

別添-1

実施細則 (S/W)、実施細則協議議事録 (M/M)、
第1回及び第2回ステアリングコミティ会議議事録
及び調査団がMARD 林業局に提出したレター

SCOPE OF WORK
FOR
THE STUDY
ON
CAPACITY DEVELOPMENT FOR AR-CDM PROMOTION
IN
THE SOCIALIST REPUBLIC OF VIETNAM
AGREED UPON BETWEEN
MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

Hanoi, 5 July 2006



Mr. Fumio Kikuchi
Resident Representative
JICA Vietnam Office
Japan International Cooperation Agency



Mr. Nguyen Ngoc Binh
Director General
Department of Forestry
Ministry of Agriculture and Rural Development



Ms. Hoang Thi Dzung
Deputy Director General
International Cooperation Department
Ministry of Agriculture and Rural Development



Mr. Ho Quang Minh
Director General
International Economic Relations Department
Ministry of Planning and Investment

I. INTRODUCTION

In response to the official request of the Government of the Socialist Republic of Vietnam (hereinafter referred to as "the Government of Vietnam"), the Government of Japan decided to conduct the Study on Capacity Development for AR-CDM Promotion (hereinafter referred to as "the Study") in accordance with the Agreement on Technical Cooperation between the Government of Japan and the Government of Vietnam signed on October 20, 1998 (hereinafter referred to as "the Agreement").

Accordingly, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of the technical cooperation programs of the Government of Japan, will undertake the Study in close cooperation with the authorities concerned of the Government of Vietnam.

The present document sets forth the Scope of Work with regard to the Study.

II. OBJECTIVE OF THE STUDY

The objective of the Study is to support government organizations concerned to develop their capacity for promotion of AR-CDM (Afforestation and Reforestation Project Activities under the Clean Development Mechanism) in Vietnam.

III. STUDY AREA

The Study will cover the entire area of Vietnam.

IV. SCOPE OF THE STUDY

In order to achieve the objective mentioned above, the scope of the Study will consist of the following items:

1. Awareness raising for AR-CDM promotion
 - (1) for the government organizations to enhance their knowledge on AR-CDM,
 - (2) for relevant organizations relating to AR-CDM promotion in Vietnam,
 - (3) for potential investors and project developers, and
 - (4) for the public through a website.
2. Support for establishment of AR-CDM promotion system in Vietnam including the provision of necessary information and services
 - (1) to clarify the roles and responsibilities of relevant agencies,
 - (2) to consider the feasible and appropriate system of provision of necessary information and services to develop an AR-CDM project for those who are interested in AR-CDM, and
 - (3) to support to realize the establishment of the system.

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3. Support for capacity development on a small-scale AR-CDM project formulation
 - (1) to study the procedure of developing a project design document (hereinafter referred to as "PDD"),
 - (2) to clarify the roles and responsibilities of relevant organizations,
 - (3) to select an appropriate area and to explain the purpose and contents of the AR-CDM project to be developed by the Study to potential project participants,
 - (4) to develop a draft of new baseline and monitoring methodologies for the project,
 - (5) to demonstrate additionality for the project,
 - (6) to analyze economic, social and environmental impacts of the project, and
 - (7) to formulate a draft of PDD for the project.

V. STUDY SCHEDULE

The Study will be carried out for a period of approximately eighteen (18) months, in accordance with the tentative schedule as attached in the Annex 1.

VI. OUTPUTS

1. Reports

JICA shall prepare and submit the following reports in English to the Government of Vietnam.

(1) Inception Report:

Twenty (20) copies at the commencement of the Study

This report will describe items such as study schedule, methodology and manning schedule.

(2) Interim Report:

Twenty (20) copies at the appropriate time during the Study period

(3) Draft Final Report:

Twenty (20) copies toward the end of the Study

The Government of the Vietnam shall submit their comments within one (1) month after the receipt of the Draft Final Report.

(4) Final Report:

Thirty (30) copies (within one (1) month after the receipt of the comments on the Draft Final Report)

This report will include analysis of the results, lessons learned, action plan and recommendations to promote AR-CDM in Vietnam.



2. Other Outputs of the Study

Besides the reports mentioned above, the following outputs will be produced as the results of implementation of the Study.

- (1) A guidebook concerning necessary information for AR-CDM project developers and/or investors,
- (2) A website containing necessary information and services in relation to development of AR-CDM project in Vietnam,
- (3) A draft of PDD for a small-scale AR-CDM project, and
- (4) A draft of new baseline and monitoring methodologies for the project.

VII. UNDERTAKING OF THE GOVERNMENT OF VIETNAM

1. The Government of Vietnam shall accord privileges, exemptions and other benefits to the Japanese Study Team (hereinafter referred to as "the Team") in accordance with the Agreement.
2. The Government of Vietnam shall bear claims, if any arises, against the members of the Team resulting from, occurring in the course of, or otherwise connected with, the discharge of their duties in the implementation of the Study, except when such claims arise from gross negligence or willful misconduct on the part of the members of the Team.
3. The Ministry of Agriculture and Rural Development (hereinafter referred to as "MARD") of the Government of Vietnam shall act as a counterpart agency to the Team and also as a coordinating body in relation with other relevant organizations for the smooth implementation of the Study.
4. MARD of the Government of Vietnam shall, at its own expense, provide the Team with the followings, in cooperation with other organizations concerned:
 - (1) Security-related information on as well as measures to ensure the safety of the Team,
 - (2) Information on as well as support in obtaining medical service,
 - (3) Available data (including maps and photographs) and information related to the Study,
 - (4) Counterpart personnel,
 - (5) Suitable office space with necessary equipment, and
 - (6) Credentials or identification cards.

VIII. UNDERTAKING OF JICA

For the implementation of the Study, JICA shall take the following measures:

1. to dispatch, at its own expense, the JICA Study Team to Vietnam, and



2. to pursue technology transfer to promote AR-CDM activities in Vietnam in the course of the Study .

IX. CONSULTATION

JICA and MARD shall consult with each other in respect of any matter that may arise from or in connection with the Study.

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TENTATIVE SCHEDULE

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
Study in Japan	<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>								<input type="checkbox"/>				<input type="checkbox"/>
Study in Vietnam																			
Reports		Ic/R					I/R									DF/R			F/R

<Remarks>

Ic/R Inception Report

It/R Interim Report

DF/R Draft Final Report

F/R Comments on the Df/R by the Government of Vietnam

Final Report

Annex 1




MINUTES OF MEETINGS
ON
THE STUDY ON CAPACITY DEVELOPMENT FOR AR-CDM PROMOTION
IN
THE SOCIALIST REPUBLIC OF VIETNAM
AGREED UPON BETWEEN
MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

The Japan International Cooperation Agency (hereinafter referred to as "JICA") had a series of discussion with the Ministry of Agriculture and Rural Development (hereinafter referred to as "MARD") of the Government of the Socialist Republic of Vietnam as well as other relevant agencies for the purpose of working out the details of Scope of Work (S/W) for the Study on Capacity Development for AR-CDM* Promotion in Vietnam (hereinafter referred to as "the Study").

As a result of the discussions, JICA and MARD agreed upon the S/W for the Study. The main issues discussed by both sides in relation to the S/W are shown in the document attached hereto.

Hanoi, 5 July 2006



Mr. Fumio Kikuchi
Resident Representative
JICA Vietnam Office
Japan International Cooperation Agency



Mr. Nguyen Ngoc Binh
Director General
Department of Forestry
Ministry of Agriculture and Rural Development



Ms. Hoang Thi Dzung
Deputy Director General
International Cooperation Department
Ministry of Agriculture and Rural Development



Mr. Ho Quang Minh
Director General
International Economic Relations Department
Ministry of Planning and Investment

* Afforestation and Reforestation Project Activities under the Clean Development Mechanism

Attached Document

1. Capacity Development for Formulation of an AR-CDM Project

Both sides agreed that the most effective way to develop necessary capacity is provision of actual experience through the implementation of the Study in collaboration with the relevant agencies under the leadership of MARD. Both sides also confirmed that the formal approval of a draft of new baseline and monitoring methodologies and a draft of a project design document (hereinafter referred to as "PDD") developed by the Study would be subject to the decision by the Clean Development Mechanism (hereinafter referred to as "CDM") Executive Board, therefore the approval as a CDM project is not necessarily assured within the Scope of the Study.

2. Organizational Structure for the Study

Both sides confirmed that the cooperation among relevant agencies is necessary for implementation of the Study and therefore, MARD takes responsibility to coordinate those agencies and to establish the following organizational structure for implementation of the Study, as attached in the Annex 1.

2-1. Establishment of Steering Committee

A Steering Committee will be established to take responsibility for supervising the project implementation and administration as soon as the Study commences.

The Steering Committee will be chaired by the Leader of the Department of Forestry (hereinafter referred to as "DOF") of MARD and necessarily comprise representatives from DOF, International Cooperation Department (ICD), Viet Nam Forestry University (hereinafter referred to as "VFU"), Forest Science Institute of Vietnam (FSIV) and others concerned of MARD, the Ministry of Planning and Investment (MPI), the Ministry of Finance (MOF), the Ministry of Natural Resources and Environment (MONRE), JICA Vietnam Office and the JICA Study Team. The chairperson of the Steering Committee invites other relevant institutions and/or personnel to the Committee as observers when necessity arises.

The Steering Committee meets at the beginning of the Study to analyze and approve the inception report as well as before the termination of the Study to review progress and results of the Study. The Steering Committee can be called when necessity arises.

2-2. Establishment of Standing Unit

A Standing Unit will be established in DOF to assist the Steering Committee in providing advises and directions to implementation of the Study and to take responsibility for bringing a mutual consensus among different stakeholders.

Meetings among the Standing Unit, Counterpart Team and JICA Study Team, will be held in every two weeks periodically and can be held when necessity arises. The Standing Unit invites other relevant organizations and/or personnel to the meetings when necessity arises.



2-3. Counterpart Personnel and Counterpart Team

MARD assigns counterpart personnel, composed of a Director, a Coordinator and other members from relevant organizations to organize Counterpart Team as soon as possible.

Under the supervision of the Steering Committee, the Leader of VFU will serve as the Director of the Study and bear overall responsibility for the administration and implementation of the Study. The Director of the Study will appoint a Coordinator of the Study who is to supervise daily operation of the Study, assisting the Director and making necessary arrangement and coordination for the smooth implementation of the Study.

Counterpart Team will jointly work with the JICA Study Team, because the Study will be implemented in cooperation of both sides.

2-4. Expenses for the Counterpart Personnel

Vietnamese side bears the expenses related to the counterpart personnel, in accordance with the Agreement on Technical Cooperation between the Government of Japan and the Government of Vietnam signed on October 20, 1998.

2-5. Dispatch of the JICA Study Team

JICA will dispatch, at its own expense, the JICA Study Team to Vietnam, and the JICA Study Team will jointly work with the Counterpart Team and pursue technology transfer to promote AR-CDM activities in Vietnam in the course of the Study.

3. Preparation for the Study by Vietnamese side

Both sides agreed that Counterpart Team proposes more than one potential area by the first arrival of the JICA Study Team, among which the JICA Study Team and Counterpart Team will select one area as the target area for the small-scale AR-CDM project formulated by the Study.

4. Use of JICA's Guidelines for Environmental and Social Considerations

The Study develops a draft of PDD in accordance with the JICA's guidelines for environmental and social considerations.

5. Use of Existing Information

The Study uses existing information such as natural conditions, socio-economic data, maps and cadastre as much as possible. MARD will coordinate and/or facilitate the provision of existing information.

6. Equipment for the Study

The JICA Study Team would be provided with equipment and supplies necessary for



the Study. The equipment will remain the property of JICA for the duration of the Study, and its ultimate ownership shall be decided by JICA in consultation with DOF.

7. Office Space

Vietnamese side provides a small working space in DOF and an office space in VFU. Both spaces will be equipped with telephone and basic furniture for the use of the JICA Study Team.

8. Public Release of the Study

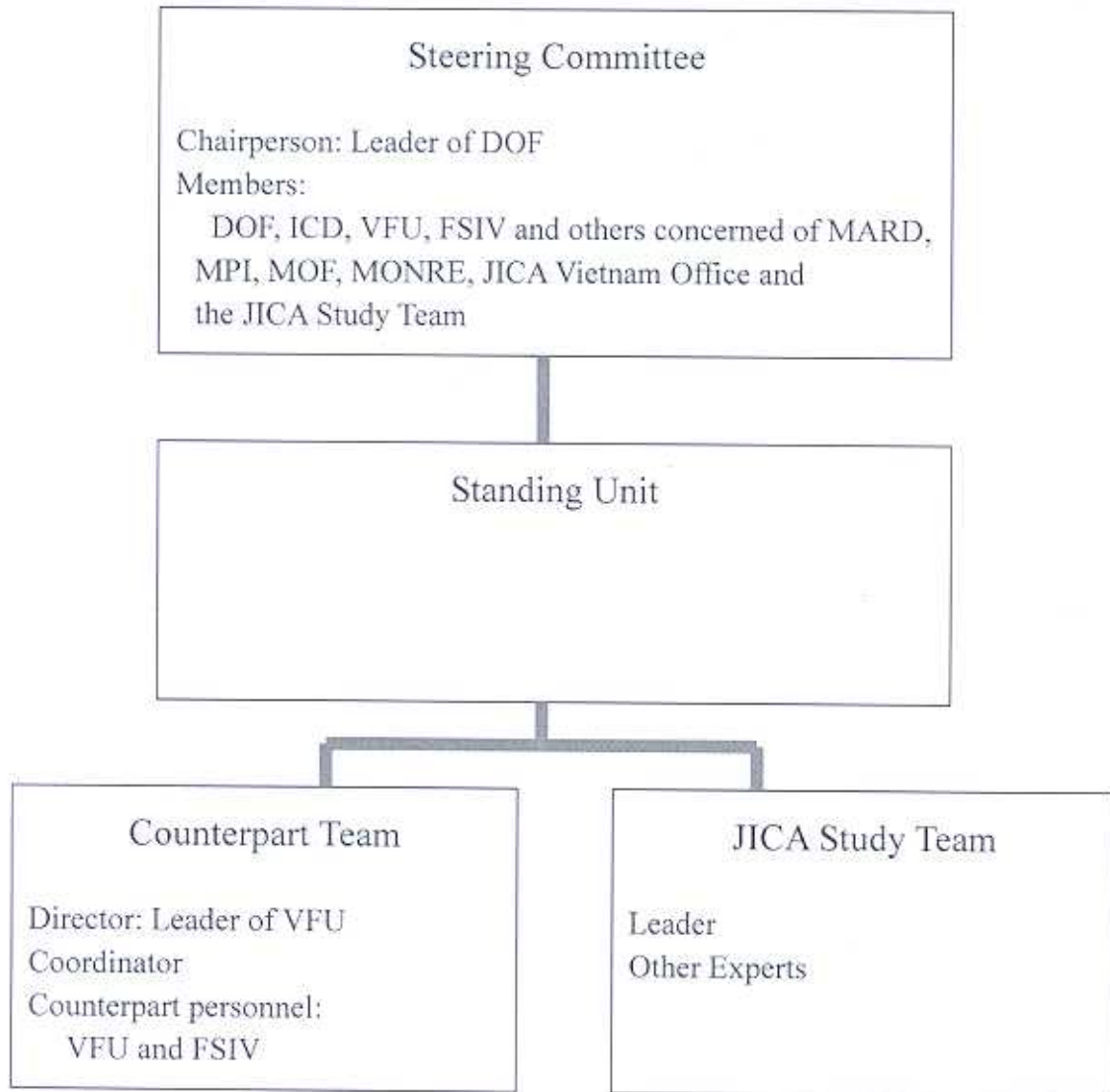
Both sides agreed that the results of the Study will be open to the public, in principle, in order to achieve maximum use of the Study results.

9. Technical Training Workshops

During and at the end of the Study, workshops aiming to provide technical skills and knowledge and to disseminate the results of the Study will be jointly organized by DOF, other Counterpart organizations and JICA.



Organizational Structure for the Study



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**MINUTES OF THE STEERING COMMITTEE MEETING
ON
THE INCEPTION REPORT
OF
THE STUDY ON CAPACITY DEVELOPMENT FOR AR-CDM PROMOTION
IN
THE SOCIALIST REPUBLIC OF VIETNAM**

A meeting of the Steering Committee for the Study on Capacity Development for AR-CDM Promotion in the Socialist Republic of Vietnam (hereinafter referred to as "the Study") was held on 17th November 2006 at the meeting room of Department of Forestry (DOF), Ministry of Agriculture and Rural Development (MARD) to discuss the contents of the Inception Report.

As a result of the meeting, the Steering Committee approved the Inception Report of the Study. Participants, agenda, comments raised and an agreement reached at the meeting are presented in the paper attached.

Hanoi, 4 December 2006



Mr. Akihiko Sasaki
Team Leader
The Study on Capacity Development for
AR-CDM Promotion (JICA)



Mr. Nguyen Quang Duong
Vice Director
Department of Forestry
Ministry of Agriculture and Rural
Development

Steering Committee Meeting

Date: AM8:30-11:15, November 17, 2006

Place: Meeting Room No.103, Building B6, Department of Forestry

Participants: <Vietnamese Side>

- Mr. Nguyen Quang Duong (Vice Director, DOF, MARD) - **Chairman**
- Ms. Ha Thi Linh (Senior Officer, Department of Forestry Protection, DOF, MARD)
- Mr. Nguyen Nghia Bien (Deputy-head, Department of Planning, MARD)
- Mr. Phan Xuan Hoan (Vice Rector, VFU)
- Mr. Nguyen Ba Ngai (Head of Scientific Management and International Co-operation Division, VFU)
- Ms. Do Thi Ngoc Bich (Deputy-head of Scientific Management and International Co-operation Division, VFU)
- Mr. Vo Dai Hai (Deputy Director, FSIV)
- Mr. Vu Tan Phuong (Acting Director, RCFEE, FSIV)
- Mr. Hoang Manh Hoa (Climate Change Coordinator, Secretary of CDM National Executive and Consultative Board, FCD, MONRE)

<JICA Expert>

- Mr. Kensei Oda (JICA Expert, MARD)

<JICA>

- Mr. Masao Watanabe (Deputy Resident Representative, JICA Vietnam Office)
- Ms. Tomomi Uchikawa (Global Environmental Department, JICA Head Office)
- Ms. Hoang Thu Thuy (Assistant Program Officer, JICA Vietnam Office)

<JICA Study Team>

- Mr. Akihiko Sasaki (Team Leader, JICA Study Team)
- Mr. Masaru Ishikawa (JICA Study Team)
- Mr. Tomoki Nakamura (JICA Study Team)
- Mr. Ngo Sy Hoai (Interpreter, JICA Study Team)

Agenda:	8:30-8:50	Opening remarks by Mr. Duong (Chairman), MARD and introduction of participants
	8:50-9:30	Presentation of the Study by Mr. Sasaki (JICA Study Team)
	9:30-10:00	Comments and discussions
	10:00-10:15	Tea Break
	10:15-11:00	Comments and discussions
	11:00-11:15	Conclusions and closing remarks by Mr. Duong (Chairman), MARD

Comments:

<Mr. Hoa, MONRE>

- Prime Minister directive No: 35/2005/CT-TTg issued on 17 October 2005 instructs ministries concerned to develop plans regarding CDM. A week ago, MONRE issued an official letter to each ministry to request providing the information on activities related to CDM, which have been carrying out. Base on that, MONRE will synthesize and report to the Prime Minister. He appreciated the efforts of DOF, VFU and FSIV in term of what have been done for implementation of AR-CDM promotion in Vietnam. His presence in the meeting was really a good chance for MONRE to get

information on what have been done so far by MARD in term of AR-CDM promotion. It was confirmed that MONRE is ready to work in cooperation with pleasure with the Study Team and the Counterpart Team during the implementation of the Study.

- MARD is one of the members of CDM National Executive and Consultative Board (CNECB) and should actively work on CDM. Therefore, implementation of the Study by JICA and MARD is welcomed.
- Vietnam has much potential to implement AR-CDM. But there are difficulties in the formulation and implementation. For AR-CDM implementation, capacity building of governmental staff is required. Especially, demonstration of PDD preparation for a small-scale AR-CDM is important in consideration of the conditions in Vietnam.
- Regarding use of ODA fund, Vietnamese government prohibits diversion of ODA for implementation of CDM projects. Vietnamese Government follows Marrakesh Accord in terms of diversion of ODA.

<Mr. Hai, FSIV>

- FSIV has conducted researches such as baseline and carbon sequestration related to AR-CDM. FSIV can much cooperate with the Study.
- For organizational structure of the Study, lessons learned from RENFODA (Project for Rehabilitation of Natural Forest in Degraded Watershed Area in the North of Vietnam) may be referred to.
- Existence of the Standing Unit in the organizational structure may hamper smooth implementation of the Study because responsibilities of the project director may compete with those of the Standing Unit.

<Mr. Hoan, VFU>

- The Inception Report should highlight that draft PDD is a major output of the Study.
- Since land tenure in forest land is fragmented, the Study should consider association of forest holders as a project management unit of small-scale AR-CDM.
- Forest plantations with mixed species are prevailing in Vietnam. Therefore, the Study team should develop a new methodology for monitoring of carbon removals by mixed plantations.

<Mr. Linh, DOFP, MARD>

- There is no comment on the design of the Study.
- There is a need to add a part of explanation of the CDM terminologies in the Inception Report, if possible.
- The Study should compile lessons learned regarding AR-CDM formulation.
- Monitoring system of AR-CDM projects is important and should be elaborated well.
- The Study should consider possible conflicts between ordinary forestry projects and AR-CDM projects in terms of benefits and benefit allocation to local people.

<Mr. Bien, DOP, MARD>

- DOP expects that AR-CDM projects could be formulated through the Study.
- The Inception Report should present project fund and clarify responsibilities of counterpart agencies.

- Regarding use of ODA for CDM, a new decree on ODA management and use should be referred to.

<Mr. Watanabe, JICA Vietnam Office>

- JICA expects that the Study will be officially approved by the Government of Vietnam as soon as possible in order to implement the Study smoothly and effectively.
- JICA will provide logistic. But it was recommended that Vietnamese side has to commit to take responsibility for facilitating the procedures related to the Study as its obligation.

<Mr. Oda, JICA Expert, MARD>

- It was agreed between MARD and the preliminary study mission of JICA that Standing Unit under DOF is necessary for smooth implementation of the Study. Proposed bi-weekly meetings among the Standing Unit, Counterpart Team and Study Team are very important.
- He expects the Study would be implemented smoothly since counterpart agencies, VFU and RCFEE/FSIV, have enthusiasm and willingness to contribute to it, which is very important ingredient for success.

Responses to the comments by Mr. Sasaki (JICA Study Team):

- The Study Team is going to clarify the understanding on "diversion of ODA" by MONRE.
- The Study Team considers that the Standing Unit will not hamper smooth implementation of the Study. The Team is comfortable with the organizational set-up so far.
- The Study Team will carefully review approved methodologies if they are applicable for monitoring carbon removals in mixed plantations. New methodology will be developed only if the approved methodologies can not be applied.
- The Study Team will include definitions of terminology in the Interim Report and Final Report but not in the Inception Report due to lack of time.
- The Study Team will study, in the course of preparation of visions and action plans for AR-CDM promotion, possible conflicts between ordinary forestry projects and AR-CDM projects regarding benefits.
- The Study Team will insert a page to indicate summary of the Study including project fund.

Agreement:

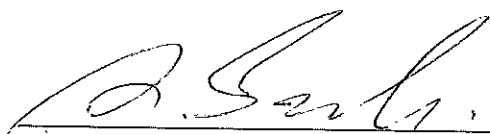
- The Inception Report shall be finalized taking the comments into account and be officially submitted to DOF/MARD by the middle of December 2006.

**MINUTES OF THE STEERING COMMITTEE MEETING
ON
THE INTERIM REPORT
OF
THE STUDY ON CAPACITY DEVELOPMENT FOR AR-CDM PROMOTION
IN
THE SOCIALIST REPUBLIC OF VIETNAM**

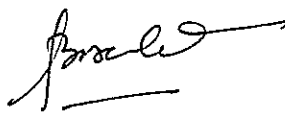
A meeting of the Steering Committee for the Study on Capacity Development for AR-CDM Promotion in the Socialist Republic of Vietnam (hereinafter referred to as “the Study”) was held on 18th May 2007 at the meeting room of Department of Forestry (DOF), Ministry of Agriculture and Rural Development (MARD) to discuss the contents of the Interim Report.

As a result of the meeting, the Steering Committee approved the Interim Report of the Study. Participants, agenda, comments raised and an agreement reached at the meeting are presented in the paper attached.

Hanoi, 31 May 2007



Mr. Akihiko Sasaki
Team Leader
The Study on Capacity Development for
AR-CDM Promotion (JICA)



Dr. Nguyen Ba Ngai
Vice Director General
Department of Forestry
Ministry of Agriculture and Rural
Development

Steering Committee Meeting

Date: AM8:30-11:45, May 18, 2007

Place: Meeting Room, 4th floor of Department of Forestry

Participants:

Name	Position	Organization/Agency
<Vietnamese Side>		
Dr. Nguyen Ba Ngai (Chairman)	Vice Director General	Department of Forestry, MARD
Mr. Bui Chinh Nghia	Deputy Chief	Administrative Division of Forestry Basic Inventory, Department of Forestry, MARD
Dr. Phan Xuan Hoan	Vice Rector	VFU
Ms. Do Thi Ngoc Bich	Deputy-head	Scientific Management and International Co-operation Division, VFU
Mr. Vu Tan Phuong	Acting Director	RCFEE, FSIV
Mr. Do Xuan Lan	Staff	Department of Science and Technology, MARD
Dr. Nguyen Phu Hung	Director	Department of Science and Technology, FIPI
Mr. Pham Xuan Thinh	Expert	Department of Planning, MARD
<JICA Expert>		
Mr. Mikihiro Inoue	JICA Expert	MARD
<JICA>		
Ms. Tomomi Uchikawa	Program Officer	Global Environment Department, JICA Head Office
<JICA Study Team>		
Mr. Akihiko Sasaki	Team Leader	JICA Study Team
Mr. Masaru Ishikawa	CDM Project Planning (1)	JICA Study Team
Mr. Tomoki Nakamura	CDM Forestry (2)	JICA Study Team
Mr. Ngo Sy Hoai	Interpreter	JICA Study Team

Agenda: 8:30-8:50 Opening remarks by Dr. Ngai (Chairman) and introduction of participants
8:50-10:00 Presentation of the Study by Mr. Sasaki (JICA Study Team)
10:00-10:15 Tea Break
10:15-11:30 Comments and discussions
11:30-11:45 Conclusions and closing remarks by Dr. Ngai (Chairman)

Comments:

<Mr. Vu Tan Phuong>

- With regard to the constraints No.5 (rural people prioritize crop production over reforestation), it is noted that high poverty ratio in rural areas is closely related to the constraints. In other words, rural poor has to prioritize food security over reforestation.

- Developing a new methodology is quite difficult. The JICA Study team and counterpart agencies should justify if the development of a new methodology is necessary or not.
- Establishment of a national DOE in Vietnam is necessary to reduce transaction cost of CDM (all kind of CDM). The Study team should consider ways of establishing national DOE.
- The activities in 2nd year are agreeable. The counterpart agencies request the study team for providing more opportunities for the counterpart to work closely with the Study team for their capacity building.

<Dr. Nguyen Phu Hung>

- Outcome of the Study in 1st year is admirable. In 2nd year, the Study team has to make the Project attractive to investors.
- Establishment of promotion system and capacity-building for AR-CDM promotion are important and other relevant agencies should be involved for the activities. The Study team clarifies the task of each relevant agency on AR-CDM promotion in Vietnam.
- FIPI also has a duty to develop forestry projects. FIPI could support the Study team for development of AR-CDM. In fact, governments of Germany and Switzerland have contacted FIPI on development of forestry project. Therefore, FIPI should be involved in the Study.

<Dr. Phan Xuan Hoan>

- FIPI is not considered as the counterpart organization of the Study, because FIPI declined to be involved in the Study as a counterpart organization at the discussion of the Preliminary Study. However, FIPI was invited and will be invited to the training workshops of the Study for capacity development and sharing of the experiences. FIPI would also be included in the action plans for AR-CDM promotion in Vietnam.
- Regarding development of new methodology, the Study team should utilize and apply existing methodologies approved by UNFCCC. Development of a new methodology is costly and takes longer time.
- The Study team should work carefully on estimation of leakage because it is quite difficult and complicated.
- It is said that there are 6 million ha of bare lands in Vietnam. But identification of Kyoto Land within the bare lands is quite difficult. The Study team should work on ways to identify and better estimate the Kyoto Land.
- Draft vision might be too ambitious. The vision should be prepared from a perspective within Vietnam, not within Indochina. The Study should also consider who shall issue the vision officially.
- Under the recently issued Prime Minister Decision No.47, the government should have a planning to support the implementation of different research activities for promotion of AR-CDM.

<Mr. Bui Chinh Nghia>

- Progress of the Study as well as the coordination among DOF, VFU, RCFEE and the JICA Study team are very good.

- If development of new methodology under the Study is not necessary, it shall be mentioned in Final Report including the justification.
- Regarding the support for establishment of national DOE, it is responsibility of private sector. If the government's support is needed, it shall be mentioned what the government can do for that.
- The Study shall prepare and propose research studies and trainings in details as follow-up activities to be implemented after completion of the JICA Study.
- Helpdesk should be responsible not only for information dissemination and website management but also for drafting of legislative documents relevant to AR-CDM.

<Mr. Do Xuan Lan>

- The 1st year study provided remarkable outcomes in such a short period of time.
- There are still much bare lands in Vietnam. But it is unclear whether these lands are suitable for AR-CDM or not. Field survey, field measurement and identification of Kyoto Land are very important.
- Searching investors for forestry development in Vietnam would be quite difficult. Therefore, utilization of other ODA fund such as ADB, WB and kfW would be considered for the Project implementation.

<Mr. Pham Xuan Think>

- Framework for maintaining helpdesk and website after finishing of the Project should be established in the Study.
- Categorization of eligible land for AR-CDM in consideration of existing cartelization of forestry of Vietnam would be established in the guidebook.
- Coordination with other project fund such as WB and ADB would be considered for the Project implementation.

<Ms. Tomomi Uchikawa>

- JICA highly appreciates for smooth implementation of the Study.
- JICA also expects realization of the pilot project although searching for investors to the pilot project is out of the scope of the Study.

<Mr. Akihiko Sasaki>

- The Study team uses an approved methodology to prepare draft PDD since it is applicable in Vietnam. Justification for not developing a new methodology will be described in the final report.
- The Study team considers that support for establishment of national DOE is necessary to make AR-CDM more attractive financially. The Study team will deliberate the practical ways and propose them in the final report.
- It is expected that private manufacturing companies operating in industrial parks near Hanoi would be potential investors for the pilot project.
- Details of help desk and website operation in the future including organizational structure will be described in the final report.
- The Study team will work more closely with the counterpart and encourage them to improve the vision and action plan.

- Identification and estimation of Kyoto Land based on forest statistics is difficult since we can not know about the local situations related to land eligibility and additionality from the statistics alone. Nevertheless, the Study team will study better ways to identify and estimate Kyoto land and propose them in the final report.

Conclusion:

< Dr. Nguyen Ba Ngai >

- MARD highly appreciates for the good progress of the study, good coordination among the counterpart and the Study team, and the contents of the Interim Report. The Study already raised the awareness of people on AR-CDM. It is requested that the Study team should reflect the comments of this meeting in the final report.
- Active participation of the counterpart as well as non counterpart in the Study should be encouraged for capacity building.
- In principle, MARD agrees with the draft vision and action plans for AR-CDM promotion in Vietnam. The draft vision should be improved by the contribution of non counterpart.
- Regarding development of new methodology, the justification for not developing it should be submitted to DOF through the Standing Unit in a month.



**The Study on Capacity Development for AR-CDM Promotion
in the Socialist Republic of Vietnam
Japan International Cooperation Agency (JICA)**

*Address: c/o Nippon Koei, Co., Ltd. SPL-III Afforestation Sector, 602, 6th Floor,
Giang Vo Lake View Building, D10 Giang Vo, Ba Dinh District, Hanoi Tel/Fax: 04-7723293*

Ref. CDARC-07-003

15 June 2007

Dr. Nguyen Ngoc Binh
Director General
Department of Forestry, MARD

**Subject: Justification for Not Developing a Draft of New Baseline and
Monitoring Methodology for AR-CDM by JICA Development Study**

Dear Dr. Nguyen Ngoc Binh,

As suggested at the Steering Committee meeting of the JICA Study held on 18th May 2007, we would like to submit you the justification for “not developing a draft of new baseline and monitoring methodology suitable for AR-CDM project in Vietnam” by the on-going JICA Study on Capacity Development for AR-CDM Promotion in Vietnam as follows:

(1) There is a methodology applicable for small-scale AR-CDM in Vietnam

The JICA Study focuses on promotion of small-scale AR-CDM in Vietnam. A simplified methodology for small scale AR-CDM was established by CDM-EB and approved by COP/MOP in 2005. The methodology covers AR-CDM project activities implemented on grasslands or croplands. But “grassland” here also includes shrubs presented in grasslands and croplands below the threshold of canopy cover, minimum area and tree height used to define forests (AR-AMS0001/ Version 03, 23 December 2006). The JICA Study team assesses that the methodology could be used not only for preparation of draft PDD for the pilot project but also for future AR-CDM projects in Vietnam.

(2) Developing a new methodology is time consuming, costly and has a risk of rejection

There are eight (8) approved methodologies for AR-CDM including one (1) simplified methodology for small-scale AR-CDM at present (refer to Annex). It is said that there is no room to develop a new methodology for estimation of carbon stock. In fact, the methodologies approved recently are minor modification of the existing methodologies, for example, in terms of estimation of leakage. Meanwhile, developing a new methodology requires a lot of empirical data for justification and takes much time to develop and to get approval from CDM-EB. The Vietnamese

government or the proponent of the pilot project must frequently communicate with CDM-EB during the review by ARWG and CDM-EB (at least one year). Further, there is a risk of rejection by CDM-EB as many proposed methodologies have been rejected or recommended to re-submit after improvement.

(3) Developing a new methodology will delay the implementation of the pilot project

A proposed new methodology must be submitted to CDM-EB for consideration and approval together with PDD of a project which uses the proposed methodology. Unless the proposed methodology is approved by CDM-EB, the project will not be approved and registered. Because it takes much time to get an approval of CDM-EB on the proposed methodology, it will delay the implementation of the AR-CDM project which uses the proposed methodology for preparing PDD. Early implementation of a pilot AR-CDM project is one of the measures for promotion of AR-CDM in Vietnam as mentioned in the Interim Report of the JICA Study. Therefore, developing a new methodology should be skipped as long as there is an approved methodology applicable in Vietnam.

Development of a draft of new baseline and monitoring methodology is one of the scopes of the JICA Study agreed in July 2006 between JICA and MARD. However, we, JICA Study team, would like to request for your consent in writing to cancel the scope due to the reasons mentioned above.

Your understanding on this matter and continuous close cooperation to the implementation of the Study would be highly appreciated.

Sincerely yours,

Akihiko Sasaki
Team Leader

- Cc: - JICA Vietnam Office
- Dr. Pham Duc Tuan, Vice Director of DOF, MARD (Head of the Standing Unit of the Study)
- VFU
- RCFEE, FSIV

Annex: Summarized Applicable Conditions of Approved Methodologies for AR-CDM

Conditions	AR-AM 0001	AR-AM 0002	AR-AM 0003	AR-AM 0004	AR-AM 0005	AR-AM 0006	AR-AM 0007	AR-AMS 0001
<Baseline>								
Degraded land	⊙	⊙	⊙	⊙	○	⊙	-	⊙
Grass land	△	△	△	△	⊙	△	○	○
Crop land	X	X	X	△	X	X	○	○
Wet land	X	X	X	X	X	X	X	X
Settlement	X	X	X	X	X	X	○	X
No encroachment of natural forest vegetation	○	○	○	-	○	○	○	-
Soil C, dead wood and litter decrease in BL scenario	○	-	○	○	○	○	○	-
Baseline AR activities	X	○	X	X	○	X	-	X
<Carbon Pool>								
Above ground	○	○	○	○	○	○	○	○
Below ground	○	○	○	○	○	○	○	○
Litter	X	○	X	X	X	X	○	X
Dead wood	X	○	X	X	X	X	○	X
Soil organic carbon	X	○	X	X	X	○	X	X
<Project Practice>								
Site preparation causing decrease of soil C	X	-	X	X	X	X	X	-
Flooding irrigation	X	-	X	X	X	X	X	-
Soil drainage and disturbance	X	-	X	X	X	X	X	-
Grazing in the project boundary	X	X	○	○	○	X	○	-
Use of nitrogen-fixing species	-	-	X	X	X	○	X	-
<Leakage>								
Shift of pre-project activities	X	X	○	○	○	X	X	○ <50%
Displacement of grazing	X	X	○	○	○	X	X	-
Displacement of fuelwood collection	X	X	○	○	X	X	X	-
Displacement of agriculture	X	X	-	○	X	X	X	-
<For Small-scale AR-CDM>								
Net anthropogenic greenhouse gas removals by sinks is less than 8 kt-CO ₂ /yr								○
Involvement of low-income communities and individuals as determined by the host Party								○

AR-AM 0001: Reforestation of degraded land (Version 2)

AR-AM 0002: Restoration of degraded lands through afforestation/reforestation

AR-AM 0003: Afforestation and reforestation of degraded land through tree planting, assisted natural regeneration and control of animal grazing (Version 2)

AR-AM 0004: Reforestation or afforestation of land currently under agricultural use

AR-AM 0005: Afforestation and reforestation project activities implemented for industrial and/or commercial uses

AR-AM 0006: Afforestation/Reforestation with Trees Supported by Shrubs on Degraded Land

AR-AM 0007: Afforestation and Reforestation of Land Currently Under Agricultural or Pastoral Use

AR-AMS 0001: Revised simplified baseline and monitoring methodologies for selected small-scale afforestation and reforestation project activities under the clean development mechanism (Version 3)

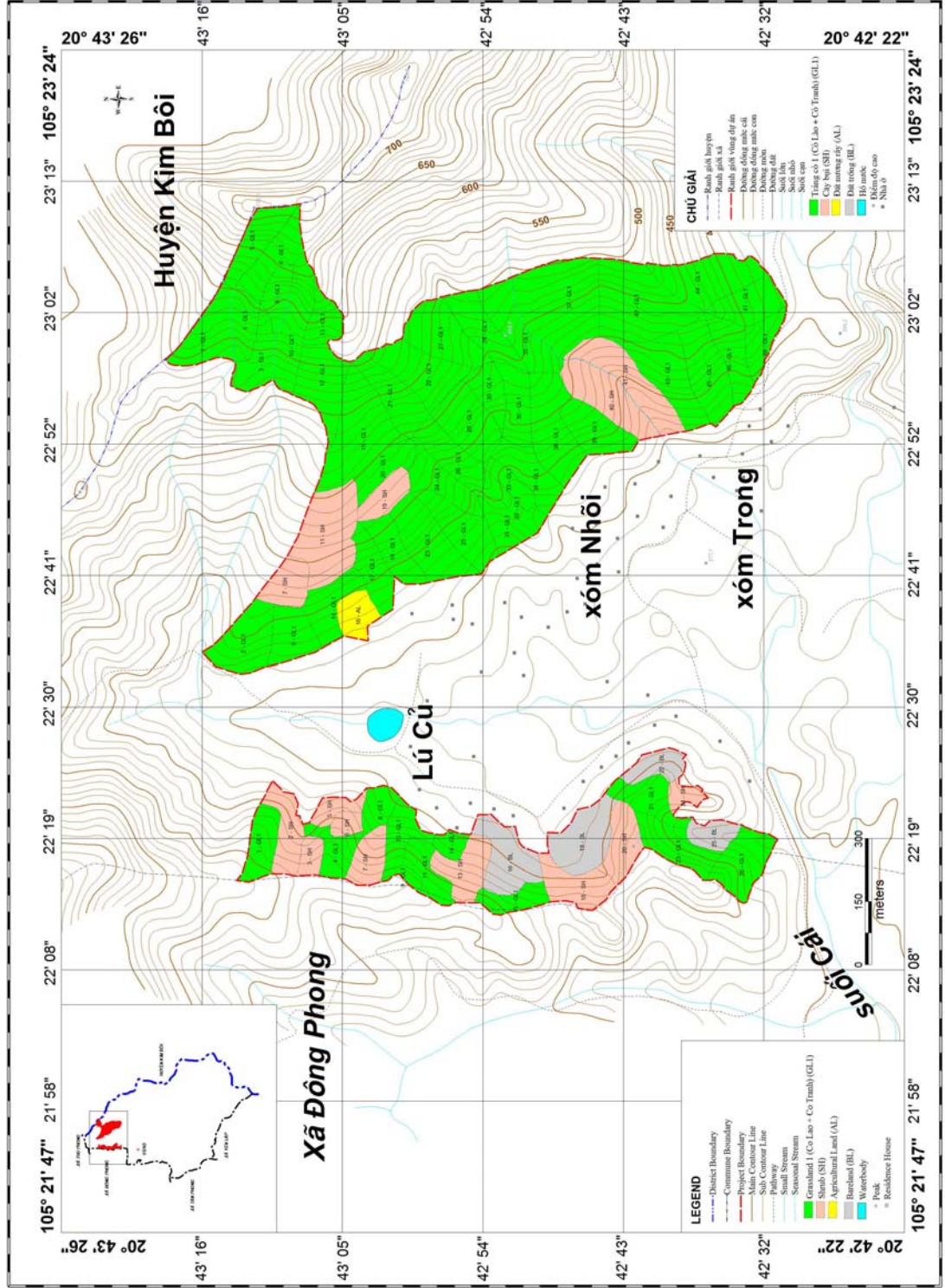
別添-2

プロジェクト対象サイトの植生分類図

BẢN ĐỒ HIỆN TRẠNG THỰC VẬT VÙNG DỰ ÁN AR-CDM (VÙNG 1&2)

VEGETATION MAP FOR AR-CDM PROJECT (Site 1&2)

XÓM NHỎI - XUÂN PHONG - CAO PHONG - HOA BÌNH
 NHỎI VILLAGE - XUAN PHONG - CAO PHONG - HOA BINH

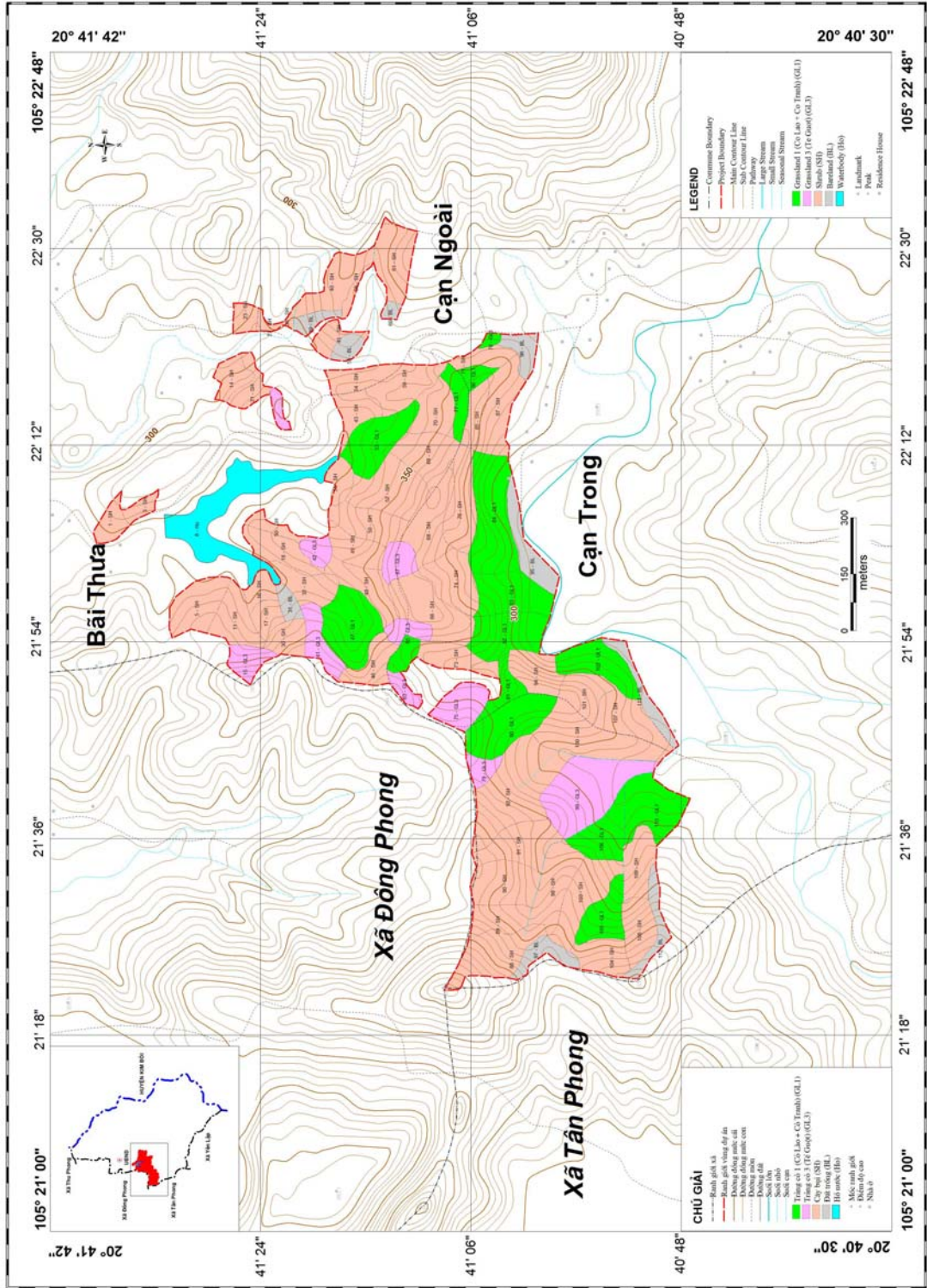


プロジェクト対象サイトの植生分類図 (サイト-1&2: Xuan Phong 北部及び北東部エリア)

BẢN ĐỒ HIỆN TRẠNG THỰC VẬT VÙNG DỰ ÁN AR-CDM (VÙNG - 3)

VEGETATION MAP FOR AR-CDM PROJECT (Site - 3)

XÓM CÁN - XUAN PHONG - CAO BINH
CAN VILLAGE - XUAN PHONG - CAO BINH

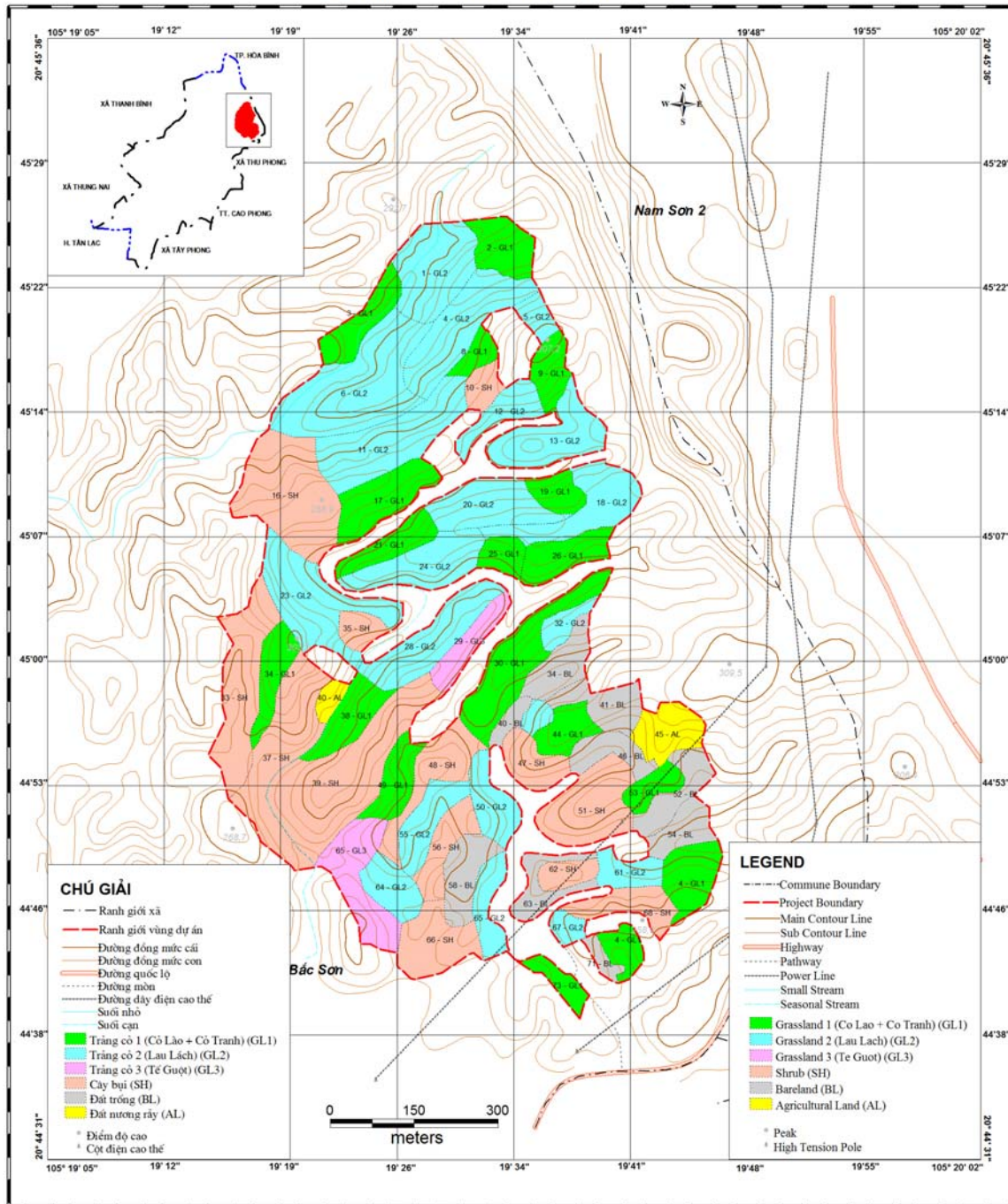


プロジェクト対象サイトの植生分類図 (サイト-3: Xuan Phong 湖エリア)

BẢN ĐỒ HIỆN TRẠNG THẨM THỰC VẬT VÙNG DỰ ÁN AR-CDM (VÙNG - 4)

VEGETATION MAP FOR AR-CDM PROJECT (Site - 4)

XÓM BẮC SƠN - BẮC PHONG - CAO PHONG - HÒA BÌNH
 BAC SON VILLAGE - BAC PHONG - CAO PHONG - HOA BINH

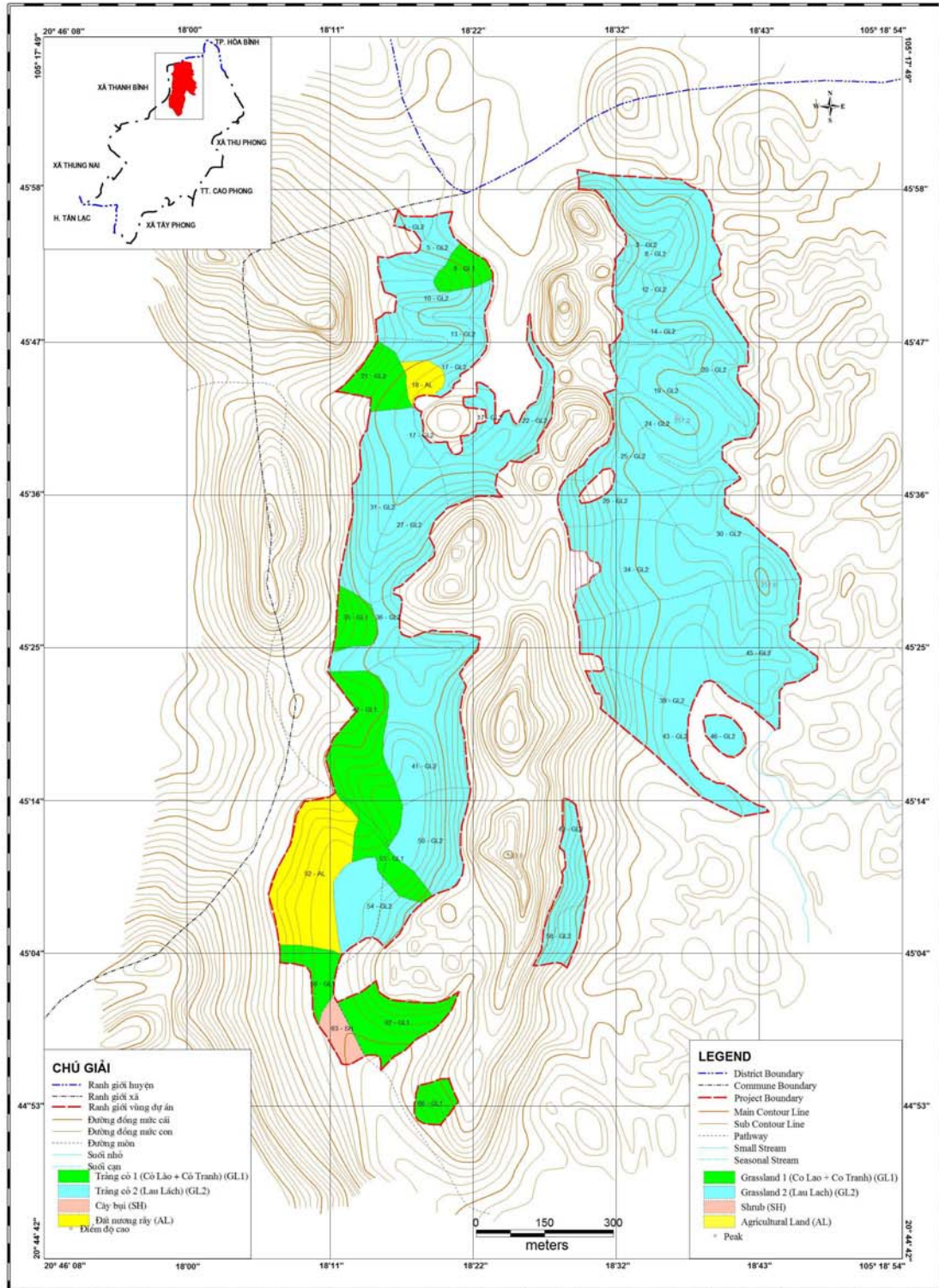


プロジェクト対象サイトの植生分類図 (サイト-4: Bac Phong 東部エリア)

BẢN ĐỒ HIỆN TRẠNG THẨM THỰC VẬT VÙNG DỰ ÁN AR-CDM (VÙNG - 5)

VEGETATION MAP FOR AR-CDM PROJECT (Site - 5)

XÓM MÃ - BẮC PHONG - CAO PHONG - HÒA BÌNH
 MA VILLAGE - BAC PHONG - CAO PHONG - HOA BINH



プロジェクト対象サイトの植生分類図(サイト-5: Bac Phong 西部エリア)