

Key activity	Technical measures	Description
I. Planting	1. Vegetation clearance	<u>Recommendation: in Month 6 to Month 8</u> <i>(1) Planting on open land:</i> <u>a. Bushes < 1m in height:</u> Hole digging, vegetation clearance, leaving the cut vegetation by the contour lines <u>b. Dense bushes > 1m in height:</u> Clearance, copping and leaving the chopped vegetation by the contour lines <u>c. Very steep (>20°) and of high erosion:</u> Clearance part by part by contour lines and the remained band is 1 m in width <i>(2) Eucalyptus land:</i> Clear cut of Eucalyptus Leaving branches by the contour lines for erosion limitation.
	2. Hole digging	<i>(1) Size of the hole for growing Acacia hybrid and Acacia mangium: 40 cm (D) x 40 cm (depth).</i> <i>(2) Digging hole by the contour lines</i> <i>(3) Distance:</i> - Line to line (by the contour lines): 3m; tree to tree: 2m - Density: 1,660 stem/ha <i>(4) When digging, leave separate the surface soil (layer A) and layer B)</i>
	3. Filling in	<i>(1) Filling in 15 to 20 days before planting.</i> - Filling in by surface soil before adding 190 g of NPK/hole. - Soil of layer B is put on top of the hole, avoiding putting in with weeds and rocks
	4. Transport of seedlings and planting	<i>(1) Planting season:</i> - From Month 9 to Month 12 annum - When the bottom of hole is wet, cloudy - Avoiding windy day <i>(2) Transport of seedling:</i> - At least 7 days before planting seedlings are transported to the planting site and ensure the seedlings in good health. <i>(3) Planting:</i> - Hole is suitable to the tube - Remove the plastic tube - Putting the seedling in the mid-hole - Filling in around the stump - Pressing soil around the stump tightly, avoiding damage to seedling

Key activity	Technical measures	Description
	5. Beating up	- 10 to 20 days after plating, checking to know the rate of survival, and beating up if necessary
II. Tending	1. Year 1	(1) <i>Time one (about 3 months after planting):</i> - Weeding around the stump 1-1.2 m and clear-cut the remained Eucalyptus coppices (2) <i>Time two (Month 10-11)</i> - Weeding, clear-cut the remained Eucalyptus coppices and digging around the stump
	2. Year 2	(1) <i>Time one (Month 2 - 3)</i> - Weeding, clear-cut the remained Eucalyptus coppices and digging around the stump. - Adding 100g of NPK/hole - Digging around the stump 1-1.2 m (2) <i>Time two (Month 10-11)</i> - Weeding - Digging around the stump 1-1.2 m
	3. Year 3	(1) <i>Time one (Month 2 - 3)</i> Weeding, clear-cut the remained Eucalyptus coppices and digging around the stump. - Digging around the stump 1-1.2 m (2) <i>Time two (Month 10-11)</i> - Weeding, clear-cut the remained Eucalyptus coppices and digging around the stump. - Digging around the stump 1-1.2 m
IV. Protection	Year 1 to harvest time	Protection: Observation of pests and diseases, fire prevention and grazing.
V. Harvest (year 8)	1. Felling	Buyers do the logging, however, forest owners must know how much the timber quantity is. Before selling, extension staff together with farmers to estimate the production for pricing (1) <i>Felling:</i> Cutting; Branching; Sectioning. (2) <i>Falling direction:</i> Generation of good condition for moving out of timber (3) <i>Branches</i> - Leaving the branches for soil protection is recommended.
	2. Moving	Moving is done by buyers, and avoiding making soil erosion

Annex 04: Terms of References for Consultants

1. PMB staff

(1) Project director

Role and responsibility

- Implementation, management and supervision the project, coordination with related agencies and important stakeholders
- General guiding for project implementation and ensure the expected objectives
- Regularly supervising the project implementation progress and implementing the mid-term and end term review
- Ensuring the updating the information on the project implementation to serve the decision-making at all levels, and
- Doing others assigned

Qualification

- University level, forester í prioritized
- Three year-experience upward in project relating to forestry
- Understanding of the rural administrative

(2) Financial staff/accountant

Role and responsibility

- Preparation of implementation plan and financial plan annually
- Preparation of financial procedure, management of booking system and expenses
- Reporting to financial institutions on the suitability of each application form to involve in the project and helping financial institutions preparation of loaning contract with farmer households involving in the project on the disbursement of loans to farmer households
- Guiding the survey of markets and provision of information on wood materials to farmer households/group of households
- Establishment of the monitoring system and evaluation. Conduction of monitoring and evaluation, and reporting the project progress
- Management of the project bank account, checking receipts and management of project cash
- Provision of report to financial institutions on the suitability of each application form to involve in the project preparation of loaning contract with farmer households involving in the project
- Preparation and updating of procurement plan, management of the procurement process, including negotiation of prices and arrangement of the distribution of seedlings and fertilizers with local suppliers

Qualification

- University level on financial field
- Five-year experience
- Understanding the rural community

(3) Staff in charge of planning and technical issues

Role and responsibility

- Preparation of annual implementation plan
- Preparation for meetings with community to disseminate project information to farmer households to support them involving in the project and grasping farmers' aspiration as regard afforestation
- Provision of technical support on production afforestation and agro-forestry to farmer households/group of households - Support the financial institutions on silviculture techniques for the assessment of the loan of the farmer households
- Conduction of procurement and distribution of seedlings and fertilizers
- Others

Qualification

- Forestry College
- Five-year experience
- Understanding of the rural community

2.Field staff at commune level

Role and responsibility

- Implementation and management of the project at commune level
- Preparation and amendment of annual plan at commune level
- Creation of conditions for establishment and linking of household groups and support them in afforestation activities, sales and marketing of wood materials and accessing to credit loans.
- Undertaking the contact at commune level

Qualification

- University degree on rural development
- Five year-experience upward
- Understand the rural mechanism and the community

Annex 05: Sample of documents for preparation of implementation plan

1. List of farmer households possibly involving in the project

Code	Name	Address	Total forest land (ha)	Forested land (ha)	Red Book (Yes/No)	Number of labors	Loans (Yes/No)

2. Sample of temporary assessment of household and venue

Householder name			Code			
Village			Address			
Forest land area	Ha		Agriculture land area	Ha		
Land use status			Timber quantity estimation	M ³		
Compartment			Plot (stand)			
Number of labors			Average annual incomes	VND		
Forest land map (evaluation of approach)						
Land productivity class						
Ha		Ha	Ha	Ha	Ha	Ha
Total land area	Ha		Area for year 1	Ha	Year 2	Ha
Estimation of labors to be hired	Man/day		Area for year 1	Man/day	Year 2	Man/day
Remarks						
Signature of the householder			Signature of the PIU staff			
PIU	Acceptation			Not acceptance		
PMB	Acceptation			Not acceptance		

3. List of households accepted by the PMB

Code	Name	Address	Forest land (Ha)	Forested land (Ha)	Red Book (Yes/No)	Planting area annum (ha)		Productivity class							Labors	Incomes
						Year 1	Year 2									

4. Planting design by households

Stand No.:	Compartment:	Forest district:
Commune:	District:	Province:
Holder:	Village:	Bordering to: North
West:	South:	East:
<i>Description:</i>	Map of afforestation stands	
Area: ha		
Slope:		
Mixed rock rate: %		
Sloping direction:		
Soil depth: ... cm		
Distance to main road:.....m		
Soil type:		
Bush:		
Bush height: m	Vegetations:	Vegetations height: ... m
<i>Design</i>		
Soil preparation:		
☐ Partial	☐ By bands	☐ Total
Hole size:	... cm x ... cm x ...cm	Time of digging hole (Month):
Time for filling in (Month):	NPK: ... kg/hole	Total fertilizers: kg
Species:	Density:	Planting time (Month):.....
Seedlings:	Beating up (Month):	
<i>Labor required (man-day)</i>		
Site preparation: ...	Hole digging: ...	Filling in: ...
Transport of seedlings: ...	Planting: ...	
<i>Date:</i>		<i>Designer:</i>

5. Form for ordering of seedlings

Code	Name	Address	Compartment	Stand	No. of seedling by species		
					A. hybrid	A. mangium	Total

6. Form for ordering of fertilizers

Code	Name	Address	Compartment	Stand	Quantity (kg)

7. Sample of Wood material supply

Organization:.....

Socialist Republic of Vietnam

No.:...../HDKT-KH

Independence – Freedom - Happiness

ECONOMIC CONTRACT

As said in Decree on Economic Contract dated 28-09-19XX of the State Council and Decision No. 17/HDBT dated 10-01-19XX of the GOV regulating the implementation of an Economic Contract

Based on the function and power right of both sides

Agreement between 2 sides:

To date,/...../200..... in

(Contract signing should happen 6-12 months before logging depending on the negotiation between 2 sides)

We are consisting of:

Side A:.....

Address:

Telephone number:

Fax:

Bank account No.:

In (Bank)...

Representative: Mr./ Mrs.Position.....

Side B: (Farmer householder)

Address:

Telephone number:

Fax:

Bank account:

In (Name of the Bank)...

Representative: Mr./ Mrs.Position.....

Having negotiated, both sides agree to sign the contract on the provision of wood materials basing on the article mentioned below:

Article 1. Contract contents and time of implementation

- Side B agrees to sell wood material to side A
- Type of product: Acacia hybrid and Acacia mangium
- Quantity: m³/year or 3,000 –3,200 m³ / month

Specifications and selling price of wood materials

Type of timber	Specification (L: Length; D: Diameter of small end)	Selling price (VND/ton)
Group I		
Group II		
Group III		
Group IV		

(December 200x..... price)

- Quality requirement: can be used, not rotten, no wood worm, not coppice
- If the wood material with smaller than 0.5 m, it is not acceptable and classified as Group IV
- Legal certificate licensed
- Delivery place: Mill gate
- Time of supply: 10 years (from year 1 to year 10)
- If the market price changes, 2 stakeholders will re-negotiate the price

Article 2: Contract values and time for accounting

Total contract values is XXX million VND/year and values at XXX, payment in cash basing on the delivered quantity to users

Article 3: Responsibility of side A

- Buy the timber from side B as said in the signed contract
- Payment is in cash to side B within 15 days since delivery
- Receipt.

Article 4: Responsibility of side B

- Ensuring the quantity and quality as said in the signed contract
- Receipt

Article 5: Commitment of both sides

- Both sides commit to implement all provisions in the contract; do not cancel the contract during the implementation of the contract. Both sides are responsible for informing each other what is (are) rising for timely solving to avoid losses to both sides
- If conflict happens and impossible to solve the issue can be brought to court for final judgment
- The contract comes into force since signing

The contract consists of 06 copies of the same values. Each side keeps 03 copies.

Representative of side A

(Sign & stamp)

Representative of side B

(Sign & stamp)

The contract will fully come into force when PMB is delegated and sign.

Training Package

Book 1:	Training Plan on Capacity Building for Preparing Feasibility Studies and Implementation Plans for Production Forest/Agroforestry Development Projects in Vietnam
Book 2:	Manual for Preparation of Feasibility Study Reports for Production Forest/Agroforestry Development Projects in Vietnam
Book 3:	Manual for Preparation of Implementation Plans for Production Forest/Agroforestry Development Projects in Vietnam
Book 4:	Model F/S of Thai Nguyen Province
	Book 4-1: Model Feasibility Study Report for Smallholder Production Forest Development Project in Thai Nguyen Province
	Book 4-2: Model Feasibility Study Report for Agroforestry Development Project in Thai Nguyen Province
Book 5:	Model IP of Thai Nguyen Province
	Book 5-1: Model Implementation Plan for Smallholder Production Forest Development Project in Thai Nguyen Province
	Book 5-2: Model Implementation Plan for Agroforestry Development Project in Thai Nguyen Province
Book 6:	Monitoring and Evaluation Report on Technical Training of Participating Provinces
Book 7:	Market Trend Reference Book on Wood-based and Agroforestry Products
Book 8:	Feasibility Study Reports of Participating Provinces
	Book 8-1: Feasibility Study Report on Agroforestry Project in Ta Hoc Commune, Mai Son District, Son La Province
	Book 8-2: Feasibility Study Report on Production Forest Establishment Project in Nui Thanh District, Quang Nam Province
	Book 8-3: Feasibility Study Report on Treatment of Exhausted Natural Forest and Production Forest Establishment Project in Da Teh District, Lam Dong Province
	Book 8-4: Feasibility Study Report on Afforestation Project for Serving Biodiversity Conservation in Long An Province
Book 9:	Implementation Plans of Participating Provinces
	Book 9-1: Implementation Plan on Agroforestry Project in Ta Hoc Commune, Mai Son District, Son La Province
	Book 9-2: Implementation Plan on Production Forest Establishment Project in Nui Thanh District, Quang Nam Province
	Book 9-3: Implementation Plan on Treatment of Exhausted Natural Forest and Production Forest Establishment Project in Da Teh District, Lam Dong Province
	Book 9-4: Implementation Plan on Afforestation Project for Serving Biodiversity Conservation in Long An Province