



Part I: Project Information

GEF ID

10539

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT **No**

NGI **No**

Project Title

Sustainable Forest and Forest Land Management in Viet Nam's Ba River Basin Landscape

Countries

Viet Nam

Agency(ies)

UNDP

Other Executing Partner(s)

Forest Inventory and Planning Institute (FIPI) of Ministry of Agriculture and Rural Development (MARD)

Executing Partner Type

Government

GEF Focal Area

Multi Focal Area

Sector

Mixed & Others

Taxonomy

Land Degradation Neutrality, Land Degradation, Focal Areas, Land Cover and Land cover change, Sustainable Land Management, Income Generating Activities, Sustainable Forest, Community-Based Natural Resource Management, Sustainable Agriculture, Restoration and Rehabilitation of Degraded Lands, Forest, Forest and Landscape Restoration, Biodiversity, Financial and Accounting, Payment for Ecosystem Services, Conservation Finance, Mainstreaming, Forestry - Including HCVF and REDD+, Biomes, Tropical Rain Forests, Species, Threatened Species, Protected Areas and Landscapes, Terrestrial Protected Areas, Community Based Natural Resource Mngt, Productive Landscapes, Deploy innovative financial instruments, Influencing models, Strengthen institutional capacity and decision-making, Convene multi-stakeholder alliances, Demonstrate innovative approach, Local Communities, Stakeholders, Communications, Education, Awareness Raising, Private Sector, Civil Society, Community Based Organization, Non-Governmental Organization, Indigenous Peoples, Type of Engagement, Consultation, Information Dissemination, Partnership, Participation, Gender Mainstreaming, Gender Equality, Sex-disaggregated indicators, Gender-sensitive indicators, Women groups, Beneficiaries, Gender results areas, Capacity Development, Access and control over natural resources, Participation and leadership, Access to benefits and services, Knowledge Exchange, Capacity, Knowledge and Research, Innovation, Knowledge Generation, Adaptive management, Learning, Theory of change

Rio Markers

Climate Change Mitigation

Significant Objective 1

Climate Change Adaptation

Significant Objective 1

Biodiversity

No Contribution 0

Land Degradation

No Contribution 0

Submission Date

8/23/2022

Expected Implementation Start

1/1/2023

Expected Completion Date

12/31/2026

Duration

48In Months

Agency Fee(\$)

207,395.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
BD-1-1	Mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors	GET	880,000.00	7,400,000.00
BD-2-7	Address direct drivers to protect habitats and species and improve financial sustainability, effective management, and ecosystem coverage of the global protected area estate	GET	866,484.00	7,100,000.00
LD-1-2	Maintain or improve flow of ecosystem services, including sustaining livelihoods of forest-dependent people, through Sustainable Forest Management (SFM)	GET	436,621.00	4,133,000.00
Total Project Cost(\$)			2,183,105.00	18,633,000.00

B. Project description summary

Project Objective

To conserve forest biodiversity and maintain or improve the flow of ecosystem services through sustainable forest management embedded in a coordinated landscape-level approach across Ba River basin

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co- Financing(\$)
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Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 1: Mainstreaming biodiversity and ecosystem services into landscape-level planning, monitoring and enforcement	Technical Assistance	<p>Outcome 1: Enhanced enabling framework and systemic tools to monitor biodiversity and ecosystem services and incorporate landscape-level needs into land use and forest planning, monitoring and enforcement as indicated by:</p> <p><i>(i) Multi-stakeholder and multi-sector coordination platforms functional in Gia Lai and Phu Yen provinces and facilitating mainstreaming of biodiversity and ecosystem services in local level planning systems</i></p> <p><i>(ii) Biodiversity conservation and HCVF strategies integrated and adopted</i></p>	<p>Output 1.1: Multi-stakeholder platforms on biodiversity and ecosystem services established at provincial level, supporting multi-sector dialogue on mainstreaming biodiversity into land use and master planning.</p> <p>Output 1.2: Spatially explicit landscape-level biodiversity and HCVF conservation and restoration strategy developed and integrated into provincial and district planning/policies. The strategy will also be used to prioritize on-ground conservation action under Component 2.</p> <p>Output 1.3: Enhanced systems for monitoring and assessing forest resource changes (i.e., deforestation and plantation/restoration) and biodiversity, incorporating remote sensing techniques, demonstrated at landscape level, with lessons provided to support national-level</p>	GET	552,222.00	4,700,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 2: Conserving globally significant biodiversity and ecosystem services in forested landscapes of Ba River basin	Investment	Outcome 2: Forests and biodiversity are restored and protected areas strengthened at landscape scale, through coordinated management across 8 FMUs (including 3 existing PAs and 1 new PA) and two community-managed areas, as indicated by: (i) Terrestrial PAs under improved management as measured by (a) PAs expanded by 10,000 ha and (b) 3 PAs brought under improved management covering 71,106 ha with a net average increase of 25 points over baseline scores (ii) Forest and forest land restored covering 500 ha (iii) Area of landscape (excluding PAs) under improved management covering 74,485 ha as	Output 2.1 Participatory monitoring and inventory on HCVF/biodiversity assets operationalized with training conducted for PA and forest managers and communities living in and around high-biodiversity areas. Output 2.2 Landscape and site-level biodiversity priorities and actions identified and integrated into sustainable forest management plans (= PA management plans), annual work plans and operations. This will include: technical support, extension and demonstration of priority measures including threatened species conservation and habitat management, biodiversity threat reduction, assisted natural regeneration/ restoration of degraded habitats. Output 2.3: Improving PA management, including operationalization of the Special Use Forest proposed for	GET	1,156,092.00	9,800,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 3. Gender mainstreaming replication and knowledge exchange	Technical Assistance	<p>Outcome 3: Knowledge documentation, capacity support, replication, scaling up, and long term sustainability and uptake of improved forest management practices as indicated by:</p> <p><i>(i) Issuance of at least two policy guidance notes on biodiversity and SFM, with application of new SFM investment guidelines for production and protection forests completed</i></p> <p><i>(ii) At least 60% (of which at least 50% women) of sampled community members, government and sector agency staff, private sector and other stakeholders aware of</i></p>	<p>Output 3.1: Enhancing capacity of forest owners to effectively integrate biodiversity conservation and ecosystem services into their sustainable land management plans and investments</p> <p>Output 3.2: Replication, scaling up, and long term sustainability strategy/plan; communication and Knowledge shared and exchanged on SFM and forest biodiversity best practices and innovations, including through FMU websites, site-based exchanges and best practice case studies.</p> <p>Output 3.3: Gender mainstreaming and safeguard management</p> <p>Output 3.4. Monitoring and evaluation</p>	GET	370,876.00	3,100,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Sub Total (\$)					2,079,190.00	17,600,000.00

Project Management Cost (PMC)

GET	103,915.00	1,033,000.00
Sub Total(\$)	103,915.00	1,033,000.00
Total Project Cost(\$)	2,183,105.00	18,633,000.00

Please provide justification

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Forest Inventory and Planning Institute of the Ministry of Agriculture and Rural Development	In-kind	Recurrent expenditures	1,000,000.00
Recipient Country Government	Provincial People's Committee ? Gia Lai Province	Public Investment	Investment mobilized	15,272,000.00
Recipient Country Government	Provincial People's Committee ? Gia Lai Province	In-kind	Recurrent expenditures	861,000.00
Recipient Country Government	Provincial People's Committee ?-Phu Yen Province	Public Investment	Investment mobilized	1,000,000.00
Recipient Country Government	Provincial People's Committee ?-Phu Yen Province	In-kind	Recurrent expenditures	500,000.00
Total Co-Financing(\$)				18,633,000.00

Describe how any "Investment Mobilized" was identified

Forest Inventory and Planning Institute (FIPI) of Ministry of Agriculture and Rural Development (MARD) in-cash and in-kind contribution will be in the form of state budget and recurrent expenditure based on costs related to staff and facilities that are already at disposal of MARD Provincial People's Committee, Gia Lai, includes Public Investment of USD 15,272,000 for Planned financing for (i) forest protection and development and (ii) capacity building of rangers in fire prevention and sustainable forest management and (and in-kind contribution of USD 861,000 for Project management, office space, staff time, etc. for all Forest Management Units and PAs within the province. There are limited risks with the Investment mobilized as these represent planned commitments from the provincial government and donor support. The risk from in-kind is also low as this entails use of existing staff time and available facilities Provincial People's Committee, Phu Yen includes Public Investment of USD 1,000,000 for forest protection and development and forest restoration and management in northern regions of Phu Yen province in-kind contribution of USD 500,000 for Project management, office space, staff time, etc. for all Forest Management Units and PAs within the province. There are limited risks with the Investment mobilized as these represent planned commitments from the provincial government and donor support. The risk from in-kind is also low as this entails use of existing staff time and available facilities. Once the two KfW projects proposed in Gial Lai and Phu Yen provinces are approved, these amounts (USD 2.0 million and 2.1 million

respectively) will be subsequently included as co-financing and reported in the PIRs . Once the two KfW projects proposed in Gial Lai and Phu Yen provinces are approved, these amounts (USD 2.0 million and 2.1 million respectively) will be subsequently included as co-financing and reported in the PIRs

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNDP	GET	Viet Nam	Biodiversity	BD STAR Allocation	1,746,484	165,916	1,912,400.00
UNDP	GET	Viet Nam	Land Degradation	LD STAR Allocation	436,621	41,479	478,100.00
Total Grant Resources(\$)					2,183,105.00	207,395.00	2,390,500.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)
PPG Required **true**

PPG Amount (\$)
100,000

PPG Agency Fee (\$)
9,500

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNDP	GET	Viet Nam	Biodiversity	BD STAR Allocation	80,000	7,600	87,600.00
UNDP	GET	Viet Nam	Land Degradation	LD STAR Allocation	20,000	1,900	21,900.00
Total Project Costs(\$)					100,000.00	9,500.00	109,500.00

Core Indicators

Indicator 1 Terrestrial protected areas created or under improved management

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
81,088.00	81,106.00	0.00	0.00

Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
10,000.00	10,000.00	0.00	0.00

Name of the Protected Area	WDP A ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
Extension to existing PAs			10,000.00	10,000.00		

Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
71,088.00	71,106.00	0.00	0.00

Name of the Protected Area	WDP A ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
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Name of the Protected Area	WDA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Kon Chu R?ng Natural Reserve	10377	Habitat/Species Management Area	15,425.00	15,425.00			44.00		
Kon Ka Kinh National park	10378	National Park	41,876.00	41,914.00			48.00		
Krong Trai Natural Reserve	10379	Habitat/Species Management Area	13,767.00	13,767.00			35.00		

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
500.00	500.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
500.00	500.00		

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
74485.00	74485.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
56,658.00	56,658.00		

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
17,827.00	17,827.00		

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
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Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted
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Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	1577006	1541810	0	0
Expected metric tons of CO ₂ e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	1,577,006	1,541,810		
Expected metric tons of CO ₂ e (indirect)				
Anticipated start year of accounting	2022			
Duration of accounting	20	20		

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)				
Expected metric tons of CO ₂ e (indirect)				

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)
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Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	1,500	1,500		
Male	1,500	1,500		
Total	3000	3000	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

Core Indicator 1: This includes extension of existing PAs by 10,000 ha and improved management effectiveness of existing PAs, namely Kon Ka Kinh National Park, Kon Chu Rang Nature Reserve, and Krong Rai Nature Reserve covering 71,106 ha Core Indicator 3. Forest and forest land covering 500 ha restored Core Indicator 4. This includes a total of 74,485 hectares of landscape, outside PAs under improved practices, including in production sectors (e.g. agriculture, forestry, etc.) that are managed sustainably, ensuring improved environmental conditions. This specifically include the following: Core Indicator 4.1: ?Area of landscapes under improved management to benefit biodiversity? of 56,658 hectares of natural forests within the Forest Protection Management Boards (Chu Mo Protection Forest and Son Hoa Protection Forest), and Forest Companies (Tram Lap, Dak

Rong Forest and Kong Chieng Forest Companies) that will be managed to benefit biodiversity. The project will provide support in the preparation/updating of sustainable forest management plans for each of these forest areas to enhance biodiversity conservation outcomes through the following actions: (i) enhancing forest staff and management board capacity to undertake biodiversity and forest resource inventory and monitoring (Output 2.1); (ii) technical support and training of managers and forest staff on integration of biodiversity and sustainable forest environmental practices in SFM planning (Output 2.2); (iii) training, guidelines and technical support for forest restoration and protection (Output 2.3) and (iv) improving capacity of Forest staff and owners to enforce and monitor the effectiveness of their SFM plans (Output 3.1)

Core Indicator 4.3: ?Area of landscapes under sustainable land management in production systems? (in agriculture and forestry) ? 17,827 hectares. This activity is intended to improve practices in agriculture lands and community forest lands. It will in particular support improving soil and soil carbon through fertility improvements, enhancing the diversity and forest biodiversity and ecosystem functions and support enhancement of participatory community based forest practices (Output 2.4) and improving agricultural productivity through sustainable land management and agricultural practices (Output 2.5)

Core Indicator 6: 1,541,810 metric tons of CO₂e mitigated over a 20-year period. GHG estimates calculated on basis of following: (i) forest restoration/assisted natural forest regeneration of 500 ha from degraded state; (ii) 10,000 ha natural protection from avoided shift in degradation from ?moderate? to ?low? on at least 5,000 of the 10,000 ha, and additional 2,500 ha avoided degradation from ?low? to ?moderate? through inclusion in existing PAs and (iii) improved management effectiveness of 3 PAs covering 71,106 ha and 74,485 ha of Area of landscapes under improved practices to benefit biodiversity are expected to have no significant change in degradation status and thus no GHG benefits are estimated. (Refer Annex I).

Core Indicator 11: This includes 3,000 persons (50:50 male: female) benefiting from SFM, NTFP use and agriculture and livelihood improvements and estimated breakdown is as follows: (a) around 1,200 beneficiaries from improved community forest management covering about 3 communes adjacent to boundaries of PAs and/or protection forests who will benefit from sustainable non-forest product collection, forest vegetable collection, mushroom collection, firewood collection, etc. (b) approximately 800 beneficiaries from improved and sustainable management of production lands, such as agricultural and grazing lands, home gardens, organic farming and locally owned industrial plantations (coffee, macadamia, pepper, cashew, etc.) and livestock management through linkages with cooperatives and private sector to provide technical support, extension, market access, new varieties, etc. (c) around 500 beneficiaries from improved livelihood opportunities linked to ecotourism product and services, small scale enterprise development and processing (honey, fruit juice extraction, brocade and local crafts, etc.) and (d) around 500 benefiting from improved and efficient PFES monitoring, management and investments linked to conservation actions. Currently there are 1,541 PFES beneficiaries in the 2 provinces in the BA River Basin (around 1/3 of which are in the project areas).

Part II. Project Justification

1a. Project Description

Changes made since the PIF are marginal and are reflected in Annex H to this document. The few significant change was in Component 3, Output 3.1, where government counterparts felt that the PIF emphasis on assessing existing legislation and policies (in particular in relation to the Forest Act) would likely be too difficult to achieve under a small provincial project and that the main need was to improve the knowledge and capacity of the forest staff in applying these existing legislation and policies, and enable them to be better able to interpret and apply these policies more effectively. Thus the Output is now more focused on enhancing capacity of forest owners to integrate biodiversity. A new Output 3.4 has been added to cover M&E. Annex H further discusses all changes made since the PIF.

1a. *Project Description.*

3) Global Environmental problems, root causes and barriers that need to be addressed

Viet Nam's natural forests are of outstanding global importance and critical for the achievement of national commitments under international biodiversity, land degradation and climate change conventions. However, these are areas of dynamic change and the biodiversity and ecosystem services they support are at risk due to ongoing forest loss and degradation and broader landscape change. In Viet Nam as a whole, national forest cover has increased in recent years, rising from 28% in 1993 to more than 41% in 2017. However, this gain has been due to the expanding area of forest plantations, which rarely if ever provide sufficient habitat for biodiversity or other ecosystem services (other than timber production), comparable to those provided by native forests. According to forest reference emission levels submitted by Viet Nam to the United Nations Framework Convention on Climate Change (UNFCCC) in 2016, approximately two-thirds of the country's natural forests are in poor condition and/or are regenerating. Closed-canopy forests constitute only five percent of total forest area and are, not surprisingly, highly fragmented. For these and other reasons, conserving natural forests and maintaining or, where possible, enhancing their connectedness remain high priorities for the country. Failure to do so will result in an ongoing impoverishment of the country's forest biodiversity, within a context of continued deforestation and forest degradation.

The Central Highlands of Viet Nam that accounts for 16.8 % (or around 35% of the forest area) of the country's area is reported to have lost nearly 14% of its forest area between 2008 and 2015. More importantly, the Central Highlands are associated with ethnic minority communities that have a rich cultural and livelihood relating with the forest, from the traditional use of forest resources such as shifting cultivation, hunting and gathering in the traditional border areas of the village to the related

policies of forest management and protection activities, forest land use changes and market mechanisms. Consequently, the conversion of forests to other purposes, and illegal encroachment of forestland have negative impacts on the ethnic minority's socioeconomic development and environment. There is a complex mix of landscape changes across a mosaic of forest types, units and management structures that plays out clearly in the Ba River basin, the largest river basin in Central Viet Nam. The basin includes extensive forest areas totaling approximately 600,000 hectares. The majority of forests in the Ba River basin are located within the ecologically important Central Highlands region, part of the WWF Southern Annamites Montane Rain Forests ecoregion. The upper reaches of the Ba River basin, particularly in the Gia Lai province is part of the Central Highlands Region of central Viet Nam and encapsulates most of the remaining forests with high biodiversity value in Viet Nam. The montane rainforests of Northern and Southern Annamite Mountain ranges (that form the boundary between Laos, Cambodia and Viet Nam) are highlighted as a global ecoregion. This designation indicates that these areas contain geographically unique species, communities and conditions, with globally outstanding biodiversity. Most famously, Annamite montane rainforests and Indochinese dry dipterocarp forests, include regionally significant conifer species richness. In an analysis of biodiversity of ecoregions in the Indo-Pacific, based on combined species richness and endemism, it was found that within the Indo-Burma biodiversity hotspot, the Southern Annamite montane rainforest had the highest biodiversity. More than 410 bird species are known from this ecoregion. Five of these species are near endemic, and five are endemic. Among the other bird species that need conservation attention are the globally threatened white-winged duck (*Cairina scutulata*), the critically endangered Edwards's pheasant (*Lophura edwardsi*), and the threatened Siamese fireback (*Lophura diardi*), green peafowl (*Pavo muticus*), and Germain's peacock-pheasant (*Polyplectron germaini*). Several other species such as the great hornbill (*Buceros bicornis*), Austen's brown hornbill (*Anorrhinus austeni*), wreathed hornbill (*Aceros undulatus*), and crested argus (*Rheinardia ocellata*) are indicators of low disturbance levels and relatively intact forests. The ecoregion also overlaps with two Endemic Bird Areas (EBAs) identified by BirdLife International, the Da Lat Plateau and South Vietnamese Lowlands, which have eight and three restricted-range bird species, respectively. In the Ba River basin, the relatively high proportion of its remaining natural forest area is high conservation value forest (HCVF), which supports high levels of globally-significant biodiversity. Within the Kon Ka Kinh ? Kon Chu Rang corridor at the northernmost part of the basin alone, biological surveys have confirmed the presence of at least 18 International Union for the Conservation of Nature (IUCN)-red listed mammal species at vulnerable and higher categories, and 29 rare and endangered plant species.

The forests of the Central Highlands of Viet Nam protect the upper watersheds of the Mekong River and some of central and southern Viet Nam's most important river systems. These rivers support agriculture and fisheries, generate power, and deliver clean water for domestic and industrial consumption supporting the livelihoods and economic well-being of millions. These same forests also support some of Viet Nam's richest remaining biodiversity. Unfortunately, growing pressure on land, illegal resource use, and infrastructure development are exerting extreme pressure on remaining forests and the environmental services they provide. Despite the great ecological diversity of the Central Highlands, biodiversity in this region is subject to pressures typical throughout Viet Nam, including deforestation as a result of immigration and the development of market crops, logging and dams.

Root Causes, Threat and Impacts

The primary threats to biodiversity and direct causes of ecosystem degradation in the Ba River basin are:

Deforestation, degradation and fragmentation: This landscape is under dynamic change, which is threatening biodiversity and the maintenance of ecosystem services. Direct loss of habitat is a key threat, with forest cover in the basin decreasing from 661,180 hectares in 2010 to 600,223 hectares in 2018. In addition to deforestation, problems of forest degradation and fragmentation have expanded. There is intense competition for land, which means that setting aside and maintaining land for forest protection is in direct competition with other, often more remunerative land uses. The main driver of deforestation and forest degradation is agricultural expansion, which moves in tandem with expansion of rural infrastructure such as road construction. Coffee plantations likely pose the greatest threat. The sector also faces an ongoing need to renew coffee plantations, a factor which will continue to increase demand for forest acquisition and conversion. Timber plantations are also expected to grow and pose further threats to natural forest areas, in the context of increasing demand for paper and pulp and other wood-based products. In the case of the Central Highlands, coffee production has expanded mainly at the expense of existing agricultural (subsistence) crops, rather than directly into forests. However, this process has in turn displaced annual subsistence crops, and their producers, further away from population and economic centers and towards marginal and still forested lands. As capital investment drives land acquisition, especially for production of commodity export crops like coffee, the poorest populations are among those most likely to be displaced. Ironically, these populations, particularly members of ethnic minority groups, also tend to be the most heavily dependent on forest resources for their incomes and livelihoods.

Encroachment and over-exploitation of forest products within Forest Management Units: These processes, which are also linked to continuing population growth, often lead to illegal encroachment into remaining natural forests within Forest Management Units (FMUs). This can include encroachment of forestland for shifting cultivation, illegal hunting and trapping of wildlife; illegal logging of protected and rare timber species; and exploitation of non-timber forest products (NTFPs). Poaching and low effective wildlife protection led many iconic species of the Ba River basin become locally extinct in the landscape. Notable examples are the Asiatic elephant (*Elephas maximus*), Indochinese tiger (*Panthera tigris corbetti*), and kouprey (*Bos sauveli*). Many others have become seriously threatened such as the douc langur (*Pygathrix spp*), yellow checked gibbons (*Nomascus gabriellae*), gaur (*Bos gaurus*), and Indochinese green peafowl (*Pavo munticus*). The drivers and root causes of these threats are increasing human populations, increasing demand for timber, spread of wildlife poaching and trafficking, and depleted natural production forests that cannot meet demand resulting in timber supply shortages, depleted wildlife populations, lack of tenure rights and secure access to productive land and resources for forest-dwelling communities, and entrenched poverty among local and indigenous communities ? ultimately resulting in the unsustainable landscape management observed today and the continued erosion of the Basin's biodiversity and ecosystem services.

Climate Change: Viet Nam is considered one of the ten countries most negatively impacted by climate change and will be among the most affected in the coming decades. Ecosystems weakened by

fragmentation are less resilient to the impacts of climate change and more vulnerable to mass species loss. The increase in temperature will change the geographic distribution of many ecosystems and population structure of species as species loss and migration increases. Increased temperatures are also likely to increase the frequency and severity of forest fires. According to the scenario of climate change and sea level rise in Viet Nam, projections foresee average annual temperature increases by 0.8°C to 2.7°C nationwide by the 2060s and a concurrent 75-100 cm sea level rise. The sea level rise would cause 20-38% of the Mekong Delta and about 11% of the Red River Delta to be negatively affected, including 78 of Viet Nam's 286 Critical Natural Habitats, 46 protected areas (PAs), 10 biodiversity sites of national and international importance (including Biosphere Reserves) and 23 other important biodiversity sites. Forest fires are also likely to increase beyond current rates that have destroyed about 2,500 ha of forests annually from 2007 to 2013. Increased temperatures as well as the frequency and duration of drought spells are also expected to reduce native forest cover, increased frequency and severity of forest fires and increased pests.

Project Barriers that need to be addressed

The long-term vision is conservation of forest biodiversity and maintained/improved flow of ecosystem services across the Ba River Basin. The project solution to achieve this is for biodiversity conservation and land degradation neutrality to be mainstreamed into sustainable forest management planning and practices, through a collaborated landscape-wide approach including enhanced management and connectivity of protected areas, buffer zones, State-owned and privately-managed natural forests, and community co-managed areas. The inter-relationships between the different barriers and threats are defined in Figure 1. The five barriers are the following:

Barrier 1: Lack of information on biodiversity conservation assets, condition and trend: The efficient protection of Vietnam's forest resources requires up-to-date information in order to make sustainable management decisions. However, despite some progress in trying to build Vietnam's forest, factors such as illegal logging, unsustainable harvesting and forestry practices, hack-and-slash agriculture, forest fires, and infrastructural expansions to feed Viet Nam's rapidly growing economy is resulting in both deforestation and the general degradation in the quality and strength of Viet Nam's forests. Furthermore, forest recovery projects active in Viet Nam are often hampered by the lack of accurate information with which to make decisions for appropriate and effective action. To counter this weakness, the development of a Management Information System for the Forestry Sector was launched in 2009 to provide a solution to this lack of accurate information and facilitate effective decision-making around forest management; reducing emissions from deforestation and forest degradation, and forest law enforcement, governance, and trade activities. However, there is still a dearth of information on forest resources and issues that affect it that makes it difficult to effectively integrate biodiversity concerns in forest management operations. Reliable data on the soil and water protective function of forest can help sustainable forest management for water security and sediment- and water-related disaster resilience and the application of modern ICT can offer huge benefits in terms of improved cost-effectiveness and transparency in forestry. In the Ba River basin, there are significant limitations in terms of specific information on forest resources in the basin, including current fauna and flora status, forest quality, flora and fauna distribution and recovery trends. There is limited information on the extent and status of HCVPs, how HCVPs have been managed and what information

does exist on biodiversity assets is not up-to-date and not well connected to management decisions. The Sustainable Forest Management (SFM) planning process in the Ba River basin requires up-to-date data and monitoring on forests and forest resources that is restricting the consideration of biodiversity within forest management and land use plans. In addition, limited understanding of site-based threats such as agricultural encroachment, illegal logging and poaching into high biodiversity forest areas, illegal logging and widespread use of snares/traps for wildlife poaching and their impact on biodiversity and ecosystem functions limits and constraints effective surveillance and patrolling efforts. There is not yet effective use of remote sensing technologies to provide near real-time information on forest change and use it to inform decision-making and enforcement. Boundaries between different land uses are in places not well identified compounding these issues. There are many areas where management and/or ownership are not clear? a situation that can lead to conflicts. These issues have significant impacts on forest management and biodiversity conservation in the project area.

Barrier 2: Insufficient operational guidance and enforcement which impede implementation of the policy framework and mainstreaming of biodiversity conservation into forest and land use planning: Viet Nam's Forestry Law was updated and approved in 2017. A key aspect of the new law is the promotion of sustainable forest management that requires forest owners (FMUs) to make and implement sustainable forest management plans. The preparation of these SFM plans requires the assessment of natural, socio-economic, national defense and security conditions of the forests; defining the status quo of the forest ecosystem, biodiversity, biological genetic resources, historical and cultural relics and landscapes on the basis of which the scope of sustainable forest management is defined along with measures for forest management, protection, conservation, restoration, development and use. However, implementation of the new law has been hindered by a lack of awareness, capacity and techniques to guide forest owners in the development and implementation of SFM practices and plans. Gaps in particular include: (i) the lack of awareness of forest rangers on their expected transformational role in forest management in relation to the new forest policies; (ii) absence of capacity and technical skills among forest managers and Forest Management Boards on planning and implementation of SFM, in particular on incorporation of co-management approaches, promotion of sustainable forest resource use among local communities, mobilization of financing and promotion value addition and processing of forest products. Technical guidance and capacity for incorporation of biodiversity conservation priorities have not yet been actively integrated into forest planning processes. In the absence of this and enhanced awareness and commitment to biodiversity conservation within SFM plans there is a risk that the potential benefits of the implementation of these plans for biodiversity conservation and ecosystem services will be not be fully materialized. This will require, specific efforts to strengthen effective coordination between central and local levels among ministries/sectors to drastically and effectively carry out the examination, inspection, supervision and timely and strictly enforce violation of laws, improving coordination among provincial authorities across the Ba River basin is important to combat wildlife poaching, trafficking and logging groups that are shifting from Phu Yen to Gia Lai and transporting illegal products across the basin. While there are some existing mechanisms in place for coordination on forest law enforcement these tend to focus on forest encroachment and offences and do not pay sufficient attention to wildlife-related offences such as poaching. Without enhanced capacity and tools to collect, share and use data and develop collaborative strategies for enforcement, this Directive will remain difficult to implement and illegal activities will persist. Similarly, the integration of forestry and biodiversity outcomes in provincial master planning is constrained by lack of provincial

coordination mechanisms and capacity and skills to monitor its integration as well as testing and validation of relevant Decrees, Regulations and Guidelines that support the implementation of the Forestry, Planning and Biodiversity Acts.

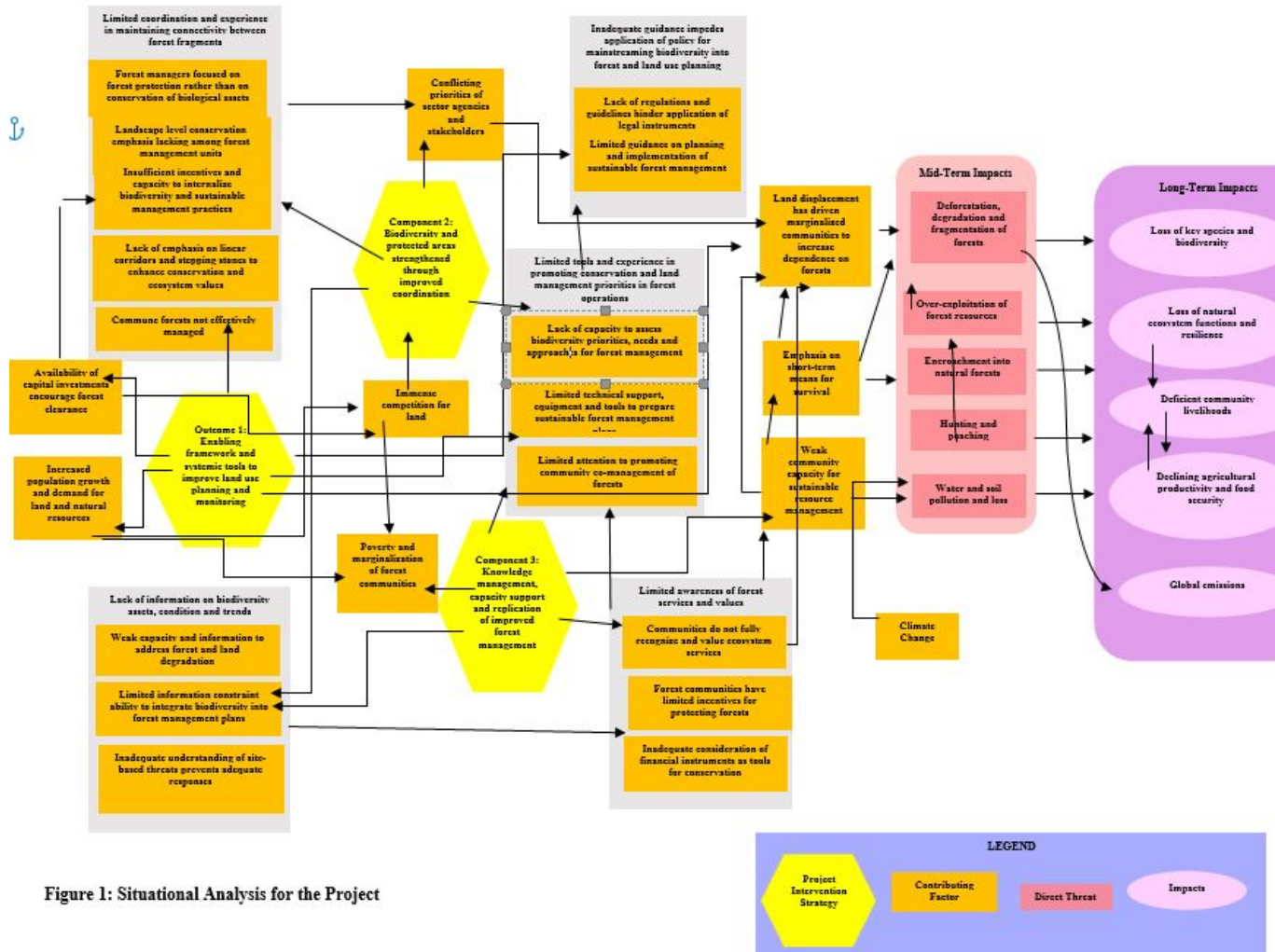
Barrier 3: Limited experience in developing and implementing biodiversity conservation and land degradation priorities as part of forest management and lack of technical capacities and tools to do so: Although Vietnam has a long history of forest management, the shift to implementing SFM practices, including biodiversity conservation, is relatively new. Similarly, target setting related to Land Degradation Neutrality (LDN), in particular related to deforestation for cultivation or conversion of land use from forests to other land uses has led to forest cover reduction and over-exploitation of natural forests. In this respect, Vietnam's LDN policy seeks to enhance forest cover, protect national forests, restore degraded forest areas, undertake afforestation and reforestation, regenerate degrading forests and promote forest certification. However, these concepts are relatively new to most forest owners. Despite this, on the basis of Circular 28, most forest companies have begun developing these SLM plans. However, there is a lack of experience and capacity among forest owners on biodiversity conservation priorities, proven approaches to forest conservation, including among PA managers, which is impeding the management effectiveness of Protected Areas (PAs) and of other high-biodiversity forest areas, and impeding forest law enforcement. Forest owners face many problems in developing and implementing forest management plans, funding limitations and limited technical capacities on how to integrate biodiversity considerations and priorities, at landscape and site scale, into forest plans and operations. This has created a substantial need for technical cooperation, training and equipment by forest owners to prepare and implement SFM plans, and for participatory processes that put forest managers, including local communities, at the center of this process. Since 1995, Viet Nam local government (district people's committees) have been allowed and encouraged to allocate forest lands to local households for the purpose of forest protection and planting, however, there is lack of capacity, skills and proven examples of best practices that are available to forest owners. Similarly, there is a lack of transparency in allocating forests and forestland various sustainable uses, lack of effective mechanisms to prevent and solve forest resource use conflicts, inadequate attention paid to gender and issues related to access of forest resources and benefit sharing mechanisms.

Barrier 4: Lack of coordination among managers of individual FMUs and lack of experience maintaining connectivity among forest fragments: While, the Government of Vietnam supports collaborative management approaches that engage local communities in co-management of forests, most recently through the 2017 Law on Forestry, procedures are complex and time consuming, the pace of uptake is correspondingly slow and there is an ongoing need for successful demonstrations to be conducted and uptake encouraged. Most managers are narrowly focused on management of the area for which they are responsible, and attention is focused on general forest protection rather than explicit consideration of biodiversity assets and conservation needs. This leaves a gap in terms of management of landscape-level ecological processes, which may involve ten or more FMUs and numerous additional forested areas under the responsibility of Commune People's Committees (CPCs), depending on the scale of the landscape. Addressing this issue requires landscape-level analytics and bringing managers together to develop and share plans and lessons learned, neither of which is typically done at present. Institutional capacity and responsible management to test different approaches to achieving landscape level conservation is lacking, thus inhibiting efforts to promote

habitat connectivity and collaboration across different forest units within a particular landscape, such like the Ba River basin. Action here is constrained by insufficient incentives and weak landholders' capacities for internalizing biodiversity conservation and other aspects of sustainable land and forest management in land management activities, working across institutional silos and promoting a more integrated approach to forest management at a broader landscape level. Existing forests are not always adequately zoned, lack connectivity across the landscape and consequently forest management does not fully reflect their biodiversity values and the ecosystem services they provide. This has led to the degradation of HCVF within protection forests as well as in currently 'open areas' such as those under the control of CPCs. There is an urgent need to map out HCVF areas and strengthen management in order to ensure that important species and ecosystem services are maintained. There is also a need to ensure linear ecological corridors (primary linkages) and stepping stone corridors (secondary linkages) for enhanced ecosystem services provision, wildlife movement, and as an adaptation measure against climate change.

Barrier 5: Limited awareness and understanding of forest ecosystem service values, and inadequate use of financial incentives to support mainstreaming of these values in planning and management practices: The forests of the Ba River basin are vital for regulating water flows and for protecting water quality. They regulate water runoff during times of heavy rain, reducing flood events, and prevent soil runoff that increases the siltation of hydroelectric reservoirs. These services are essential to ensure future water and electricity supplies in Viet Nam. Forests also provide natural products such as rattan and NTFP for local populations and nationally important nature-based tourism resources. However, these ecosystem services and their economic values are not fully recognized or valued, and land managers in the Ba River basin lack incentives to effectively manage the land for biodiversity conservation and ecosystem service maintenance, or to increase the protection areas to enhance protection and connectivity. In addition to the need for stronger recognition of the value of forest ecosystem services, there is a need for those values to be internalized through financial mechanisms and incentives for conservation. Forest communities need to have incentives for keeping forests and biodiversity intact. Insufficient investment in SFM has often been framed as an issue of scarce finances. While there are several available opportunities, such as central government allocations and both public and private financial capital and funds, many are either untapped or used inefficiently. For example, Viet Nam's payment for forest ecosystem services (PFES) program is deployed in the communities of the Ba River basin, but the functioning of this program on the ground is quite limited. It does not include sufficient monitoring to properly link provision of ecosystem services with payments received. In addition, certification of environmental-friendly forest products is increasingly being applied and developed in Viet Nam to strengthen the linkage between SFM practices and the production of commodities. However, these programs are not initially targeted for Gia Lai and Phu Yen provinces, and there is a need for the provincial and district decision-makers, and the communities living in Ba River Forest landscapes, to increase their awareness and understanding of ecosystem services financing mechanisms, so they may begin to take advantage of these opportunities. A second problem related to finance is that State Forest Companies (SFCs) and Forest Protection Management Boards (FPMBs), both of which manage large areas of natural forests (especially those at buffer zones), have no legal basis to make biodiversity-related budgetary requests.

The long-term outcome of the project is to provide adequate incentives for local communities to conserve its native biodiversity, natural ecosystems and ensure sustainable forest management by reducing direct threats affecting the project target areas and their relationships with a range of indirect factors (root causes) are illustrated in Figure 1, with entry points for project intervention strategies indicated. The relationship between the barriers and the project intervention logic is further illustrated in the theory of change diagram in **Figure 2**



Baseline scenario or any associated baseline projects

The baseline projects which will form the foundation and partnerships on which the present project will build, include the following:

A range of recent policy reforms and initiatives provide a supportive baseline for the project, helping address the threats, drivers and barriers outlined above. The Prime Minister of Viet Nam has issued a moratorium to ban harvesting of natural forests in Central Highlands and has ordered to stop further development of hydropower projects or any projects that involve natural forest conversion in the

region. This high-level announcement indicates the strong commitment from the government to conserve natural forests and biodiversity.

The new Planning Law (2017) provides a blueprint for more integrated and sustainable planning. Planning of many sectors of the economy, including forestry is covered by Article 25 of the new law. Among other changes, the new law mandates integration of climate change and environmental considerations into planning and includes measures to reduce the overlap of planning activities in many sectors, in order to bring greater transparency to the overall planning process. Provincial master plans for the period 2021-2030 are now under development across Viet Nam, including in the proposed project provinces.

National forestry planning planned for 2020 and 2021 represents an important basis on which the present project can build and support the integration of forest monitoring results and forest issues more broadly into the new, integrated province plans emerging under the 2017 Planning Law. Viet Nam's Forest Inventory and Planning Institute (FIPI), for its part, has developed a proposal for implementation of the National Forestry Development Planning for the period 2021-2030 and vision to 2050, based in part on regulations contained in the 2017 Planning Law. The plan is expected to be finalized in coming months and will provide a good foundation for the PPG. Under its mandates of forest monitoring and assessment, FIPI is scheduled to implement a National Forest Inventory, Monitoring and Assessment project in period of 2021-2025 (NFIMAP6) in order to update its database of forest resources. However, this inventory does not generally take account of biodiversity aspects.

VNForest is the agency responsible for developing secondary legislation and the policy framework supporting the Forestry Law 2017. They are also responsible for managing the Central Highlands project. In 2019, the Vietnamese Government issued Decision No. 297 on Approving the Scheme on Protection, Restoration and Sustainable Development of the Central Highlands in the 2016-2030 period. This is an important foundation for forest investment and development activities, as well as protection of forest habitats and biodiversity conservation. It is expected to make an important contribution to Viet Nam's LDN targets and Nationally Determined Contribution (NDC) achievements.

The Government of Viet Nam aims to sustainably protect and develop 100% of the existing forests. Decree 118/2014 encourages SFCs to focus on delivering 'public services' rather than timber. SFCs operating in many natural forests are thus meant to redirect efforts away from 'timber production' to 'public service production', largely reflecting the poor quality of their forests. However, adequate management and financing mechanisms for these forests needed to ensure their regeneration and protection from conversion, illegal logging and agricultural encroachment and to promote certification for some areas remain to be defined.

Provincial budgets include the management of protected areas that fall under the administration of the respective Provincial People's Committees. PAs such as Kon Ka Kinh National Park and Kon Chu Rang Nature Reserve in Gia Lai, and Krong Trai Nature Reserve in Phu Yen are managed as Special Use Forests, with their own forest management/ranger units and management board.

In support of Directive No. 430/NQ-HDND dated 09/05/2021 of Gia Lai People's Assembly on the plan to allocate the medium-term public investment plan for the 2021-2025 period in Gia Lai province, the capital envisaged includes budgetary support of US\$15.272.000 for the following projects: 1)

Forest protection and development for Gia Lai province, period 2021-2025; 2) Capacity building on forest fire prevention, forest management and protection in Gia Lai province, period 2022-2025; 3) Investment in sustainable forest management in Kon Ka Kinh National Park, period 2022-2025. This funding is emerging from Directive No. 430/NQ-HDND.

Further, Gia Lai Provincial People's Committee is expected to approve a KfW project, following Report No. 1047/ People's Committee-NL dated July 29, 2021 on the Investment Proposal for the project "Mitigating the impacts of the Corona epidemic on the economy and society through Protection, restoration and sustainable development of forests sustainable development in the Central Highlands, the Gia Lai province component" is funded by the German Government's ODA. The proposed project has a loan capital (ODA) of EUR 11,000,000, and a grant of EUR 1,900,000. The co-sponsorship section here only counts grants of EUR 1,900,000 equivalent to USD 2.0 million (rounded). The proposed project is expected to enhance the management of 132,956 hectares of Special Use Forests and protection Forests, allocate 12,000 hectares of natural production forests for community management and invest in development of small rural infrastructure at 160 villages, in particular in villages participating in community forest management or around the Special Use and Protection forests.

Following Resolution No. 14/NQ-HDND dated June 29, 2021 approving the proposed medium-term public investment plan for the period of 2021-2025 in Phu Yen province. This is the capital source for forest protection and development for Phu Yen province, in the period of 2021-2025 is 23.7 billion VND, equivalent to 1.0 million USD.

Further more, Phu Yen Provincial People's Committee is expected to approve a KfW project, following Report No. 116/TTr-UBND dated October 30, 2020 on the appraisal of the report on investment policy proposals for the project "Sustainable forest restoration and management in the central and northern regions of Vietnam-KfW9, phase Section 1, Phu Yen Province". The proposed project has a loan (ODA) of EUR 4,439,173 and a grant of EUR 1,885,069. The co-financing section here only counts grants of 1,886,069 EUR or 2.1 million USD (rounded). The proposed project will support the (i) improvement of special use forests; (ii) improvement of management of protection forests and community forests; and (iii) implementation of environmental awareness programs. Overall, it will result in the protection of 13,775 hectares of Special Use Forests; establishment and management of 5,010 hectares of community forests, assisted natural regeneration of 500 hectares, forest planting of 900 hectares and planting of 480 hectares of native forest species.

There are good opportunities for mainstreaming biodiversity conservation into forest management. For example, two State-owned forestry companies, Dak Rong and Tram Lap, plan to convert areas under their management into Special Use Forest, in conjunction with the new approval to establish a Kon Ha Nung Plateau Biosphere Reserve by the Gia Lai Provincial People's Committee on 11 December 2021. The areas managed by the companies, which cover nearly 26,000 ha, include at least 10,000 ha of natural and biodiversity-significant forests within an important corridor located between Kon Ka Kinh National Park and Kon Chu Rang Nature Reserve and have become deforestation hotspots due to their relatively low level of protection (compared with Special Use Forests and Protection Forests). The interest in converting these production forests to Special Use Forest is an excellent opportunity to set-aside these as HCVF areas for protection and enhancement of connectivity between existing PAs and within the Kon Tum Plateau KBA. There is strong commitment and political support from Gia Lai

province for this proposal, which will shortly be submitted for endorsement of the Provincial People's Committee and MARD. Meanwhile, a project to assist local representatives in biodiversity conservation management and socio-economic development, for the period 2018-2025, is receiving approximately US\$800,000 from the People Resources and Conservation Foundation Viet Nam Country Program. This area was also supported by prior GEF-3 investment through the UNDP-supported project "Making the Link: The Connection and Sustainable Management of Kon Ka Kinh National Park and Kon Chu Rang Nature Reserve" over 2006-2011 which strengthened capacity and built community and forest company awareness for sustainable forest management and biodiversity conservation investment that has helped catalyze the current interest to convert some of this area to a Special Use Forest. There are commitments at government level and sectoral level as in the Vietnam Forestry Sector Development plan 2021-2030, vision to 2030 gave priority for improving sustainable forest management, strengthening the management of natural resources and biodiversity, improving water security and land degradation, and mitigating the impact of climate change. Therefore, there's high opportunity for the project to not only contribute helping the province to fulfilling its commitments but also at the sectoral and national level on forest management and biodiversity conservation.

Viet Nam is one of the few countries to have established a PFES scheme for hydropower and clean water that recognizes the service provided by forests in maintaining watersheds. The *Viet Nam Payment for Forest Environmental Services* scheme, which has been operational since 2010, is implemented by provinces, which have some flexibility in defining how the scheme is carried out. From 2013-18, payments into the fund in Gia Lai have amounted to VND 528.8 billion (US\$22.78 million), while Phu Yen has received VND 40.06 billion (US\$1.73 million). PFES funds have helped finance forest management and protection, supported forestry companies and forest management boards to prevent logging of natural forests, and given timely support for mountain-dwelling people to protect forests with money to improve their living standards in the context of difficult state budget. Overall, however, PFES payments remain too small to significantly impact behavior in a way that will ensure effective forest conservation.

Other relevant donor-funded efforts, which will form the foundation and partnerships on which the present GEF project will build, draw lessons and coordinate, include the following:

? The KfW 9 and KfW 10 projects support SFM in the project landscapes. The KfW 10 project "Protection and Inclusive Management of Forest Ecosystems in Quang Nam, Kon Tum and Gia Lai provinces" implemented from 2014-2020 with a total budget of \$11,290,000 (US\$12.574 million) has supported sustainable management and protection of natural production forests in Gia Lai, along with livelihood development. In the case of KfW 9, titled "Rehabilitation and sustainable forest management in Central and Northern Viet Nam", Phu Yen province will receive support from 2021-2027, with budget for the province of \$5,935,173 (US\$6.6 million). Project components include: (1) Improving management of special use forests and national parks; (2) Improving management of protection forests and community forests; (3) Implementing environmental education measures. The project will draw lessons from these activities.

? The GEF-funded Mainstreaming Natural Resource Management and Biodiversity Conservation Objectives into Socio-Economic Development Planning and Management of Biosphere Reserve in Viet Nam implemented from 2020-2024 with a total budget of US\$6.66 million. The project is aimed at addressing these multiple threats by harmonizing socio-economic development, sustainable management of natural resources and biodiversity conservation through an integrated landscape approach in the planning and management of Biosphere Reserves in Vietnam.

? The JICA-funded project on Enhancing Sustainable Natural Resource Management Phase 2 implemented from 2021-2025. The project with overall goal is to enhance country's capacity for maximizing multiple benefits derived from forest ecosystems, which contributes to improved livelihoods of local people and mitigation of climate change impact through promotion of Sustainable Forest Management (SFM), REDD+ and biodiversity conservation.

? The ADB Biodiversity Corridors Conservation Project (ADB-BCC) first and second phase implemented from 2011-2020 in Quang Nam, Quang Tri and Thua Thien Hue provinces to: (i) provide forest tenurial security to poor households and indigenous groups for collective management of forest resources; (ii) restore habitat on degraded communal forest lands; (iii) improve livelihoods and income-enhancing small-scale infrastructure, and; (iv) generate employment. In addition, the ADB Core Environment Program and Biodiversity Conservation Corridors Initiative, Phase II (ADB CEP-BCI II) regional initiative over 2013-2022 will build environmental planning systems, methods, and safeguards; improve management of transboundary biodiversity conservation landscapes and local livelihoods; establish climate-resilient and low-carbon strategies, and; improve institutions and financing for sustainable environmental management. The present project will build on good practices and lessons from these projects and try to visit project demonstration sites/villages to learn from their approaches.

? Viet Nam has had extensive engagement in REDD+, including UN-REDD, World Bank Forest Carbon Partnership Facility (FCPF ? who funded initial REDD+ preparation activities) and support from Japan International Cooperation Agency (JICA) and Dutch Development Agency (SNV). The Central Highlands is a key area for REDD+ investment (although this has been largely outside of the proposed project provinces). For example, SNV Netherlands Development Organization implemented from 2010-2014 the ?Participatory Forest Monitoring (PFM)? project in Lam Dong Province. PFM is an ?operating system? with social, climate and governance applications useful to restoration. The present project will look to build on SFM/REDD+ work with community forest groups within Ba River landscapes.

? A project on ?Rehabilitation, Restoration and Sustainable Management of Protection Forests? (also known as ?JICA2?) in 11 provinces, including Phu Yen, will be carried out in the period of 2012-2021. Its specific objectives are to: (1) restore and develop watershed protection forests; (2) strengthen capacity for local government and protection forest owners, and; (3) support improved livelihood for communities participating in managing protection forests. The total budget for this project is around US\$123,479,000. The project can offer lessons on capacity development approaches and community livelihoods support.

? The People Resources and Conservation Foundation/Viet Nam Country Program is working with the Gia Lai DARD through the project entitled "Support on community-based biodiversity conservation in Kon Ha Nung Highland Landscape, Gia Lai province" over 2018-2025. The project is working in 18 villages (15 villages of Dak Rong commune, and 3 villages of Son Lang) to support assessments and documentation for the proposal to establish a community-based reserve in the production forests located between Kon Ka Kinh National Park and Kon Chu Rang Nature Reserve, with a budget of US\$800,000. This project can offer incremental support for the establishment of this PA through dedicated capacity building for ranger staff and support for biodiversity conservation, monitoring, patrolling and surveillance.

? An upcoming European Union (EU)-funded "5 million (US\$5.957 million) project on "Integrated sustainable landscape management through deforestation-free jurisdiction project in Lam Dong and Dak Nong" implemented by UNDP with MARD and PPCs of Lam Dong and Dak Nong Provinces, is expected to take place between 2021-2025. This project is focused on deforestation-free value chains but includes support for district land use planning processes and monitoring, which can provide knowledge and lessons exchange with this project.

? The GEF-financed project "Mainstreaming Natural Resource Management and Biodiversity Conservation Objectives into Socio-Economic Development Planning and Management of Biosphere Reserve in Viet Nam" which is executed by Ministry of Natural Resources and Environment (MONRE) and supported by UNDP will be implemented from 2020-2025. This project aims to mainstream biodiversity conservation and natural resources management objectives into governance, planning and management of socio-economic development and tourism in biosphere reserves. The project will support integrated stakeholder engagement processes and policy/regulatory improvements and guidance on integrated planning, biodiversity and HCVF monitoring to improve biosphere management under the 2008 Biodiversity Law. In parallel, on-ground efforts will include HCVF protection, forest restoration and livelihood diversification within the three targeted biosphere reserves (all of which lie outside the demonstration landscape for this project). While the biosphere project will focus on broader legislative reforms under the Biodiversity Law and other sectoral laws such as tourism, this proposed project will focus on targeted guidance and improvements to support the operationalization of the recently enacted 2017 Forestry Law, including its implementation and enforcement at provincial and district levels. The two approaches are complementary and there are good opportunities for coordination, cross-replication and exchange of lessons to deliver integrated implementation of national biodiversity and forestry legal frameworks. The biosphere project is also expected to provide important guidance and lessons that can be integrated into this project given the geographic overlap of the Gia Lai landscape with the newly established Kon Ha Nung Plateau Biosphere Reserve.

? In the Central Highlands, the following projects are also being implemented, such as (i) Project "Conservation, Sustainable Use of Forest Biodiversity and Ecosystem Services in Viet Nam" (GIZ-Bio) financed by the German Ministry for Economic Cooperation and Development (BMZ) with counter-part funds from the Vietnamese Government. It is the continuation of a project with the same name that took place from 2015-2021 (Phase I and Phase II); and (ii) project Delivering Multiple

Benefits from REDD+ in Southeast Asia (MB-REDD), implemented by SNV ? The Netherlands Development Organization.

3) The Proposed Alternate scenario

The long-term goal of the project is to establish a comprehensive and integrated landscape planning and management framework to mainstream land and natural resource management and biodiversity conservation objectives into forest management and sub-national and sector socio-economic development and community resource management within key biodiversity landscapes in the Ba River basin. Its objective is to operationalize integrated landscape management of forested landscapes to generate multiple benefits including biodiversity conservation, improved forest management, increased sustainable community benefit sharing and enhanced local livelihoods. The project will be implemented over a 4-year period based on the following principles:

? Promoting a holistic, multi-sectoral and integrated landscape management approach to resource governance in the Ba River basin as compared to the exclusive protected area centric approach to facilitate the maintenance of the ecological integrity of the biological landscape and its constituent parts. This will, in particular focus on (i) establishing connectivity between HCVPs within and outside protected areas to bridge existing conservation gaps within the landscape sites and reducing fragmentation through creation of new, and/or expansion of existing protected areas and restoration of degraded forests and riparian areas; (ii) improving management effectiveness of existing protected areas to reduce threats and enhance conservation outcomes; (iii) enhanced mainstreaming of biodiversity within production and protection forests and support for sustainable forest management practices so as to contribute towards conservation of endemic and threatened species, habitats and enhanced ecosystem services; (iv) Improved co-management of commune managed forests and biodiversity-friendly livelihood development in buffer zones of protected areas to serve as stepping stones for species conservation within the landscapes; and (v) promotion of financial incentives, including more effective use of PFES approaches to strengthen local community involvement and support for conservation in forest patches within the landscape as a means for conservation and restoration of species, improving connectivity and enhancing forest-based revenues. The above-referenced approach entails improved conservation, restoration and mainstreaming of biodiversity across the range of forest management types (e.g., Special Use Forests ? PAs, Protection Forests, Production Forests) along with integration into broader jurisdictional planning processes and the socioeconomic development of local communities.

? The project's incremental or catalytic value lies in testing and validating existing regulations/guidelines and practices for effective implementation of the Forestry and Planning Acts of 2017, in particular relating to role of forest rangers and Forest Management Boards in special-use and production forests; planning, implementation and monitoring the effectiveness of SFM plans; integration of forest and biodiversity conservation in provincial master planning; linking PFES funding

to conservation and SFM outcomes; and improving and diversifying funding to Forest Management Boards to improve financial sustainability;

? Supporting and implementing a participatory/consultative bottom-up planning and implementation approach that focuses on provincial, district and community priorities and decisions that integrate conservation, sustainable forest management, climate risk management and livelihood outcomes;

? Strengthening the role of communities (including ethnic minorities indigenous), provincial, district and local government institutions, community-based organizations and non-governmental organizations and increasing their potential for becoming agents of change in promoting sustainable natural resource management, climate risk management and biodiversity conservation;

? Strengthening capacities of communities, Civil Society Organizations (CSOs), Non-Government Organizations (NGOs) and private sector for implementing effective biodiversity-friendly income generation and livelihood activities;

? Ensuring that in its development and implementation, gender is mainstreamed so that the project contributes to equality and equity, through the creation of equitable opportunities and benefits for both women and men;

? Ensuring an adaptive management approach that progressively identifies and addresses threats to biodiversity and natural resources and associated challenges, including those related to ecological, demographical, climatic, market, technological and economic factors in the biological corridors;

? Ensuring free prior and informed consent (FPIC) that can be patterned after UN-REDD (Viet Nam) FPIC guidance document of 2020 as the basis for negotiating investments for local communities, especially ethnic minorities, and ensuring that any displacement of incomes or access to resources are adequately compensated through alternative livelihood improvement plans;

? Being selective in terms of identification of locations and nature of interventions to serve as demonstration models in the Ba River basin and in addressing the nature of challenges that operate therein taking into considerations the existing institutional capacity and resource constraints; and

? Improving awareness and knowledge and strengthening gender mainstreaming and monitoring and evaluation as means to improve conservation impacts.

In order to ensure a clear, practical and cohesive implementation strategy, the proposed project will introduce a structured planning and integrated framework for managing biodiversity across targeted landscapes in the Ba River basin. This framework will engender a two-pronged, mutually re-enforcing approach of (i) strengthening efforts for conservation of biodiversity in large biological landscapes, and (ii) demonstrating sustainable forest management and livelihood initiatives for tackling reduction of pressures and threats to biodiversity while strengthening benefits to local communities. Targeted activities under both directional focuses will be implemented under a linked provincial and local level coordinated planning and management umbrella platform, supported by updated planning and operational guidance documents as well as the strengthened inter-sectoral planning and management mechanisms.

Investment at the landscape-level, will be defined through an increased understanding of landscape-level biodiversity and ecosystem services priorities as needed ? and to underpin this, enhanced dedicated analytical tools and monitoring frameworks will be developed under Component 1. Such tools are required to inform site-level management and serve as a means for integration into provincial and district master planning processes to arrest forest degradation and loss, including through the spatially explicit consideration of important biodiversity areas alongside the priorities of other sectors. Open and active dialogue across multiple stakeholder groups is needed to build a common understanding of priorities, co-benefits and areas of conflict that need to be resolved. Building on the analytical tools and monitoring protocols developed under Component 1, investment activities (under Component 2) in the Ba River basin are strategically located to demonstrate tangible impacts and outcomes and avoid the ineffective spread of activities. To do so, the project will attempt to locate a suitable mix of project investments in selected locations of high conservation value areas within the river basin, where tangible impacts on biodiversity conservation, improved conservation-oriented forest management practices and threat reduction can be demonstrated. The selection of target locations is based on specific criteria that help determine areas that are most biologically significant for conservation and/or able to demonstrate new approaches to landscape conservation. Consequently, the key biodiversity areas (KBAs) within the targeted landscapes will form the basis for demonstration of investments and achievement of conservation outcomes. Each target location/area will encompass existing PAs, production and protection forests, commune managed areas and areas adjacent to them that are necessary to provide critical conservation linkages necessary to maintain ecological integrity and species dispersal within the river basin. Through this approach, on-the-ground initiatives in targeted locations in the Ba River basin will both be guided by, and provide feedback loops into, enabling policy, institutional and regulatory initiatives at the national and provincial level (under Component 3), while linking conservation-oriented actions with socio-economic, sectoral and livelihood-focused actions at the river basin level.

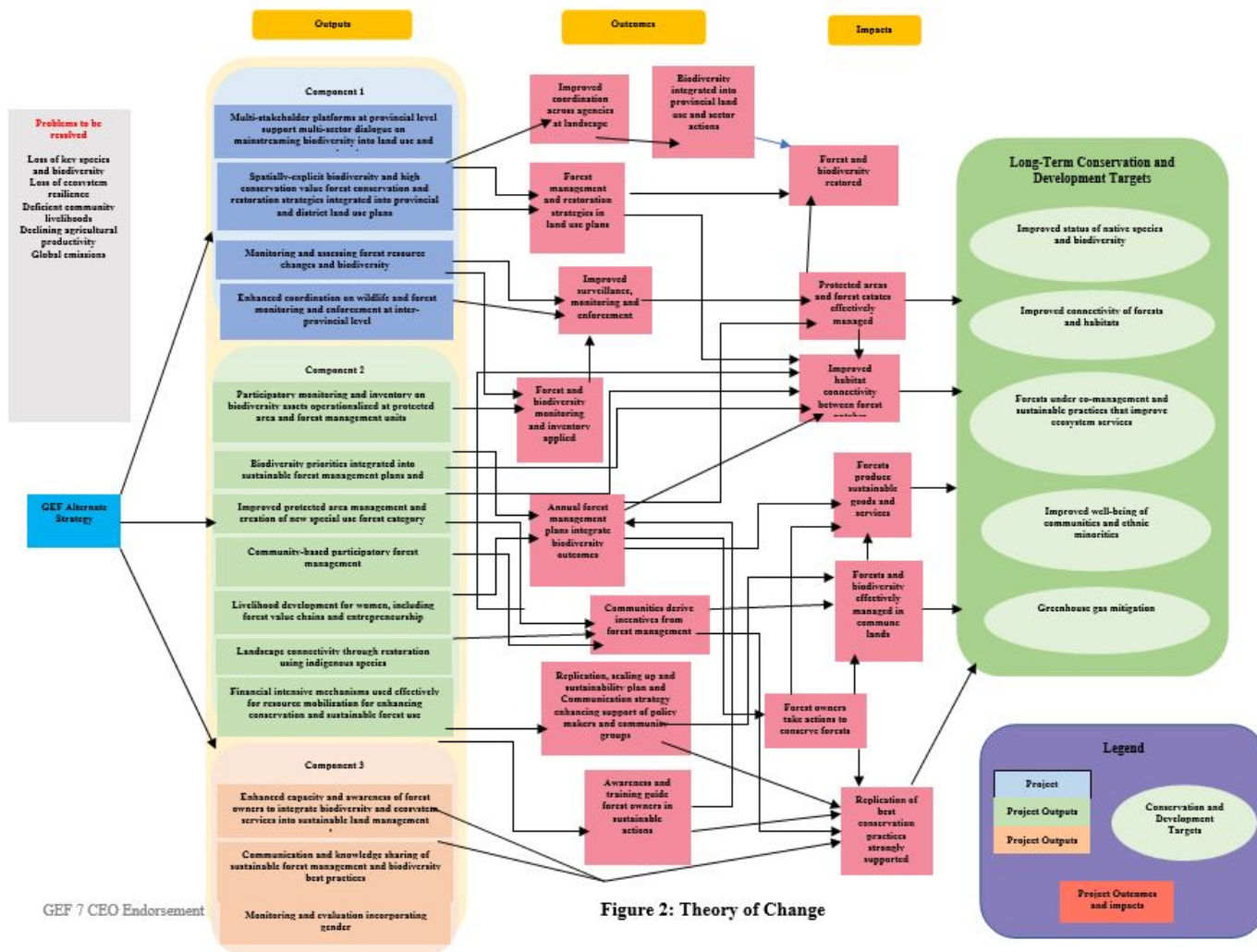
Project Objective

The project objective is to *conserve forest biodiversity and maintain or improve the flow of ecosystem services through sustainable forest management embedded in a coordinated landscape-level approach across Ba River basin*. To achieve this objective, the project is designed to develop and test a holistic and well-integrated multi-sectoral and multi-stakeholder approach to planning and management within targeted locations the Ba River basin. This is underpinned by mechanism(s) that address current limitations in multi-stakeholder and sub-national integrated development planning and coordination between key stakeholders within the river basin, improved forest management and improved local community and indigenous people's access and control of resource use to generate improved livelihoods, incomes and benefits. The GEF project's added value lies in being able to demonstrate the development of conservation-oriented forest management within the forest estate in the Ba River basin, improved community-based management of forests and forest uses, community small-scale enterprise based sustainable forest resource practices and sustainable livelihoods for local communities in the selected target locations in the river basin and test and validate existing relevant regulations and guidelines related to improved integration of biodiversity and sustainable forestry outcomes in the Forestry, Planning and Biodiversity Acts. Lessons learned and experiences will facilitate and catalyze

necessary regulatory and policy changes to support broader replication and uptake. The three components of the project are:

- ? Component 1: Mainstreaming biodiversity and ecosystem services into landscape-level planning, monitoring and enforcement
- ? Component 2: Conserving globally significant biodiversity and ecosystem services in forested landscapes of Ba River basin
- ? Component 3: Gender mainstreaming replication and knowledge exchange

To achieve this objective the project will utilize 3 strategies (Project Components) with intervention pathways described in the theory of change diagram in **Figure 2** below. The Components (GEF project alternative) will aim to remove the barriers to accomplishing the long-term solution (see **Fig. 1**). The details of the suggested Theory of Change are shown in Figure 2.



Theory of Change Narrative

The objective of the project is to conserve forest biology and maintain or improve the flow of ecosystem services through sustainable forest management embedded in a coordinated landscape-level approach across the Ba River Basin.

Based on the above analysis of barriers to promoting conservation of high biodiversity forests and forest biology, the Theory of Change (refer Figure 2) is based on three impact pathways: (i) Strengthened enabling framework and systemic tools to monitor biodiversity and ecosystem services and incorporate these into land use and forest planning, monitoring and enforcement; (ii) Demonstration of forest restoration and management practices across a range of forest management systems aimed at conserving priority forests, improving sustainable forest management practices and enhancing local livelihoods; and (iii) design and implementation of systems to ensure monitoring and evaluation, knowledge management and gender mainstreaming to facilitate replication.

These impact pathways will enable Forest managers, provincial administration and local stakeholders (including ethnic minorities) to agree on management objectives for over 150,000 hectares of high biodiversity value forests and multiple use landscape with the Ba River Basin, starting the process of reducing degradation and over exploitation of such forests and halting environmentally unfriendly and unsustainable land use practices. In the short-term, this will improve management of 71,106 hectares of natural forests within the protected areas, upgrade 10,000 hectares of forest company forests to protected area status to improve biological connectivity, undertake forest restoration in 500 hectares of degraded or degrading forests, bring around 56,658 hectares of production and protection forest under improved biodiversity conservation practice and promote community co-management in commune managed forests and improved and sustainable agricultural practice in a total of around 17,827 hectares. In addition, the pathways will directly benefit around 3,000 local communities, including ethnic minorities through improved access to sustainable harvest of forest products, livelihood practices, gender mainstreaming and improved environmental conditions. Over the medium to long term, the pathways will contribute to realizing conservation targets in the biologically rich Central Highlands, securing current carbon stocks, and in stabilizing biodiversity and ecosystem services within the Ba River Basin. This will be achieved while simultaneously improving the economic stability of local communities and ethnic minorities, compliance with best practices that integrate species and biodiversity conservation in forest management practices, achievement of environmental, social and gender standards for forest management. Adopting an integrated landscape management approach (through piloting in selected target sites under different management regimes) will provide learning and best practices for its mainstreaming throughout the Ba River Basin, and elsewhere in the country. The coordination platforms established at the provincial level and inter-provincial collaboration systems for managing illegal wildlife activities will help create processes and decision-making that is built on enhancing the conservation of forests, safeguard ecosystem services and enable multiple actors (forest owners, development planners, local communities and ethnic minorities) to pursue their individual and shared interests in managing the forest and biological resources, and the services they provide within the Ba River Basin. These systems will be promoted and replicated within the basin.

Impact Pathway 1: Strengthened enabling framework and systemic tools to monitor biodiversity and ecosystem services and incorporate these into land use and forest planning, monitoring and enforcement

The first impact pathway will build on developing a set of enhanced dedicated analytical tools and monitoring frameworks to inform site-level management and also serve as a means for integration into provincial and district master planning processes to arrest forest degradation and biodiversity loss. It will help enhance information and capacities that would enable open and active dialogue across multiple stakeholder groups to build a common understanding of priorities, co-benefits and areas of conflict that need to be resolved. It will strengthen the capacity and skills of the forest agencies, development planners and decision makers to enable development of appropriate forest management and restoration strategies, improve inter-provincial monitoring, surveillance and enforcement measures.

The Coordination Platform for multi-level planning and management will be strengthened. Recommendations and guidelines for forest management and standards for ensuring integration of biodiversity considerations into forest planning would be developed so that priorities for conservation, restoration and sustainable forest management practices will be implemented to ensure that the landscape continues to deliver ecosystem goods and services to all stakeholder groups, while minimizing loss of forests and biodiversity. This set of interventions will create an enabling framework for effective management of the remaining high value forests in the Ba River basin, enhance their connectivity and viability and help optimize sustainable forest and land and management and biodiversity conservation. This would help mainstream biodiversity conservation practices into provincial and district development planning, as well as the conditions for undertaking interventions at landscape level and promoting replication, ensuring that the future forest and development actions does not compromise biodiversity and ecosystem functions. Collectively, these measures would advance the country towards establishing forest degradation neutrality in the Ba River Basin as well.

Impact Pathway 2: Demonstration of forest restoration and management practices across a range of forest management systems aimed at conserving priority forests, improving sustainable forest management practices and enhancing local livelihoods

Practical ways of implementing integrated sustainable forest management and conservation interventions will be demonstrated to manage the ecological, social and economic inter-relationships to deliver positive synergies. The project will investigate options for introduction of innovative financial solutions to provide benefits to encourage local communities and ethnic minorities to invest in priority actions that are needed to conserve the high biodiversity and production forests in the Ba River Basin. To facilitate this process, the project will identify and test some promising improved technical solutions to improving forest conservation, enhance community co-management of commune forests, strengthen protected area management and new small enterprises and financial solutions (mainly through PFES) to support the conservation outcomes recognized in outputs supported under Impact Pathway 2.

In order to address forest degradation and ensure threatened and endemic biodiversity, the project will put at least 10,000 ha of current forest company lands under protected area status to protect biodiversity and enhance connectivity and viability between two existing protected areas in the Central Highlands. Further, it will strengthen the existing protected areas and improve conservation in protection and production forests. This will be achieved by improved methods and tools for forest and biodiversity inventory and support integrated sustainable forest management practices through preparation of annual work plans. Community-based Forest management in the vicinity of protected areas and forest restoration will help enhance the conservation of biodiversity. Improved agricultural practices in the vicinity of the forests and incentives through benefits from payment for forest ecosystem services (PFES) will reduce pressure on forest encroachment, poaching and wildlife killings and build community support. Improved agronomic practices and livelihoods will support around 3,000 local persons that support promotion of biodiversity friendly, sustainable land and forest management and livelihoods. Improved value chains to ensure that multiple products and services will enhance the economic viability of the local people, empower women, build resilience to climate change, define new small-scale business models, streamline the value chain operations and promote nature-based tourism.

To ensure that potential negative impacts on livelihoods from possible changes in land use practices are minimized, the project will actively engage communities in developing multi-cropping agro-forestry systems and environmental friendly livelihood planning and in identifying and agreeing on activities and suitable land for establishment of these programs, with in-depth Environment and Social oversight, targeted Impact Assessment that will be undertaken within the first year of implementation, based on which a targeted Environment and Social Impacts Management Plan (ESMP) will be prepared and implemented [also see Social and Environmental Screening Procedures (SESP) in Annex 4, Environment and Social Impacts Management Framework (ESMF) and Ethnic Peoples Planning Framework (EMPF in Annexes 8a and 8b].

Impact Pathway 3: Design and implementation of systems to ensure monitoring and evaluation, knowledge management and gender mainstreaming to facilitate replication

Implementation of the project will be guided by strong gender mainstreaming and stakeholder engagement. Participatory monitoring and evaluation and knowledge management processes will be used to enable adaptive project management and inform stakeholders at all levels on the nature and extent of impacts intended and achieved. This is particularly important because ensuring the long-term political and economic sustainability of the local people will require buy-in and commitment from all stakeholders (including policy makers) to ensure that the impacts on biodiversity and forests are managed with full consideration of the biological, social, and environmental aspects.

Component 1: Mainstreaming biodiversity and ecosystem services into landscape-level planning, monitoring and enforcement

Total Cost: US\$5,252,222; GEF project grant requested: US\$552,222; Co-financing: US\$4,700,000

Outcome 1: Enhanced enabling framework and systemic tools to monitor biodiversity and ecosystem services and incorporate landscape-level needs into land use and forest planning, monitoring and enforcement

Under this Outcome, the GEF increment will support strengthening coordination, governance and regulatory arrangements to facilitate mainstreaming of biodiversity conservation into broader river basin (plus Kon Ha Nung Plateau Biosphere Reserve) level planning, monitoring and enforcement. This will include establishing an institutional coordination framework in the two provinces to facilitate information sharing, engagement, consultation, planning and mobilization on the strategies and decision-making tools. The provincial coordination mechanisms will provide leadership where mandated by various existing laws and agreements or where existing capacities exist to enhance support to provincial forest management entities on the issues relevant to biological landscapes. Guidelines, plans and best practices for landscape-level biodiversity and its mainstreaming in provincial and district development master planning will be applied, along with enhanced systems for monitoring and assessing forest resource change, including a set of minimum standards, to guide responsible practices in the forestry and related development sectors in support of biodiversity conservation outcomes. These plans will build on, and integrate relevant and existing tools, strategies and lessons gained through the baseline work. These tools will also be used to provide a stronger planning, monitoring and enforcement framework to avoid, reduce and mitigate adverse impacts on biodiversity, and emphasis will specifically be placed on maintaining the ecological integrity of the biological landscapes, in particular, in Special Use Forests, Production and protection Forests and Commune Managed Areas. At the same time, the project will strengthen the capacity of respective forest and protected area management institutions at the provincial levels to improve inter-provincial forest management and protection cooperation.

This Outcome would be achieved through four Outputs, which will contribute to achieving the overall goal of developing frameworks for integrated landscape-based planning, management and enforcement in the Ba River basin to conserve biodiversity and in establishing capacity for planning, implementation and monitoring of conservation outcomes and threats.

Output 1.1: Multi-stakeholder platforms on biodiversity and ecosystem services established at provincial level, supporting multi-sector dialogue on mainstreaming biodiversity into land use and master planning.

Under this Output, the project will support the mainstreaming of biodiversity and ecosystem services into provincial level planning, monitoring and enforcement. First, the project will support the establishment of multi-stakeholder platforms on mainstreaming biodiversity and ecosystem services into provincial and land use planning and sector operations. The Planning Law of 2017, and its related Decree 37/2019 and Circular 38/2019 lays out the norms and processes for multi-sectoral integrated master planning (including land use, forestry, environmental protection, agricultural production, etc.) at national, sectoral and provincial level that provides the legal entry point for the multi-stakeholder coordination mechanism. The multi-sectoral provincial platforms will bring together a range of stakeholders across government, industry and community into a common dialogue on the biodiversity assets and landscape-level conservation needs of the Ba River basin and their integration into master planning and land use planning. The project will establish provincial-level platforms in Gia Lai and Phu Yen province. These will provide a participatory mechanism for the identification of landscape-level conservation priorities (see Output 1.2) and a multi-stakeholder platform that can support the implementation of the 2021-2030 provincial master plans (under development and due to be adopted by the end of 2020), along with their monitoring, review and revision.

The project proposes to conduct the following indicative activities under this Output, namely: (i) **review and update (or create new) coordination arrangements** for management of forest and landscapes within the two provinces; (ii) **development of provincial statutes**, as necessary that determine composition, mandates, decision-making, functions, reporting and role and responsibilities and operational management of the provincial coordination committees; (iii) **establish inter-provincial stakeholder platforms** for two provinces, with staffing and meeting budget for its effective functioning; (iv) **strengthen capacity of Provincial Administration** for providing coordination and guidance for support to the coordination platforms; (v) **design basin-wide advocacy strategy** including outreach, resource mobilization for financing, and budgets; and (vi) **define annual/biannual meeting protocols** for dissemination and feedback. The task of the provincial coordination mechanism would be to: (a) address directives, guidelines, manuals, and standards for landscape governance; (b) development of guidelines and standards for basin-wide biodiversity mainstreaming elaboration; (c) coordinate the development of regulations and protocols to strengthen provincial landscape planning, including proposing standards, drafting directives, supporting regulation and protocol development and developing plan review and feedback mechanisms; (d) propose specific framework guidelines to mainstream biodiversity conservation into production and protection forests and other key forest-related sectors; (e) Oversee the baseline information repository and facilitating information flows between entities; (f) encourage provincial institutions (including FMUs) to adopt management practices to mainstream biodiversity conservation through a holistic approach; (g) support a participatory activities during the elaboration of the land use plans; (h) promote coordination between landscape governance and planning and other potentially related policies, initiatives, and projects; (i) fund raising

to implement policies and plans to mainstream biodiversity conservation into forestry and other key sectors; and (j) support the development and implementation of capacity building program for all stakeholders involved in the forest planning and management processes.

Output 1.2: Spatially explicit landscape-level biodiversity and HCVF conservation and restoration strategy developed and integrated into provincial and district planning/policies. The strategy will also be used to prioritize on-ground conservation action under Component 2.

This Output will build off the strong government baseline of planning that is currently underway in accordance with the 2017 Planning Law (and its related Decree 37/2019 and Circular 38/2019) and support spatially explicit biodiversity and ecosystem services considerations into land use planning. The project will develop a HCVF conservation and restoration strategy, identifying the location of priority conservation areas (including HCVF, e.g., following the steps in the 2019 "High Conservation Value (HCV) Screening: Guidance for identifying and prioritizing action for HCVs as part of jurisdictional and landscape approaches") within the Ba River basin, habitat connectivity and ecosystem services provision, and key threats and vulnerabilities to these assets. The strategy will be developed under the overall direction of the People's Provincial Committees with inputs from the platforms established under Output 1.1. The strategy will be used to inform the on-ground conservation activities delivered under Component 2 and further, the project will support the integration of the identified priority conservation areas/assets into provincial master planning and district planning. As the current planning round is being finalized in 2022 (based on Decision 502/2020 issued by Prime Minister approving tasks/contents for developing the Phu Yen provincial master planning and Decision 1015/2020 issued by the Prime Minister for developing the Gia Lai provincial master planning), these spatially explicit inputs will feed into the review of these plans midway through the planning cycle and their readjustment for 2026-2030. Project support will include provision of spatial data layers and maps (see Output 1.3) for the review of progress towards current plans and the development of participatory, spatially explicit land use plans considering biodiversity and ecosystem needs in at least two districts. The improved spatial and remote sensing data that will be generated will serve as an important contribution to these planning processes and district and FMU decision-making. The following are indicative activities: (i) **mapping of the Ba River basin forest cover and flagship species** (rapid exercise using existing available information with ground validation) that highlight strategic conservation areas, strategic watershed and headwaters protection areas, habitat connectivity and vulnerabilities to threats, based on which (ii) **a baseline information system** will be developed to assist provincial and district level planning for further improvement of forestry and biodiversity management outcomes into social-economic development/provincial master planning at the mid-term review stage of the current provincial masterplans for the two provinces; (iii) **Ba River basin forest management and restoration strategy** to guide forest protection and restoration efforts in the whole basin as well as to guide sectoral (provincial) and local plan (district) to ensure biodiversity compatible development within the whole basin that would require SESA and ESIA; (iv) this will be further strengthened by **training FMUs and stakeholders on HCVF assessment** and (v) **development of a road map for future conservation management of the Ba River basin** and a means to monitor the effectiveness of mainstreaming conservation outcomes into development or provincial master planning

in the two provinces (refer Outcome 1.3 in terms of enhancing capacity for monitoring and assessing forest performance/change). The outcome of this performance monitoring will enable discussion with the Provincial Authorities and Policy makers on progress in implementation versus what was planned that would then enable policy recommendations for enhancing and/or improving planning and mainstreaming of biodiversity and sustainable forest management outcomes in provincial master planning at mid-term review stage.

Output 1.3: Enhanced systems for monitoring and assessing forest resource changes (i.e., deforestation and plantation/restoration) and biodiversity, incorporating remote sensing techniques, demonstrated at landscape level, with lessons provided to support national-level upscaling.

Improved use of spatial and remote sensing data will be an important contribution to these planning processes and district and FMU decision-making. The project will enhance existing systems for monitoring forest change and generating alerts related to forest loss by building capacity for the use of high-resolution remote sensing data. There is now a range of remote sensing and spatial data mapping platforms (e.g., UN Biodiversity Lab, Planet-NICFI, Terra-i, Global Forest Watch, USGS, ESA) freely available, however these are not yet widely used to inform decision-making at provincial, district and forest management unit level. Increasing access to such information and building capacity to use it was noted as a key need of forest managers during PPG consultations. In particular, Forest Management Boards are entrusted under Circular 28/2018 (within the ambit of the Forestry Law of 2017) to monitor the effectiveness of implementation of their SFM plans (including forest changes) but lack capacity, experiences and guidelines for monitoring forest resource change, while Circular 33/2018 regulates measures for inventory and monitoring forest changes. The project will use existing freely-accessible platforms to access and analyze high-resolution multi-time/near real-time remote sensing images to generate regular deforestation and forest degradation warnings for districts and forest managers, providing more dynamic information on vegetation change as a key driver of biodiversity loss. This will be analyzed with other existing spatial data on biodiversity and ecosystem services (e.g., datasets on protected area/KBA coverage, threatened species richness, key usage areas for water security, carbon stores, carbon sequestration potential etc. available in UN Biodiversity Lab, Global Forest Watch, and datasets on forest resources from FORMIS system) to identify risks and threats to forest resource and biodiversity assets of the Ba River basin.

An enhanced system with combination of both existing data and information on forest resources (derived from VNFOREST Management Information System for the Forestry Sector in Viet Nam (FORMIS)) and available high-resolution multi-time/near real-time remote sensing data (accessible freely from available platforms) will provide a 'dashboard' for provincial and district authorities and forest managers to assess forest change and implications on biodiversity significance, identify forest and biodiversity priorities and monitor progress and compliance with established land use plans. The project will provide training and equipment for forest managers and management boards involved in forest monitoring (e.g., DARDs, forest/PA rangers, forest companies, communities with forest land allocations) to build their spatial literacy and capacity to use high-resolution spatial data and maps to support decision-making. The training will be supported by preparation of curriculum and training materials in collaboration with the Institute of Forestry Ecology and Environment (IFEE) of the

Vietnam National University of Forestry (VNUF) (also referred to as the Forestry University of Vietnam) which is affiliated to MARD as part of the intent to institutionalize the training. IFEE provides training in forest GIS mapping, SFM and forest development planning, sustainable forest resource use, climate change adaptation, forest survey and monitoring, PFES planning and monitoring, integration of forest management and biodiversity conservation in socio-economic development planning as well as support for development of national standards and technical regulations and technical norms for AFM, forest ecology, etc. The University has a campus in the Central Highlands that is within the Ba River basin. The real-time monitoring demonstration at provincial level will be used to inform enhancements to the national VNFOREST Management Information System for the Forestry Sector in Viet Nam (FORMIS) system. Project lessons will be used to develop guidelines on monitoring forest/landscape change and recommendations on integration with national monitoring and inventory systems for consideration by MARD. This will entail the following activities: (i) **review existing spatial data mapping platforms** (e.g., UN Bio Lab, Planet-NICFI, USGS, ESA, UMD-GLAD, Global Forest Watch) or cloud platforms (e.g., Google Earth Engine (GEE) and FAO-SEPAL) to provide spatial information and data including free high-resolution satellite imagery data for planning process and decision-making at provincial, district and FMUs scales, especially in forest resource monitoring and assessment (e.g. deforestation, a/reforestation?), and biodiversity; (ii) **use of existing biodiversity, land degradation, invasive species and threat monitoring methods**, information use and capacities across the relevant entities to assess usefulness of data and information collection methods, (iii) based on the reviews to **identify suitable existing freely accessible available platforms to access high-resolution multi-time/near real-time remote sensing images** to generate regular deforestation and forest degradation warnings for districts and forest managers, providing more dynamic information on vegetation change as a key driver of biodiversity loss (e.g., UN Bio Lab, Planet-NICFI, USGS, ESA, Global Forest Watch, GEE, FAO-SEPAL); (iv) **use of the enhanced system with support of existing information/data** (FORMIS data) and high-resolution multi-time/near real-time satellite images (accessible freely from available platforms) for improving the capacity in monitoring and assessing the forest resource change and biodiversity at key project sites including one Protection Forest Management Board in Gia Lai province and Krong Trai nature reserve in Phu Yen; (v) **training and capacity-building for staff** of relevant agencies at provincial, district, commune and forest and protected area management levels in effective data collection, verification, monitoring and management, and benefits of conservation- planning with support of the enhanced systems; (vi) **support equipment availability** (e.g. GPS, etc.) for FMUs monitor and assess changes in forest resources and biodiversity; and (vii) provide recommendations and develop and test technical guidelines on monitoring forest/landscape change at the project areas for integration with national monitoring and inventory systems (FORMIS). VNForest will, based on demonstration in Gia Lai and Phu Yen provinces formalize and issue the monitoring guidelines/training manual for dissemination and application through the country to support effective implementation of Circulars 28/2018 and 33/2018.

Output 1.4: Enhanced coordination on wildlife and forest monitoring and enforcement at landscape levels, through broadening the inter-provincial forest management and protection cooperation regulation MOU to cover wildlife offences alongside forest offences.

Output 1.4 will support enhanced coordination on wildlife and forest enforcement at landscape level with particular attention on improving information exchange and coordination on wildlife-related offences. At inter-provincial level, the project will provide technical support to broaden the existing forest management and protection cooperation regulation Memorandum of Understanding (MOU) between Phu Yen and Gia Lai PPCs/Provincial Forest Protection Departments to integrate biodiversity conservation and landscape-scale considerations into their existing coordination meetings and MOU, which currently only covers illegal logging and forest encroachment issues. The cooperation will also be extended to provinces that share neighboring forest areas (e.g., between Dak Lak, Gia Lai and Quang Ngai/Kon Tum) to enhance cross-provincial coordination on wildlife snaring, poaching and trafficking offences in law enforcement information exchange and operations. This Output will entail (i) **review of monitoring, surveillance and enforcement systems** (including in particular relating to Decree 01/2019 regulating forest rangers and specialized forest protection force) to assess quality of monitoring and performance of the specialized forest force) and capacities at the Provincial level) and capacities across the multiple existing entities at the Provincial level; (ii) **development of cross-sector plans, actions, protocols, procedures and baselines** underlining roles and responsibilities of key provincial entities to improve joint monitoring, surveillance and enforcement ensuring the landscape level; (iii) **update of provincial level regulations** that facilitate monitoring and enforcement based of assessment of performance as defined in relation to Decree 01/2019. This assessment will provide recommendations for improved training, empowerment of forest rangers, capacity and enhanced support required to improve quality and performance of monitoring that could be applied nationwide by Forest Protection and Special Use Forest Management Boards; (iv) **training forest managers and forest management boards and forest communities in monitoring, surveillance and enforcement**, in the selected demonstration landscapes that will be undertaken in collaboration with IFEE of VNUF; (v) **development of appropriate protocols/guidelines and enforceable standards** for biodiversity and/or SFM/SLM for landscape conservation and restoration and agreements on inter-provincial cooperation to cover wildlife offences alongside forest offences, initially between Gia Lai and Phu Yen provinces, and based on this success, its later extension to neighboring provinces such as Quang Ngai and Kon Tum; and (vi) development of protocols for inter-provincial coordination, including sharing information, joint patrolling and monitoring, training and awareness creation.

Component 2. Conserving globally significant biodiversity and ecosystem services in forested landscapes of Ba River basin

Total Cost: US\$10,956,092; GEF project grant requested: US\$1,156,092; Co-financing: US\$9,800,000

Outcome 2: Forests and biodiversity are restored, and protected areas strengthened at landscape scale, through coordinated management across Forest Management Units and Community-managed areas

Under this Component, the GEF increment will focus on the following: (a) establishing connectivity between HCVPs within and outside protected areas to bridge existing conservation gaps within the landscape sites and reducing fragmentation through creation of new protected areas or restoration of degraded forests and riparian areas; (b) improving management effectiveness of existing protected areas to reduce threats and enhance conservation outcomes; (c) enhanced mainstreaming of biodiversity within production and protection forests and support for sustainable forest management practices so as to contribute towards conservation of endemic and threatened species and enhanced ecosystem services; (d) Improved co-management of commune managed forests and biodiversity-friendly livelihood development in buffer zones of protected areas to serve as stepping stones for species conservation within the landscapes; and (e) promotion of financial incentives, including more effective use of PFES approaches to strengthen local support for conservation in forest patches within the landscape as a means for conservation and restoration of species, improving connectivity and enhancing forest-based revenues.

This will entail support for the improved management of the existing network of forested areas within the Ba River basin through the following actions:

- ? Improve management effectiveness of 71,106 hectares within 3 existing protected areas (Kon Ka Kinh National Park, Kon Chu Rang Nature Reserve and Krong Thai Nature Reserve),
- ? Inclusion of around 10,000 hectares of high conservation value forests that is currently managed by the government owned Dak Rong and Tram Lap Forest Companies in the Central Highland region within two existing protected areas (Kon Ka Kinh National Park and Kon Chu Rang Nature Reserve) to enhance biological connectivity;
- ? Improving biodiversity-friendly practices in 56,658 hectares of existing production and protection forest landscapes;
- ? Improving sustainable management of 17,827 hectares of agricultural and community forest lands; and
- ? Promoting ethnic minority and community management of 500 hectares of commune managed areas to enhance sustainable use of forest products.

These actions will be conducted in accordance with safeguard management measures in accordance to UNDP's SES standards. The project will provide an opportunity to monitor progress in implementation of METT (Management Effectiveness Tracking Tool) in order to evaluate the management effectiveness and efficiency of existing PAs through the coming years. Support will also be provided for capacity building and training of PA and forest staff, community and ethnic minority groups and other relevant personnel to support effective PA and forest management and operationalization, including for law enforcement. The training will be complemented with the development of curriculum

and training materials with the support of IFEE of VNUF so a measure to ensure the institutionalization of the training for replication in other provinces as well. Existing KBAs will form the core of the landscape areas and will include land within the KBAs that need to be rehabilitated and sustainably managed to enhance connectivity and improve conservation outcomes. The project will also train and equip forest and wildlife managers (PA and forest staff and community organizations) for implementing monitoring and enforcement systems to reduce violations and wildlife crime. Overall, the aim of this cross-training and co-involvement of PA and forest staff and community organizations/local communities, largely through protected area, forest management and community-based management agreements will improve efforts not only within PAs, but also coordination and integration of these efforts across the larger landscape.

The project will support the development of integrated forest management approaches in the Ba River basin, the mainstreaming of biodiversity conservation aspects in forest management and provincial and district level planning frameworks, through extensive consultation and in cooperation with local organizations. These plans will, *inter alia*: (a) identify high biodiversity areas within protection and production forests to receive higher conservation/protection status; (b) identify gaps and measures to enhance management effectiveness of PAs; and (c) prescribe appropriate biodiversity-friendly forest management practices, and commune managed areas thus avoiding, reducing and mitigating the impacts to biodiversity. It is anticipated that, through the mainstreaming of landscape principles, SLM and SFM strategies will be employed to achieve some level of LDN within the landscape areas. This outcome will be achieved through the following seven outputs, which will contribute to achieving the overall goal of expansion and improved management of biological landscapes in the Ba River basin.

Output 2.1: Participatory monitoring and inventory on HCVF/biodiversity assets operationalized with training conducted for PA and forest managers and communities living in and around high-biodiversity areas.

Under Output 2.1, the GEF increment will be used to establish participatory biodiversity and forest resource monitoring and inventory, including HCVF assessment, to better understand the assets in each individual FMU and their status and condition. This will include provision of training and equipment for PA and forest managers and for communities living in and around high-biodiversity areas, helping build engagement in sustainable forest management. Monitoring results will be used to guide the identification of FMUs? forest resource and biodiversity conservation priorities at site level including HCVF extent, which will be particularly important to guide the protection and enhanced management of HCVF in the proposed PA in Dak Rong and Tram Lap FMUs. The following are indicative activities, namely (i) **assessment of the current status of monitoring and inventory of forest and biodiversity resources** at local and central levels, especially in the selected forest management units including Kon Ka Kinh national park, Kon Chu Rang and Krong Trai nature reserves, state forest companies of Tram Lap, Dak Rong and Kong Chieng, and Son Hoa and Chu Mo protection forest management boards, with the intent to (ii) **select an effective approach and methodology in**

participatory forest and biodiversity resources monitoring and inventory, and apply the method for FMUs, especially in the HCVF areas (Tram Lap and Dak Rong forest companies). (iii) Thereafter, to **provide technical support to FMUs to conduct resource and biodiversity monitoring and inventory** in engagement with their sustainable forest management plans; (iv) **develop guidelines and standards for information collection, indicators, and templates on forest and biodiversity assets** at local scale, focusing on forest tree species and density, forest status and forest quality, forest biomass assessment, and wildlife species. Based on lessons learned at local scale, develop recommendations for application of forest, biodiversity resource monitoring and inventory at a larger scale and (v) **enhance capacity of relevant agencies and staffs at local levels and FMUs** (PA and forest managers) in design and implementation of forest and biodiversity assets monitoring and inventory activity in their institutions through training activity that will be supported by IFEE of VNUF.

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Output 2.2: Landscape and site-level biodiversity priorities and actions identified and integrated into sustainable forest management plans, annual work plans and operations. This will include technical support, extension and demonstration of priority measures including threatened species conservation and habitat management, biodiversity threat reduction, assisted natural regeneration/restoration of degraded habitats.

Under this Output support will be provided to help the integration of these biodiversity assets and conservation priorities identified into the respective SFM plans and associated annual work plans of the Forest and PA Management Boards in the Ba River basin. SFM planning is a new requirement of the Government of Viet Nam and for Special Use Forests, these plans will serve as the management plan for integration of sustainable forest management practices and will be critically important to guide in the protection of species, habitat and biodiversity conservation values. Initial SFM plans are being developed by consultancy agencies with little ownership of the forest managers, however due to low capacity and awareness of biodiversity conservation among forest managers (including in PAs), these initial plans are likely to not fully consider biodiversity conservation, or effectively integrate broader conservation objectives in a practical and technically sound manner into the SFM work plans for on-ground investment, especially for PFMBs and State Forestry Companies. GEF funds will be used to help close this gap. The project will provide technical support and extension to build biodiversity conservation capacity and commitments. PA/forest managers will be provided with technical assistance to identify biodiversity conservation priorities and develop appropriate conservation actions for SFM plans and their annual work plans to protect these values. Best practices will be demonstrated, and extension services will help facilitate the use and adoption of technically sound biodiversity conservation practices (e.g., threatened species conservation, habitat management and enrichment, IAS management, use of spatial set-asides, management of edge effects, regeneration/restoration) into forest management/PA management practices). Project lessons and improved capacity will help support enhanced consideration of biodiversity conservation within the subsequent review and update of SFM plans for 2026-2030 and a participatory review of the implementation of 2021-2025 SFM plans (combined with monitoring results under Output 2.1) will be completed in the project FMUs to help inform this process and continue to build PA and forest manager capacity and engagement in

biodiversity conservation. Specific activities under this Output will include (i) **carrying out internal dialogue and planning among DARD, DONRE, PA and Forest management boards, forest companies, district and commune peoples' committees and other stakeholders as preliminary input to support consensus building** (recognizing HCV criteria as additional parameters for PA and forest and commune management as key drivers for landscape conservation); (ii) **assembling existing information, stocktaking and preparation of target landscape level maps** reflecting the various forest and land uses and management regimes under different sectors (forestry, conservation, agriculture, etc.) that influence and impact biodiversity, building on work done under Outputs 1.2 and 1.3; and thereafter (iii) **promoting inter-disciplinary discussion to assemble, review available baseline information** on forest management, biodiversity conservation, review proposed updates of KBAs and proposed target landscape components and prioritize information gaps to be addressed (the content of this discussion can be combined with dialogues from Output 1.2 if possible); (iv) **organization of, and support to the provincial multi-sectoral coordination committees** through co-facilitation of the concerned provincial institutions (the content of this discussion can be combined with dialogues from Output 1.2 if possible); (v) **an in-depth assessment of biological, socio-economic, environmental and institutional aspects to prioritize actions for SFM plans** and defining governance arrangements for ecologically sound forest and land use and reaching agreements on standards for monitoring (based on guidance from Output 1.4); and (vi) **defining and consolidating management responsibilities** (PA management boards, forest management boards, forest companies and commune peoples' committees in support of landscape management; (vii) **implementation of priority management actions**, followed by mid-term and end of project change detection study to ascertain impacts of landscape interventions on biodiversity conservation, SFM and threat reduction for which the project will provide (viii) **technical support to forest managers in developing annual work plans** to make sure biodiversity priorities and actions are mainstreaming into SFM plans, especially for Production and Protection Management Boards (PPMBs) FMBs and State Forestry Companies whereas biodiversity is not prioritized; and (ix) **support to forest managers in PPMBs and State Forestry Companies to identify biodiversity conservation priorities** and develop appropriate conservation actions in the annual work plans to protect these values, as well as (x) **training on biodiversity survey techniques and key/flagship species monitoring** for PA's conservation staff in collaboration with IFEE of VNUF to enable its replication elsewhere in the country.

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Output 2.3: Improving PA management, including operationalization of the Special Use Forest proposed for establishment in areas under Tram Lap and Dak Rong State-owned forestry companies

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Complementary to Output 2.2, this Output will help strengthen the management of target PAs in the project landscape, responding to capacity needs identified by PA managers and responding to challenges of illegal poaching, logging and encroachment faced by the PAs and FMUs. In collaboration with IFEE of VNUF, GEF funds will provide training, equipment and operational support to PA managers to strengthen patrolling and surveillance, complete boundary identification/realignment (e.g., realignment of boundaries to exclude low biodiversity areas where

communities are living and replace them with higher-biodiversity neighboring areas) through a participatory process with communities and enhance community and stakeholder engagement and co-management. These activities will include capacity development of conservation area of Dak Rong and Tram Lap State Forestry Companies. These areas contain significant amounts of HCVF that are at risk of degradation, and increasing surveillance of these areas is an immediate priority, along with building capacity of forest rangers for biodiversity conservation and PA management. In terms of the proposed new conservation and/or its integration into the existing Kon Ka Kinh national park and/or Kon Chu Rang nature reserve, this output will support survey and management planning for the area, including specifically (i) **development of a proposal as regulated by Viet Nam for inclusion the forest area of Dak Rong and Tram Lam FMUs into existing protected areas** to improve connectivity, followed by (ii) **facilitating the approval process** for the addition of areas into existing protected areas according to the regulation in the Forestry Law (2017) with proper consultation process with local communities and stakeholders; (iii) **preparation of operational plan for the extended PAs** including training to build capacity for the new conservation area and engagement plan for local community in forest protection and biodiversity monitoring; (iv) **assessment to identify high risk poaching map** for the three PAs to better target and prioritize patrol areas for various types of threats; (v) **SMART patrol support for incorporating local communities** in the 3 PAs, including training for staff and communities and set up data and reporting systems and (vi) **improving staff capacities to analyze, manage and monitor information from SMART patrols**, so that it can be better used by Senior management for decision-making and effectively targeting the threats.

Output 2.4: Enhanced support for participatory community-based forest management

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As a means to enhance community-based conservation of forest biodiversity, which is critical to achieve mutually beneficial outcomes for conservation and local livelihoods, this Output will provide technical support for the process of ensuring co-management of commune forests by local communities. In at least two areas where forest lands are managed by local communities, the project will implement a participatory process to develop the initial SFM plan for these community forests so that community views and priorities for forest management are central to the process, and to build awareness and capacity in integrating biodiversity conservation into community SFM plans. A gender mainstreaming approach will be applied to ensure women's participation and equal flow of benefits to women. The project aims to pilot a co-management model on forest and biodiversity that can be up scaled across the Ba River basin. GEF funds will also support livelihood diversification in community-managed areas and PA buffer zones, including development of NTFP, agro-forestry and forest income generation models.

Criteria for selection of priority communities for project's livelihood support (for Outputs 2.4 and 2.5) are intended to ensure that there is a direct link between threats to forests for which purpose selection of communes will be based as follows:

- Communes located within neighboring buffer zones of the national parks/nature reserves;

- Communes located in corridors between core areas and within biodiversity rich areas or areas with recognized potential for meaningful ecosystem restoration; or
- Communes within identified forest rehabilitation areas or are allocated forest area for community forest management.

Within the selected communes, households are identified on the basis of the following criteria:

- Households that are greatly dependent on forest resources within buffer zones of the national parks/nature reserves and forest restoration areas for their livelihood or that conduct such actions which directly threaten forest biodiversity;
- Households that are willing to participate in community forest management and related sustainable forest use activities;
- Households that are categorized as ethnic minorities or disadvantaged groups that are typically forest dependent; or
- Households that are already organized into interest groups, production groups or cooperatives.

In selection of communes and communities for forest co-management consultations will be undertaken with ethnic minorities and other communities following application of FPIC procedures to ensure that such decisions are made in the best interests of these communities, themselves. Forest-based livelihood opportunities will be centered around the co-management principles for on creation value-chains. Project interventions would focus on:

- Providing technical training for communities to improve product quality, productivity and sustainability;
- Provide technical support to ensure community capacity to recognize and manage their production within sustainable limits;
- Supporting environmentally friendly harvest techniques so as to not compromise on the environment and biodiversity; and
- Fostering partnerships between producer groups and partners from the private sector for product development and marketing.

In terms of potential for livelihood and ecotourism, this output would help establish linkages between community groups and the tourism market, including:

- Identifying potential groups (including women groups) and interested tourism agents to facilitate access,
- Identifying a suite of ecotourism activities that are non-destructive, promotes conservation outcomes and results;
- Developing tourism and livelihood products associated with production process or traditional craft demonstration models to help them understand the real value of the handicraft products,
- Supporting small-scale tourism activities, including homestays, to the extent there is community interest;
- Ensuring that community actions towards conservation are linked to promotion of livelihood and ecotourism products and services; and
- Connecting production groups with tourism activities in nearby locations to increase their chances of selling their products to tourists.

In development ecotourism approaches, these will be subjected to SES and FPIC procedures as defined by UNDP's safeguard standards.

This Output will be achieved through the following indicative actions, namely: (i) **capacity needs review** to identify skill needs for PA, forest management unit, and local community on biodiversity conservation, sustainable forest management and capacity and skills need to engage local community in forest management more effectively in particular to address requirements defined through Decrees 156/2018 and 83/2020; (ii) **training for PA and FMU's managers and staff on community-driven sustainable co-management forest operations**; (iii) **promoting a participatory planning process for co-management** of forest/forest land by village communities and develop the initial sustainable forest management (SFM) plan for community forest management with a gender consideration to ensure women's participation and equal flow of benefits to women; (iv) **accessing the technical feasibility of proposed forest-based small community-based enterprise** development towards value chain approaches; (v) **compilation of a handbook and implement training on community forest planning and management of resources**, wildlife monitoring and sustainable nature resources management for local community; (vi) **establishing links between community enterprises and private sector business** to provide technical support, extension and training to communities to develop value-addition products and marketing; (vii) **assessing environmental and social risks** associated with the proposed value chains and propose risk management and mitigation measures as well as monitoring the benefits (through a set of measurable indicators of conservation and livelihood benefits) and (viii) **support to create sustainable financial mechanisms at community level**, including developing specific livelihood demonstration models, operation of village revolving funds and/or access to low interest credit facilities

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Output 2.5: Livelihoods development for women, including training in forest value chains and entrepreneurship, and establishment of women's groups in forest-dependent communities.

Women in the buffer zone's communes of the national parks/nature reserves, especially ethnic minority women, are mainly engaged in agricultural production. They collect a variety of forest products, such as firewood, bamboo shoots, medicinal plants, and vegetables that they are likely to devote directly to family use, although they also sell several forest products to earn money to meet basic household needs. In addition, Kinh women participate in national and provincial entrepreneurship and start up initiatives, and small businesses under "Support for women's start-up in 2017-2025" program that is aimed to raise women's awareness on government's policies and laws on entrepreneurship, promoting the realization of business ideas. This program provides a "Women's Start-up Fund" managed by women to support innovative ideas in production and business (e.g., a grant of approximately USD 1,400 -2,400) for an innovative and feasible idea of production and business) at the commune level. In general, supporting women to enhance economic opportunities and start a business in particular has become an important strategy in economic development and job creation for women in Viet Nam, especially in rural areas. Development of one start-up demonstration model of *women* entrepreneur in each targeted commune which can be linked to the One Commune One Product (OCOP) initiative can be a good option, in which start-up initiatives could be small and medium size businesses, community tourism, re-organization of existing production models shifting from household production in the form

of self-sufficiency to large-scale commercial production models. To complement these activities, the project can seek to assess challenges and opportunities of ethnic minority women entrepreneurship and propose strategies, mechanisms, and measures to strengthen start-up initiatives. Other livelihood developments for women include the establishment of production groups, cooperatives, or interest groups managed by women; providing support to access affordable inputs, credit, technical trainings, extension services, market information, and connecting these groups with traders, businessmen, cooperatives, and enterprises in the private sector to help them improve market access. In addition, trade fairs at district level to introduce and exchange agricultural products, vocational trainings for women linked with recruitment units and labor market with particular focus on non-farm careers, trainings for women groups on advanced production techniques, forest-based value chains, start-up and business development, business plan, marketing, financial management, fundamental accounting; and roadshows/forums to disseminate successful models of business, production and entrepreneurship owned or managed by women should be organized in order to expand income generating activities for women and increase women's confidence and motivation in participating in livelihood development activities as well.

Special attention will be focused under Output 2.5 on supporting livelihoods improvement for women. The selection of communes and households for livelihood investments will follow the same criteria as enunciated in Output 2.4. GEF funds will support the establishment of hand strengthening of women's groups in forest-dependent communities, targeted training on FMU management, forest-based value chains and entrepreneurship, and invest in targeted livelihood models that offer specific opportunities for women's empowerment and benefits. At the community level, the project will help develop community capacity for sustainable management and use of forest resources, especially in commune managed areas, thereby also increasing local women's adaptive capacity. Training for sustainable livelihoods will incorporate a gender perspective, to ensure that the needs of women, who frequently form a marginalized group in livelihood areas such as agriculture, farm animal raising, firewood collection, non-timber forest resource collection, organic agriculture, or eco-tourism are considered and that implementation through the project could promote gender equality. During project implementation, capacity building in activity planning will be specifically focused on ensuring that women are actively engaged in all aspects of the pilot activities, and efforts will be made to consult and engage local Women's Union to improve sources of income for women and enhance their engagement in these pilot programs. Livelihood activities that will specifically target women would be assessed and technical, extension support, training and financial support provided for their implementation. In particular, specific livelihood targeted at women, including ethnic minorities, might include crop-livestock systems, small-scale cash crops, small enterprises connected with sustainable use and forest-based value chains centered around NTFPs, small-scale coffee, root crops, wet rice in mixed cropping systems, fishponds, small-scale ecotourism including trekking, bird watching, homestays, etc. Other options include brocade weaving, sewing, wild honey, agricultural tourism, lotus cultivation, etc.

This Output will be achieved through the following actions: (i) **conduct of a commune specific and detailed gender analysis** (that builds on the gender analysis related to livelihoods that was conducted at PPG stage and referenced in Annex 18 of UNDP Project Document), the intent being to specifically understand the gender role, access to and control of resources, gender division of labor, poverty, power relations and legal rights, barriers and obstacles of women's participation in livelihood activities, existing national and local policies to support livelihood development for women, including ethnic

minority women; (ii) **assessing technical, economic, social, and environmental feasibility of livelihoods appropriate for women** (ensuring consideration of compliance with UNDP's SES standards) in order to determine livelihood interventions for women (e.g. organic agriculture, animal husbandry, community tourism, small business, traditional handicraft, start-up, establishment of production groups, cooperatives, or establishment of interest groups managed by women and provision of technical, financial and market supports to them); (iii) **establishing mechanisms for livelihood support for women**, including developing specific livelihood demonstration models; (iv) **provision of technical support**, e.g., training on cultivation/planting techniques, seeds, seedlings, fattening, feeding, caring, harvest, and **postharvest**; (v) **assessing** risks associated with livelihood interventions and proposing risk management and mitigation measures; and (vi) **promoting the replication of successful livelihood models** managed by women in order to increase women's confidence and motivation in participating in livelihood development activities.

Output 2.6: Landscape connectivity for wildlife improved through restoration using indigenous species over 500 ha of degraded natural forests.

Landscape connectivity will be enhanced through restoration of at least 500 ha of degraded natural forests to enhance movement of significant wildlife across the landscape and reduce fragmentation in HCVF. Under Output 2.6, support will include identification of restoration areas (informed by the landscape-scale biodiversity and HCVF restoration strategy developed under Output 1.2) including consultation and validation with local communities, investment in technically sound restoration processes and the development of technical guidelines on restoration techniques to support replication and broader uptake across the Ba River basin. The area targeted is likely to include the area between Kon Ka Kinh NP and Kon Chu Rang NR in the north of the landscape, given its high biodiversity significance and KBAs. This will be achieved through the following activities: (i) **identification and survey of locations for forest restoration** to improve connectivity (following mapping exercise in Output 2.2) ensuring compliance with UNDP's safeguard standards; safeguards (ii) **technical support to Forest Management Boards and Forest Companies**, as relevant for development of forest restoration and protection plans for the identified sites, and defining working restoration methodologies (including selection of native species, soil and water conservation, soil fertility improvements, planting and maintenance techniques, etc.) based on national and regional best practices; (iii) **investigation of potential for collaboration in forest restoration** through complementary provincial initiatives, such as Reduced Emissions from Deforestation and Forest Degradation (REDD+), Payment for Forest Environmental Services (PFES), other donors' programs, etc.; (iv) **technical support for proposed forest restoration designs/programs** better integrate sustainable forest management and benefit sharing guidelines and practices; (v) community consultations and participation in forest restoration, including for the establishment and maintenance of a suitable mix of protection and other community-based conservation and maintenance measures such as social fencing to reduce grazing, wood collection and sustainable NTFP extraction; fire control, etc.; (vi) **implementation of restoration and protection plans** in line with SES compliance and promoting soil moisture improvements, weed clearance, water harvest and erosion control, seeding and planting, protection and maintenance; (vii) **monitoring and evaluation of forest restoration** progress and impacts, including assessment of

biological, ecological and community benefits; and (viii) **compilation of a manual** that describes restoration approaches for different degraded forest types.

Output 2.7: Existing financial incentive mechanisms, including PFES, are utilized more effectively, including increased resource mobilization connected to performance and better targeted disbursement mechanisms, to support sustainable forest use and biodiversity and HCVF conservation.

As part of the effort to enhance community and stakeholder support for sustainable forest use and biodiversity and HCVF conservation within the Ba River basin landscapes, Output 2.7 will support the enhanced use of existing financial incentive mechanisms, including PFES, aimed at increasing resource mobilization for forest development and management, biodiversity conservation and establishing closer links between payments and conservation results. Decree 99/2010 provides the national mandate/policy for requiring users of forest environmental services to make payments to suppliers of these services and over 20 legal instruments, such as Decrees, Prime Minister Decisions and Circulars have been subsequently issued in support of PFES. Considering financial resources mobilization for forestry and biodiversity conservation activities, PFES has played an important role in forest conservation. In the period of 2015-2020, PFES contributed approximately USD 11.5 million in financial resource mobilization within Ba River basin. PFES revenue is mainly from hydroelectric producers (99.7%) that pays for service for land protection, erosion or sedimentation control in lake beds/riverbeds/stream beds, regulating and maintaining water resources used for hydroelectric production. A small percentage (0.3%) comes from regulating and maintaining water resources for clean water production. PFES revenues are channeled effectively for different purposes, for example, activities of forest development, protection and management, biodiversity conservation as well as livelihood development of local forest-dependent communities. This output will include raising awareness with forest owners on the incentives available and provide technical support to improve the existing PFES framework through enhanced performance monitoring and to ensure better target payments to improvements in environmental and ecological conditions. In addition, given the time-consuming process and risks associated with cash transfers for PFES, the intent is to pilot PFES payments in Gia Lai and Phu Yen through e-payments which are safer, quicker and more transparent than cash transfers. This would entail the following activities, namely: (i) **review of existing financial incentive mechanisms for mobilization of resources to strengthen conservation for forest and its sustainable user.** Financial resources can be derived from: (a) state budgets; (b) investment, contribution, assistance or sponsorship by domestic and international entities; (c) revenue from use of forest products, forest and forest land lease; (d) revenue from payment for replacement afforestation when forests are repurposed; (e) revenue from provision and lease of forest environmental services; (f) credit capital by domestic and international credit institutions, and (g) other financial resources prescribed in regulations of law; (ii) **in terms of PFES, particularly where it is currently being applied, evaluate the options for further strengthening at the provincial, district and commune levels** in terms of: (a) compliance with policy for PFES in the provinces; (b) functioning of Fund for Forest Protection and Development; (c) Status of provincial plans and clarity in terms of roles and responsibilities for PFES implementation; (d)

provincial capacity for management and monitoring of PFES; (e) extension support for formation and operation of PFES groups; (f) level of awareness at commune and community level; (g) level of oversight and supervision of procedures at commune level; (h) monitoring and evaluation; (i) status of PFES groups; (j) PFES fund management and distribution; and (k) livelihood development based on PFES funds more clearly linked to conservation outcomes or mutual community conservation commitments; etc.; (iii) Thereafter, based on the evaluation of PFES, **provision of technical support, training, extension and awareness creation to further strengthen PFES operations**, including in particular for; improving forest inventory and data on forest area and quality; improving technical and financial capacity for PFES implementation; improving coordination among government agencies; simplifying cumbersome administrative procedures for PFES implementation and financial; improving communication and awareness; evaluating potential for combining PFES with other forestry and economic support programs to direct adequate levels of funding for forest protection; taking into consideration local perceptions of equity to improve PFES effectiveness and efficiency; improving and promoting more safer, quick and transparent processes of transfer of PFES funds to households and communities through e-payment through service providers (banks, post office or Viettel) and investigating options for combining direct cash payments alongside non-monetary benefits to improve uptake; and (iv) **where PFES currently does not operate, the project will investigate options for PFES introduction based on other services**. The other PFES options can be investigated and expanded to other sectors in the Ba River basin area including:

- PFES for industrial activity in which industrial producers will have to pay service charges for regulating and maintaining water resources used for industrial productions;
- PFES for eco-tourism activity in which entities trading in ecotourism, hospitality or entertainment will have to pay service charges for protecting and maintaining natural landscape beauty and conserving biodiversity of forest ecosystems;
- PFES for carbon stock and sequestration activity in which producers and traders causing massive greenhouse gas emission have to pay service charges for absorbing and storing carbon in forests, and
- PFES for aquaculture activity in which producers off aquatic products will have to pay service charges for providing spawning grounds, food sources, natural breeding stock, water resources, environmental elements and forest ecosystems for aquaculture.

The evaluation of new potential PFES options into its financial viability, environmental and social sustainability and community acceptance.

Component 3. Gender mainstreaming replication and knowledge exchange

Total Amount: US\$3,470,876; GEF project grant requested: US\$370,876; Co-financing: US\$3,100,000

Outcome 3: Knowledge documentation, capacity support, replication and uptake of improved forest management practices

The goals of Outcome 3 are: (i) improving application of existing forest and land management policies; (ii) enhancing knowledge and information collection and management systems to enhance awareness about best practices on conservation of forests and forest lands and their associated biodiversity and ecosystems through communication, documentation and dissemination; (iii) supporting the strengthening of programs that support conservation and sustainable use; (iv) ensuring gender considerations are mainstreamed into forest and related natural resources planning and management; and (v) monitoring and evaluating project impacts to ensure that these are meeting project outcomes and contribute to conservation and ongoing development agendas in the Ba River basin. To achieve such an objective requires the improved understanding and participation of key target groups (decision makers and staff from key sectors), non-governmental organizations, as well as community groups (including ethnic minorities), researchers and others, particularly women and the most vulnerable segments of the population.

The knowledge management and communication activities will help promote meaningful stakeholder awareness and understanding, informed decision-making and collaboration in biodiversity conservation, sustainable forest management and forest use and biodiversity-friendly livelihoods as well as document, disseminate and scale up successful lessons and best practices in forest resource conservation more widely in the country. This will be accomplished through awareness campaigns, and creation and maintenance of an accessible information system for decision makers (including online public access database and documentation repository). Expanding the role of knowledge management is key to moving towards parity. The GEF alternative will also enable a gender-equity perspective and analysis of the way that information is prioritized. In accordance with this a Gender Analysis and Mainstreaming Action Plan (see Annex 10) has been developed. This Outcome will be implemented through four Outputs.

Output 3.1: Enhancing capacity of forest owners to effectively integrate biodiversity conservation and ecosystem services into their sustainable land management plans and investments

This Output will help facilitate forest owners in the Ba River basin working with local stakeholders in their provinces, Gia Lai and Phu Yen, to be motivated, proactive and capable in adopting and operationalizing new policies to implement their Sustainable Forest Management Plans (SFMPs) and conservation targets which have been formulated in accordance with Circular 28/2018/TT-BNNPTNT on sustainable forest management and respective regulations on biodiversity. Under the Forestry Law 2017, a new decree on investment policies for forest protection and development, and processing and trade of forest products and another new policy on investment and development of special use forest and protection forest that are being developed by VNForest/MARD, and expected to be approved, legally enforced and implemented by provincial authorities and forest owners from 2022. These policies are critical for guiding forest owners to determine their priority of works, mobilization of financial resources, and collaboration and arrangement of relevant stakeholders to implement and achieve their management and conservation targets setting for 2021-2025 and 2026-2030 that is defined by each forest of PA management board. The new guidance is expected to regulate and

increase payments to buffer zone communities engaged in co-management that is at the disposal to communities for livelihood related activities. To enable their compliance, GEF funds will be used to strengthen awareness and capacity of forest owners within and outside the Ba River basin landscape in Gia Lai and Phu Yen to closely work with their provincial agencies e.g., DARD, Department of Natural Resources and Environment (DONRE), Department of Planning and Investment (DPI), Department of Finance (DOF), Department of Ethnic Minority (DEM), district/communal authorities and buffer-zone village communities in order to determine what the province should budget and/or finance for achieving targets by 2025 (and 2030) with respect to conservation of biodiversity values, sustainable forest protection, restoration and management, development of ecosystem services, and community engagement and livelihood support. At least 6 management boards of special use forest and protection forest within the basin landscape will be supported by the GEF project to demonstrate their participatory planning and budgeting capacity, embracing relevant stakeholders through engagement, consultation, verification and approval processes given to their proposals on investment for sustainable forest protection and development and biodiversity conservation. The forest managers and management boards will also have increased capacity and skills for planning, implementation, monitoring and enforcement of their SFM plans that integrate biodiversity conservation, climate resilience, sustainable resource use, etc. and PFES application that could provide guidance for replication elsewhere in the country. This effort will further support the aim of the National Forest Development Strategy (2021-2030) that calls for the Special Use Forest (PA) and Forest Protection Management Boards to have the capacity to provide non-business public services/expertise related to forest management, protection and restoration, biodiversity conservation and related ecotourism, PFES, co-management etc., including trying to develop some level of financial autonomy. The feedback of project results from Output 3.1, provides information of key actions (development of manuals, documentation of best practices, workshops, communication and KM products, etc.) as a means to promote these above two efforts on a broader scale

Results and lessons learnt from this demonstration will be shared among managing agencies and other forest owners in Gia Lai and Phu Yen through sustainable landscape-building learning platforms, including exchange workshops and policy briefings. Through these platforms, the GEF funds will also be used to support the provinces to convene conservation experts, forest managers and pro-biodiversity business entities to review and update the provincial master planning, ensuring that priorities on biodiversity conservation, sustainable forest restoration and management, and nature-based solutions towards landscape sustainability that are well identified and included for their implementation in the period 2025-2030.

This Output will be achieved through the following indicative actions: (i) **Training workshops to raise awareness, motivate and guide forest owners and involving actors** (DARD, DPI, DOF, DEM, etc.) to adopt and implement new policies on resource mobilization and investment for sustainable forest development, conservation and management in special use forest and protection forest. The new policy guidance is expected to relate to: forest protection and management, including the role and responsibilities of local communities engaged in co-management; financial flows for livelihood support

to buffer zone communities; forest fire management, forest plantation restoration, wildlife rescue, education, etc.); and investment and development of ecotourism and PFES; (ii) **06 selected forest owners/management boards of special use forest and protection forest within the Ba River basin landscape provided consultancy support to technically assist and facilitate development of their development investment plans to 2025** aligning with integration of biodiversity conservation and ecosystem services in correspondence to effective implementation of their approved SFMPs and stakeholder engagement and consultation processes as well as better allocation of funding, better use of PFES funds and priority setting based on resource mobilization; (iii) selected forest owners in the basin landscape conduct stakeholder consultation, particularly with local grassroots authorities (districts, communes) and buffer zone village communities and enable **consolidating inputs for their investment proposals** (e.g. extent of forests to be protected by local communities, PFES allocations to villages, identifying alternatives to illegal activities, community livelihood improvements and support, outreach, communication and awareness on forest protection and wildlife conservation) prior of submission, verification and approval by provincial authorities; (iv) **technical consultancy support to review the provincial master planning and assess how biodiversity conservation, sustainable forest management, ecosystem services and nature-based solutions are included** and promote updating under the guidance of the Planning Law 2017 and supporting policies; and (v) organize **provincial landscape-building learning platforms/workshops** on adoption of new forest investment policies and update of provincial master planning. This will support efforts at enhancing and adoption of new forest investment policies and update of provincial master planning, financial resource mobilization and development of policy guidance notes that will can feed into national level policy dialogue and update of guidelines and circulars. The Learning and experiences from this Output will support development of policy and planning notes (in addition to workshops, field visits and information sharing) that address current constraints (awareness, capacity, technical skills and coordination mechanism) relating to planning and implementation of sustainable forest management and integration of biodiversity conservation practices into forest development in support of the new forest and planning laws (that is covered in Output 3.2) as well as efforts to enhance the capacity of the management boards to be able to provide public services and guidance related to forest management, protection and restoration, biodiversity conservation and related ecotourism, PFES, co-management etc.

Output 3.2: Communication and Knowledge shared and exchanged on SFM and forest biodiversity best practices and innovations, including through FMU websites, site-based exchanges and best practice case studies in support of potential replication, scaling up and long-term sustainability

Output 3.2 will support the creation of awareness and sharing and exchange of knowledge on SFM integrating biodiversity conservation priorities, the landscape approach, and forest biodiversity best practices and innovations so that project knowledge can be more widely shared and serve to stimulate uptake and replication of best practices across the Ba River basin and across Viet Nam. To achieve the above, would require the preparation of a concrete upscaling, replication and long-term sustainability strategy/plan that would be based in particular on supporting the update of existing policies, Decrees, Circulars and guidelines following review of: The intent of this Output, is to also support the update of existing policies, Decrees, Circulars and guidelines based on review of (i) the role of forest rangers in

special-use forests and protection forest management boards as defined by Decree 01/2019 (Output 1.4); (ii) application of technical guidelines on monitoring forest/landscape change to support effective implementation of Circulars 28/2018 and 33/2018 (Output 1.3); (iii) performance in the integration of forest sector planning within provincial master planning as defined by 2017 Planning Law (and its Decree 37/2019 and Circular 38/2019) and Decision 502/2020 issued by Prime Minister approving tasks/contents for developing the Phu Yen provincial master planning and Decision 1015/2020 issued by the Prime Minister for developing the Gia Lai provincial master planning; (iv) effectiveness of mobilization of financial mechanisms for conservation of forests and its sustainable use as defined in Decree 99/2010 in relation to use of PFES (Outputs 2.7 and 3.1) and Decree 60/2021 that makes financial autonomy applicable to public non-business units (Output 3.1); (v) effectiveness of incorporation of biodiversity and ecosystem-services related parameters into forest inventory under Decree 37/2019 and Circular 38/2019 (Outputs 1.2 and 1.3); and (vi) effectiveness and capacity of FMUs to support community forest management in relation to Decrees 156/2018 and 83/2020. This will be supported by enhanced communication and knowledge sharing events that will include project beneficiary websites, fan-pages, FMU/district site exchange visits and building a network among PA and forest managers, so that they can serve as a local community of practice on lessons and best practices exchange. Consultations with provincial and national decision-makers will enable exchanges for potential policy considerations and reform.

This Output will be achieved through the following indicative actions: (i) **communication programs** to enhance awareness of conservation outcomes and actions. This will entail preparation and conduct of awareness programs for local communities, undertaking Knowledge, Attitudes and Practices (KAP) surveys to assess level of awareness; (ii) **documentation and dissemination of case studies, best practices and lessons** learned from the project; (iii) **development of guidance documents** that addresses current constraints and gaps in implementation of existing policies and legislation (including in particular in relation to the forest and planning laws relating to SFM, integration of biodiversity conservation outcomes in forest and provincial level planning and sectoral and provincial/national coordination and monitoring and evaluation) as defined in Paragraph 102 above. This will include a series of policy notes, consultation meetings with national and provincial policy makers, technical manuals and guidance notes for forest managers on planning and implementation of SFM plans, provincial planning, monitoring of performance, financial incentives, etc., for enhancing integration of biodiversity conservation, climate resilience, sustainable resource use, and forest co-management; (iv) **technical reports, publications and other knowledge management products** (including in local languages and accessible to Ethnic Minorities (EMs) documented and disseminated via mass media; (v) **documentation of Ethnic Minority cultural system** based on FPIC principles related to natural resources management and disseminated to constrain or avoid the erosion of Indigenous Peoples' cultures and justify increased public investments support to ancestral domains; (vi) **national and provincial workshops** to facilitate dissemination of field lessons and help inform legal and policy reform relevant to implementation of forest, planning and biodiversity laws and their relevant Decrees, Circulars and Guidelines. The initial documentation of these lessons will be included as part of the participatory monitoring process, that would be complemented by additional national technical support to distil and document lessons and experiences. The project will support workshops at the provincial

level (Year 4) to share lessons and experiences and a national workshop at the end of Year 4) to facilitate the sharing of lessons more widely, but importantly to be able to further develop and refine successful approaches for replication nationally; (vii) **institutionalization of some of the best practices** through promotion of policies and guidelines in order to secure support for replication and up-scaling; (viii) **inclusion of public engagement pages** on national and provincial websites and social media platforms that link to information about the project and its products, (ix) preparation of a **replication, scaling up and long-term sustainability strategy/plan** based on project experiences and best practices for promotion of integrated landscape management, including institutional, financial and resource requirements, partnerships and coordination arrangements. In particular, this strategy/plan will provide overall guidance (based on on-the-ground application and review of existing regulations and guidelines for effective integration of biodiversity and sustainable forestry outcomes in implementation of the Forestry, Biodiversity and Planning Acts) for validation, update and policy reforms related to these Acts. The preparation of the strategy/plan will entail an in-depth analysis of financial options for sustaining the policy dialogue and reform; (x) a **MARD based Implementer's Manual and Lessons Learned guide** and (xi) end of project national seminar on outcomes and replication for integrated biological landscape management practices in Viet Nam

Output 3.3: Gender mainstreaming and safeguard management

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This Output will focus on gender mainstreaming and management of safeguards. Full adherence to safeguards and recognition of community rights including Free, Prior and Informed Consent (FPIC) of ethnic minority groups will be a key part of this process (see Annex 8b of UNDP Project Document) through (i) **implementation of a gender analysis and mainstreaming action plan** so that: a gender and socially inclusive perspective is applied to every set of activities; research on gender and social roles in biological corridors inform resulting plans and ensures equitable distribution of benefits; and information is collected and shared across gender and social divides. Training of staff on application of gender mainstreaming in project communication and project activities; (ii) **implementation of ESMP and IPP**; (iii) **monitoring the implementation of the ESMP and IPP** and (iv) **conduct of gender, indigenous peoples and biodiversity focused training and development of training materials**

Output 3.4. Monitoring and evaluation

A project-based M&E system will be implemented to support project impact and evaluation and will include the following indicative activities: (i) **development and implementation of monitoring framework**, based on the Results Framework Agreement to validate baselines and monitor progress in achieving project outcomes and impacts; (ii) **review and regular update of M&E plan**, including results framework baselines, tracking tools, Theory of Change to subsequently adopt these findings to implement all aspects of the project; and (iii) **conduct of mid-term and terminal evaluation** in line with UNDP/GEF requirements and incorporate and adapt recommendations of MTR to revised project plans and monitor their implementation.

4) Alignment with GEF focal area and/or impact program strategies

The project is in accordance with GEF-7 programming directions for biodiversity and land degradation. The project's multi-sectoral, river basin approach to safeguarding biodiversity and forest and land production systems from unsustainable land use practices aligns well with the goal of the GEF-7 Biodiversity and Land Development Focal Area strategies: *to maintain globally significant biodiversity in landscapes and seascapes*. More specifically, the project will contribute to BD 1-1 ***Mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors***. In accordance with this program, the project will provide an opportunity to demonstrate how forest, natural habitats and production systems can be sustainably managed in a holistic and integrated manner across the full spectrum of stakeholders (i.e., agriculture, forestry and tourism), while focusing specifically on safeguarding the natural functioning of terrestrial and aquatic systems as well as community production systems. To facilitate the above objectives, spatial and land use planning are focused on identifying and conserving HCVF areas and areas for forest restoration, and using GIS and spatial data layers to inform landscape-scale conservation priorities. This will guide conservation priorities and coordinated implementation of conservation actions among managers of Protected, Special Use (i.e., PAs) and Production Forests. The project will support the integration of these spatially-explicit inputs into government land use planning taking, through integration into the mid-way review and adjustment of provincial master plans and district land use plans. Monitoring results will be used to help provide a means of measuring implementation of plans and detecting landscape change and degradation, informing necessary adjustments midway through the planning process. Support will be provided to enhance sustainable forest management practices by forest managers and forest owners, including local communities in line with GEF approaches to improve and make production practices more biodiversity friendly. This will include building technical capacities as well as supporting effective financial mechanisms to create incentives for sustainable use and conservation.

The GEF project will contribute to BD 2-7, ***Address direct drivers to protect habitats and species and improve financial sustainability, effective management, and ecosystem coverage of the global protected area estate***. The project will directly address BD 2-7 by focusing on enhanced management effectiveness of 3 PAs, in particular through Output 2.3 to improve management of Kon Ka Kinh National Park, Kon Chu Rang Nature Reserve and Krong Trai Nature Reserve covering around 81,106 hectares by strengthening patrolling and surveillance, complete boundary identification/realignment (e.g., realignment of boundaries to exclude low biodiversity areas where communities are living and replace them with higher-biodiversity neighboring areas), improve capacity of PA staff for monitoring and improved data and reporting systems for species and threats (Output 1.4) as to improve decision-making to address threats to habitats and species and in particular for overall PA management. It will also focus on including high conservation forests within the Tram Lap and Dak Rong Forest Companies into the Kon Ka Kinh National Park and Kon Chu Rang Nature Reserve to enhance connectivity within the Central Highlands in the upper reaches of the BA river to protect important watershed areas and reduce further risk of degradation. In addition, the project will support improved planning and management of forests in Chu Mo and Son Hoa Protection Forests and Kon Chieng Forest Company lands so as to better integrate biodiversity and ecosystem services outcomes into their

respective forest management plans to help maintain the status of the forests and reduce further degradation. Additionally, in order to improve financial sustainability, project will support the improved effectiveness of existing PFES mechanisms and help link investments to direct conservation outcomes and investigate options for new PFES opportunities (Output 2.7). It will also pilot efforts to promote Forest Management Boards as non-business public service entities so that they can move towards attracting public and private funding that can provide some sort of financial autonomy (Output 3.1). attracting public and private funding that can provide some sort of financial autonomy (Output 3.1).

In terms of LD 1-2. Maintain or improve flow of ecosystem services, including sustaining livelihoods of forest-dependent people, through Sustainable Forest Management (SFM), the project will support for sustainable forest management as a tool for maintaining or improve flow of ecosystem services, including sustaining livelihoods of forest-dependent people, in support of voluntary LDN targets. The project design includes specific activities that are aimed at ensuring sustainable forest management by forest managers and local communities and investments to reduce land degrading activities on community agricultural production systems through community forest co-management and sustainable land use practices related to agriculture, agro-forestry and related practices.

In respect to the UN 2030 Agenda for Sustainable Development, the project is particularly well aligned with Sustainable Development Goals 2, 14 and 15, while also contributing to Goal 5 by default of mainstreaming gender equality across its interventions:

? **Goal 2:** End hunger, achieve food security and improved nutrition and promote sustainable agriculture;

? **Goal 5:** Achieve gender equality and empower all women and girls;

? **Goal 14:** Conserve and sustainably use the oceans, seas and marine resources for sustainable development;

? **Goal 15:** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTE, LDCF, SCCF, and co-financing

The GEF project is timely in that it can build on the already significant foundation of baseline actions and investments in the Central Highlands. It will support enhanced coordination across the multi-institutions and sector that operate in the Central Highlands supported by policy reforms and programmatic initiatives in integrating biodiversity considerations into forest operations that are expected to make an important contribution towards achieving sustainable development. Specific investments include both national-and district and provincial levels within the Ba River basin that are expected to bring in a holistic and multi-sectoral effort within the area. In the absence of incremental GEF financing, the opportunity to achieve a number of global environmental benefits would likely be missed. These opportunities stem from the significant, but threatened global values to be found in Viet Nam's forests in general, and its Ba River basin forests in particular.

The GEF investment will maximize this opportunity by introducing a river-basin approach that will mainstream biodiversity considerations in the overall vision for the basin and integration into development planning. It will also remove systemic and institutional barriers to mainstreaming biodiversity conservation and SFM interventions at the basin level, backed by incentives for community-based forest and natural resource management to make sustainable land and forest management compatible with effective biodiversity and ecosystem management. The support of the operationalization of the proposed approaches in key sectors i.e., agriculture, forestry and tourism) will help to improve the management effectiveness of PAs, prevent species extinctions, sustainably conserve globally significant biodiversity, and protect and improve ecosystem function in the Central Highlands; thereby strengthening the regional economy and local livelihoods, and generating global environmental benefits. The increment of the project will build necessary capacities, monitoring, multi-stakeholder processes and engagement across multiple levels to support the effective mainstreaming and integration of biodiversity conservation within the new SFM management planning process under the 2017 Forestry Law (acting at FMU level, including PAs) and within jurisdictional planning processes under the 2017 Planning Law (acting at district and provincial level). Overall, the GEF financing will improve management effectiveness over 81,106 ha of PAs, improve management of over 74,485 ha of landscapes to benefit biodiversity in Forest Management Units (FMUs) and community-managed forest areas and agricultural lands in buffer zones and adjacent to high-biodiversity areas, restore 500 ha of forest enhances connectivity, improve status and diversity of native species in existing and proposed PAs and mitigate over 1.5 million tCO₂e over a 20-year period. When approved, the co-financing, in particular from KfW will support enhanced management of 132,956 hectares of Special Use Forests and protection Forests, allocate 12,000 hectares of natural production forests for community management and invest in development of small rural infrastructure at 160 villages, in particular in villages participating in community forest management or around the Special Use and Protection forests in Gia Lai forests. The proposed KfW project in Phu Yen will support the protection of 13,775 hectares of Special Use Forests; establishment and management of 5,010 hectares of community forests, assisted natural regeneration of 500 hectares, forest planting of 900 hectares and planting of 480 hectares of native forest species.

5) Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)

The GEF increment builds on the existing programs undertaken by the Government of Vietnam and the Provincial People's Committees of Phu Yen and Gia Lai provinces for forest and biodiversity conservation, maintaining ecosystem services, sustainable land and forest management. In the alternative scenario, the project will enable removal of systemic and institutional barriers for improving conservation and land management outcomes through (i) strengthened institutional, legislative and governance and complimentary funding strategy that is aimed at strengthening decision-making on informed cost-effective measures to enhance biodiversity conservation, habitat conservation and land management; (ii) Improved site-level planning, monitoring and implementation framework for demonstration of integrated management approaches to safeguard indigenous species, natural ecosystems and community production systems; (iii) Improved site-level investments for promoting improved PA management, sustainable management of forests, agriculture, and other production systems, enhance measures for reducing and managing the threats to forests, biodiversity and natural resources and implementation of cost-effective best practices to reverse these trends; and (iv) Improved awareness and knowledge of the economic value of conservation of species and habitats and sustainable resource uses. The proposed project also generates GEBs by contributing to Aichi Targets as 2,5, 14 and 15 and Sustainable Development Goals of 2, 13 and 15.

The global benefits that will be delivered include improved management effectiveness of around 155,591 hectares total land area in the Ba River basin through implementation of a holistic and integrated sustainable management that is characteristic of a basin approach to safeguarding the integrity and functioning of ecosystems and food production systems. Refer Table 1 below for GEB benefits:

Table 1: Global Biodiversity Benefits

Baseline	Alternative to be put in place	Project impact including GEBs
<i>Mainstreaming biodiversity and ecosystem services into landscape-level planning, monitoring and enforcement</i>		

<p>Lack of comprehensive and coordinated organization structure for cohesive action to manage Ba River basin resulting in fragmented approach to planning which fails to take account of broader ecosystem-level processes affecting biodiversity, including fragmentation / loss of connectivity.</p> <p>Limited capacity and tools for forest and PA managers to monitor forest loss and change at landscape level, along with low spatial literacy and use of high-resolution data, has implications for biodiversity loss and ecosystem service provision.</p> <p>Provincial master planning and district land use planning make provision for the conservation of biodiversity conservation and ecological processes but limited data, understanding and dialogue impede the use of this to inform planning and sector decisions.</p>	<p>Enhanced intersectoral governance mechanisms (committees, MOUs, ordinances) are in place at provincial level to mainstream biodiversity and sustainable resource use across sectors and in the districts, resulting in more harmonized approaches and efficient use of resources.</p> <p>Tools and capacities enabling a landscape-level approach to forest biodiversity conservation, based on systems for early alerts and HCVF identification and planning, are tested in pilot landscapes and available for replication.</p> <p>Provision of high-resolution data layers and maps of biodiversity assets, and multi-stakeholder dialogues facilitate understanding and consideration of biodiversity conservation in planning, including through spatially-explicit land use plans in at least two districts.</p> <p>Increased capacity to use real-time remote sensing data supports more effective decision-making and enforcement action.</p> <p>Capacity for mainstreaming biodiversity conservation and safeguarding globally significant and endemic biodiversity is raised at all levels, with improved knowledge of best practices: in government, in the private sector and in communities across the Ba River basin</p> <p>Existing landscape-level enforcement coordination mechanisms broadened to cover wildlife-related offences and increase information exchange on forest and wildlife enforcement.</p>	<p>Improved provincial government capacity and coordination for conserving Ba River's globally significant and endemic biodiversity, including endemic species that are threatened.</p> <p>Improved information, knowledge and awareness of the value biodiversity and sustainable resource use practices.</p> <p>Reduction of threats to biodiversity from unsustainable use of natural resources by different sectors through focus on sustainable resource use practices.</p> <p>Targeted conservation measures for important protected areas, production forests and community managed areas</p> <p>Initial uptake at three levels: (i) Ba River landscape FMUs in Gia Lai and Phu Yen provinces; (ii) across Ba River basin; (iii) and learning and experience can contribute to additional forest landscapes in Vietnam, particularly Highlands provinces.</p> <p>Connectivity and HCVF conservation enhanced at each of the above geographic levels.</p> <p>Assessment of relevant existing regulations/guidelines for supporting policy frameworks related to implementation of Forestry, Planning and Biodiversity Acts based on on-the-ground experience to provide guidance for policy and implementation change</p>
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Conserving globally significant biodiversity and ecosystem services in forested landscapes of Ba River basin

<p>Forests located within multiple FMUs are subject to a variety of sub-optimal management practices, notably including a lack of consideration of biodiversity and sustainable practices leading to loss of critical biodiversity and the fragmentation of connectivity</p> <p>SFM planners lack capacity in biodiversity conservation that limits achievement of biodiversity outcomes and as a result natural forest values continue to degrade.</p> <p>Limited patrolling and surveillance is a constraint to prevention of illegal logging and poaching</p> <p>The lack of knowledge and capacity in benefits of community engagement limits ability to enhance and win cooperation of communities for mutual conservation and community benefits.</p> <p>Lack of benefits and livelihoods options for communities who remain reliant upon forest</p>	<p>SFM plans make provision for explicit consideration of biodiversity conservation in forest management</p> <p>Better alignment of PA boundaries and use of connectivity enhancement measures to support enhanced conservation of biodiversity</p> <p>Enhanced engagement and capacity of forest managers in biodiversity conservation promotes biodiversity outcomes and natural forest values</p> <p>Patrolling and surveillance help to manage illegal logging and poaching</p> <p>Improved knowledge and capacity in community engagement supports collaborative management of forest areas</p> <p>Community co-management of forests help enhance community recognition of benefits and livelihoods options from forest resources</p> <p>Use of PFES mechanisms supports enhanced investment in biodiversity conservation in the landscape and enhanced outcomes.</p>	<p>Improved management effectiveness over 81,106 ha of PAs, that includes an estimated 10,000 ha of biodiversity-rich natural forests added to existing PAs (enhances conservation of key threatened species and ecosystems, including recognized KBAs.</p> <p>Improved management to benefit biodiversity in over 74,485 ha in Forest Management Units (FMUs) and community-managed areas including biodiverse natural forests, and land under production (forest and agricultural use) in buffer zones and adjacent to high-biodiversity areas.</p> <p>Restoration of 500 ha of forest enhances connectivity, supports biodiversity conservation and supports LDN targets.</p> <p>Around 1,541,810 tCO₂e co-benefits mitigated over a 20-year period through avoided degradation of HC VF and sequestration through forest restoration.</p> <p>Improved status and diversity of native species in existing and proposed PAs, namely mammals, reptiles, amphibians and fish species.</p> <p>Improved status of population of threatened northern buff-cheeked gibbon (<i>Nomascus annamensis</i>) in <i>Kon Chu Rang NP</i> and <i>Kon Ka Kinh NP</i></p> <p>Reduction in number of forest/wildlife violations in 3 selected PAs (<i>Kon Ka Kinh NP</i>, <i>Kon Chu Rang NP</i>, and <i>Kromg Trai NR</i>)</p> <p>At least 3,000 individuals, directly benefit through sustainable forest resource management, sustainable use of NTFPs and livelihood improvement approaches (at least 1,500 women and 1,500 men beneficiaries, of which at 30% represent IPs)</p>
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<i>Policy mainstreaming, replication and knowledge exchange</i>		
<p>Broad policy guidance is available to support forest biodiversity conservation and LDN, but there is limited understanding on its application at the ground level</p> <p>Weaknesses in technical skills limit implementation of SFM planning and site-based implementation and enforcement responses to forest offences.</p> <p>Opportunity to mainstream biodiversity conservation and sustainable land management into master planning but practical guidance and experiences on how to do this has not been fully applied</p>	<p>Broad policy guidance is available to forest managers to support forest biodiversity conservation and LDN</p> <p>Improved understanding of regulations and guidance enable enhanced SFM planning and outcomes</p> <p>Lessons and recommendations arising from pilot work area positively impacting efforts to conserve forest biodiversity and maintain forest ecosystem services through SFM at multiple geographic levels, including within remaining areas of the BA River Basin (particularly in Gia Lai and Phu Yen provinces) as well as elsewhere in Viet Nam.</p>	<p>Issuance of at least two policy guidance notes on biodiversity and SFM, with application of new SFM investment guidelines for production and protection forests completed</p> <p>At least 60% (of which at least 50% women) of sampled community members, government and sector agency staff, private sector and other stakeholders aware of potential conservation threats and adverse impacts of unsustainable forest developments and behavior change for biodiversity outcomes</p> <p>Replication and uptake of project lessons, best practices and techniques across the Ba River basin and across Viet Nam, across globally significant forested landscapes that support achievement of climate change, land degradation and biodiversity conservation international commitments.</p>

7) Innovation, Sustainability and Potential for Scaling Up

Innovation

The integrated approach being implemented through the project, will provide an innovative example that is expected to: (i) generate important lessons for other districts/provinces in the country as well as in other areas of Southeast Asia, and (ii) build national expertise in new areas. The project will illustrate a new approach to landscape level planning as it brings together the various stakeholders within Ba River basin landscapes and seeks to integrate this into planning at both a finer scale (practical FMU planning and implementation under Component 2) and broader planning processes (via technical inputs for provincial master plans and spatially explicit district land use plans). Jurisdictional

planning processes under the 2017 Planning Law are in their first rotation, with provincial plans in the demonstration landscape currently under development for 2021-2025. The project has been developed to integrate with the timing of these baseline processes and support the monitoring of plan implementation and their mid-term review and adjustment for 2026-2030 ? this is attempting to be innovative in the way it aligns to the baseline processes to ensure that the project will be able to integrate with these government efforts. Similarly, the project will seek to demonstrate greater use of available real-time remote sensing and GIS technology at provincial and district levels, to facilitate greater awareness and capacity in these technologies, and increase their use in site-based and broader landscape and jurisdictional decision-making. While this technology and remote-sensed data is now readily available, to date there is limited application of its use at sub-national levels.

Sustainability

This project builds on a strong baseline that will support its sustainability and long-term ownership by government and local communities. First, an extensive policy and institutional framework for forest management and jurisdictional planning already exists, and the project has been developed to integrate, strengthen capacity of forest owners and provincial administrators on provincial master planning, district land use planning, and SFM planning. Second, there is a strong commitment from Government to address forest and land degradation issues in the Central Highlands region, as this is one of the target areas of investment in the country that hosts still intact forests and will build on the extensive activities taking place under the baseline scenario. Many of the industries are dependent on the ecosystem services that forests provide, e.g., downstream agriculture is reliant on forests for flood prevention. Third, the project supports financial sustainability, through its efforts to work with the extension of the PFES scheme. The key gaps in the current process are capacity and coordination among all the spheres of government and stakeholders to recognize the value of forest resources and the ecosystem values they provide, both of which this project specifically addresses. The project aims to empower local stakeholders (district authorities, private and State-owned Forest managers, communities, PA managers) to become custodians of important natural resources and build their engagement, capacity and awareness of benefits flowing from sustainable forest management, which will support their commitments after the project has closed. In terms of sustainability and institutionization of the training and capacity building, the project will work closely with the Institute of Forest Ecology and Environment (IFEE) of the Vietnam National University of Forestry (VNUF) that is affiliated to MARD. The project will provide technical support to assist the VNUF to develop training curriculum, training materials, upgrade the skills of trainers with the IFEE and initiate the training to build and institutionalize the training within VNUF to ensure sustainability and potential for expansion of training to other provinces as well.

Institutional and financial sustainability is addressed based on evaluation of gaps and lack of best practices in forest management. In terms of the former, a number of activities have been integrated

into the project design, including in particular (i) establishment of inter-provincial platforms (Output 1.1); (ii) development of spatially explicit tools and development of roadmap for conservation in the BA River (Output 1.2); (iii) capacity and tools for monitoring and assessing forest changes using remote sensing data (Output 1.3); (iv) training and capacity development of forest managers in monitoring and enforcement and institutionalization of all training within the Institute of Forestry Ecology and Environment of the Vietnam National University of Forestry that is affiliated to MARD (Output 1.4); (v) further expansion of community forest management (Output 2.4) the lessons of which can serve as best practice; (vi) development of technical manual for SFM implementation, monitoring and enforcement that can be used nationally (Output 3.1), etc. In terms of financial sustainability the project will support (vii) enhancing the effectiveness of existing PFES mechanisms and linking investments to direct conservation outcomes, and investigating options for new PFES opportunities (Output 2.7) and (viii) in keeping with National Forest Development Strategy (2021-2030) pilot efforts to promote Forest Management Boards as non-business public service entities so that they can move towards attracting public and private funding that can provide some sort of financial autonomy (Output 3.1). attracting public and private funding that can provide some sort of financial autonomy (Output 3.1).

In terms of financial sustainability on the longer-term for activities being supported under the project related to implementation of policy and legislation, this will continue to be financed through budgetary resources that are mandated under different Circulars and Decrees as described herewith: (i) Decree 502/2020 for developing Phu Yen provincial master plan and Decree 1015/2020 for Gia Lai Provincial Master Planning mandates funding from central and provincial budgetary resources; (ii) The Department of Investment Planning is mandated under Circular 113/2018 (norms for planning) and Circular 08/2019 (financing of planning services) to provide financing to DARD and FPD for implementation of activities under Forestry Act 2017 in relation to SFM; (iii) Circular 28/2018 and Decree 156 mandates allocation of funding from state (for investment activities) and provincial (for regular activities) budgets, including SFM and monitoring. The Provincial Peoples Committee is mandated through these instruments to allocate funds for these activities; (iv) Circular 04/2018 mandates the Ministry of Finance to guide the management and use of PFES funds; (v) the financial sustainability of provincial stakeholder platforms for integrated planning of provincial master planning is required as condition for implementation of Decree 37/2019 (provincial master planning) and condition for implementation of Decree 156/2018 (and its amended Decree 83/2020) in relation to forest master planning; and (vi) Decree 60/2021 guides the enhancement of financial autonomy for public non-business units such as the Forest Management Boards. The project intends to implement some of these specific instruments, test their effectiveness and provide guidance for replication.

Potential for Scaling-up

The project will present multiple opportunities for scaling-up sustainable forest management across the landscape. First, the project is working on the ground in only two of the five provinces within the Ba

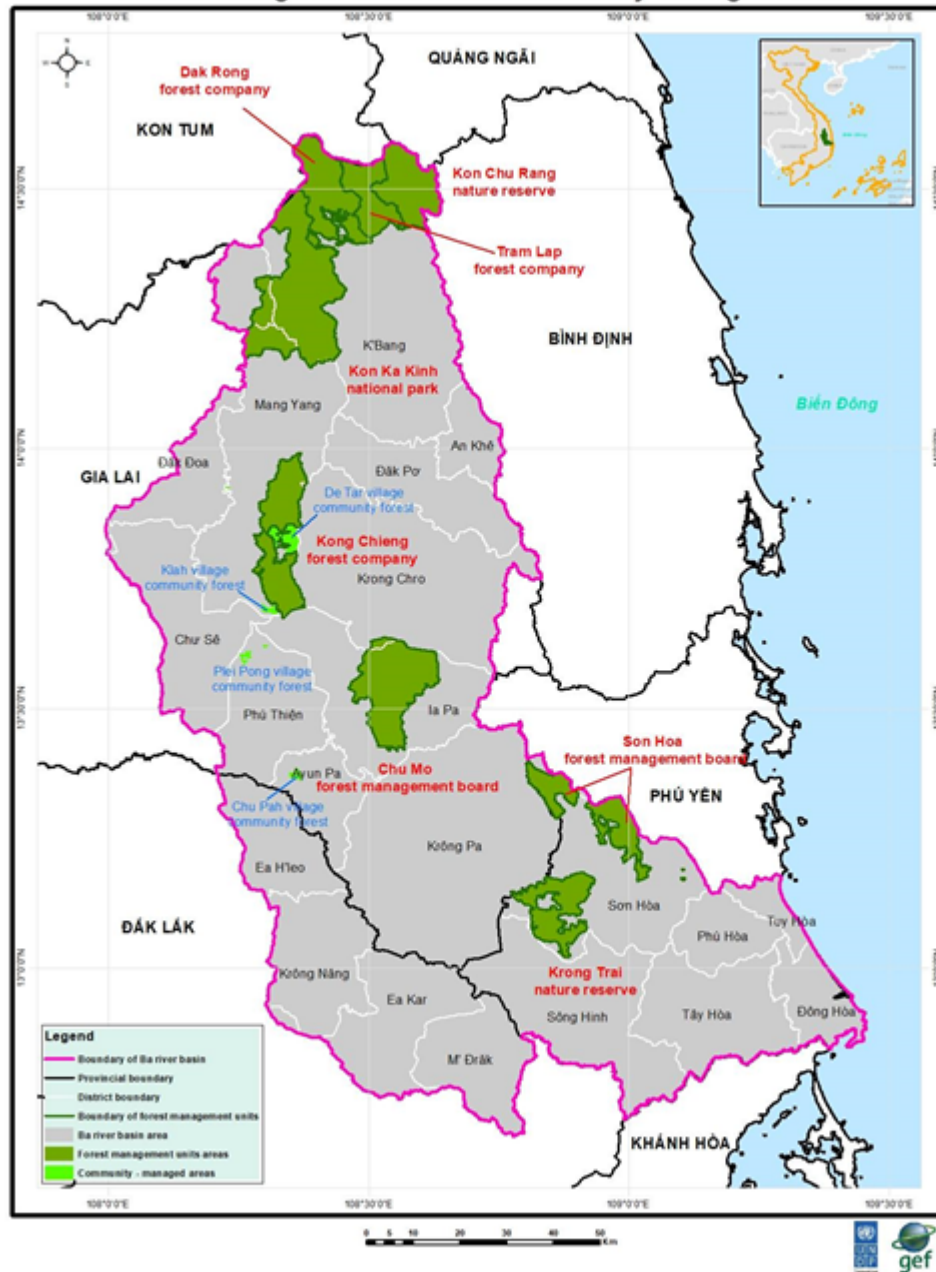
River basin. While it will be working in areas covering the majority of the basin, there will be opportunities for replicating and scaling up the lessons and good practices of the project in forested districts in Kon Tum, Binh Dinh and Dak Lak provinces, which neighbor Gia Lai and Phu Yen provinces. This will in fact be critical in the longer-term, to avoid 'leakage' of forest resource (mis)use from the districts of Gia Lai and Phu Yen province that will be under SFM and improved resource management, as key large forest blocks within the Ba River landscape stretch across administrative boundaries. Districts targeted for replication in other provinces will include Vinh Thanh and Van Canh districts in Binh Dinh province, M'Drak and Ea Kar districts in Dak Lak province, Kon Plong district in Kon Tum province, and Ba To district in Quang Ngai province. To support replication and up-scaling in key districts in neighboring provinces, Output 3.2 provides a range of activities to be undertaken, including communication programs to enhance awareness of conservation outcomes and actions; documentation and dissemination of case studies, best practices and lessons learned from the project; development of policy guidance notes that addresses current constraints and gaps in existing policies and legislation; technical reports, publications and other knowledge management products (including in local languages and accessible to Ethnic Minorities (EMs) documented and disseminated via mass media; documentation of Ethnic Minority cultural system related to natural resources management and disseminated to constrain or avoid the erosion of Indigenous Peoples' cultures and justify increased public investments support to ancestral domains; national and provincial workshops to facilitate dissemination of field lessons and help inform legal and policy reform; institutionalization of some of the best practices through promotion of policies and guidelines in order to secure support for replication and up-scaling; inclusion of public engagement pages on national and provincial websites and social media platforms that link to information about the project and its products, preparation of a replication and scaling up strategy based on project experiences and best practices for promotion of integrated landscape management, including institutional, financial and resource requirements, partners and coordination arrangements; a MARD based Implementer's Manual and Lessons Learned guide and end of project national seminar on outcomes and replication for integrated biological landscape management practices in Viet Nam. In addition, the project will support study tours bringing relevant provincial and district officials to visit project activities in the project's pilot districts. The project's work to better integrate biodiversity and maintenance of ecosystem services through SFM into macro-level planning processes will have implications for forest management at the national level, while targeted policy and regulatory improvements will strengthen prevention and enforcement of forest offences across Viet Nam. Similarly, the development of guidelines related to project approaches and lessons will support provincial and national uptake of project outputs and build the overall impact of GEF investment. As part of the scaling up, the project will support preparation of a **replication, scaling up and long-term sustainability strategy/plan** based on project experiences and best practices for promotion of integrated landscape management, including institutional, financial and resource requirements, partnerships and coordination arrangements. In particular, this strategy/plan will provide overall guidance (based on on-the-ground application and review of existing regulations and guidelines for effective integration of biodiversity and sustainable forestry outcomes in implementation of the Forestry, Biodiversity and Planning Acts) for validation, update and policy reforms related to these Acts. The preparation of the strategy/plan will entail an in-depth analysis of financial options for sustaining the policy dialogue and reform. The strategy/plan will be supported by the: (i) development of guidance documents that addresses current constraints and gaps among forest managers and management boards in implementation of existing policies and legislation (including in particular in

relation to SFM, integration of biodiversity conservation outcomes in forest and provincial level planning and sectoral and provincial/national coordination and monitoring and evaluation as discussed in detail under Section on 'Sustainability' above. Based on the above, the strategy for replication, includes the following: (ii) development of policy notes for dissemination and discussion with key policy makers at national and provincial level to promote provincial and forest master planning change; (iii) review and dialogue of effectiveness of implementation of existing policies and decisions to identify key constraints and weaknesses in order to encourage revisions and updates; (iii) VNForestry and MARD to testing and refining guidelines for monitoring of SFM implementation, in particular to assess changes in forest condition that will be developed and promoted nationally; (iv) based on the learning from the project, preparation of a replication and scaling up strategy with the support of VNForest and MARD for wider application; (v) development of a technical manual for forest managers on planning, implementation and monitoring of SFM plans that integrate biodiversity conservation, climate resilience, sustainable resource use, and co-management; and (vi) institutionalization of training within the Institute of Forest Ecology and Environment (IFEE) of the Vietnam National University of Forestry (VNUF) that is affiliated to MARD (as discussed in Section on 'Sustainability' above).

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

BA RIVER BASIN IN VIETNAM **Forest Management Units and Community-Managed Areas**



1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations Yes

Indigenous Peoples and Local Communities Yes

Private Sector Entities Yes

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

A wide range of consultations with stakeholders were conducted during the PPG stage. Initial stakeholder analysis during the PIF stage was followed up with consultation during the PPG stage in terms of the design of the project. During the PPG stage, following consultations at the national level and in the provinces of Gia Lai and Phu Yen, the stakeholder analysis was updated and elaborated following consultations undertaken by the PPG consultants at the biological landscape sites and with the provincial and district governments addressing both institutional stakeholders in the context of their statutory involvement in the project, and more broadly for non-governmental stakeholders (IPs, communities and CSOs) including forest resource-dependent communities. Several landscape level consultations were conducted to obtain the perspective of the different stakeholders during the period November 2020 through March 2021. Additional meetings were held during the period April through November 2021 with key provincial and national entities, co-financiers, NGOs and others. Several bilateral meetings with future partners were also conducted. A series of validation workshops were conducted in Hanoi and the two provinces to discuss the project design and reach general consensus on project outcomes, outputs, activities and institutional arrangements for the project.

A Stakeholder Engagement Plan (Table 2) was developed at PPG stage to facilitate improved awareness and engagement of stakeholders (in particular local communities) of the project and its contents; and it includes details on best practices to use with particular stakeholder groups. The project will regularly review and update the Plan to ensure that all stakeholders are informed on an ongoing basis about the project's objectives, activities, progress, and opportunities for involvement. The project will develop and maintain public pages and other communication means for sharing and disseminating information on biodiversity conservation, river basin and SFM approaches, good agricultural and forest management practices, and prevention of illegal activities. Activities to engage stakeholders and stakeholder groups include:

? **Quarterly meetings with key stakeholders.** On a quarterly basis, the PCU will hold meetings that involve key stakeholders to discuss achievements, challenges faced, corrective steps taken and future corrective actions needed for the implementation of planned activities. Results-based management and reporting will be informed by stakeholder inputs during such meetings.

? **Sharing progress reports and work-plans.** Copies of annual and quarterly progress reports and work plans will be circulated to stakeholders to inform them about project planning, implementation and outcomes, as well as through public forums, including web-based.

? **Participatory approach for involving local communities.** Such an approach will be adopted to facilitate the participation of local communities, either as a group or through their community organizations/groups, including men's, women's, and youth groups in the planning and implementation of the project activities. Facilitation training for provincial agencies and FMUs will be supported.

? **Stakeholder consultation and participation in project implementation.** The national awareness and engagement plan will be developed and implemented immediately and reviewed at quarterly meetings with stakeholders to assess its effectiveness.

The purpose of the Stakeholder Involvement Plan (SIP) for the project is to ensure long-term sustainability of the project achievements, based on transparency and the effective participation of the key stakeholders. The objectives include the following: (a) to identify the main stakeholders of the project and their basic roles and responsibilities in relation to the project; and (b) to take advantage of the experience and skills of the main stakeholders, safeguard their active participation in different activities, reduce obstacles in project implementation, and sustain gains after project completion. The approach is based on the principles of fairness and transparency in selection of stakeholders, ensuring consultation, engagement and empowerment of relevant stakeholders. This is to ensure: (i) better coordination between them from planning to monitoring and assessment of project interventions; (ii) access of information and results to relevant persons; (iii) accountability of stakeholders; (iv) implementation of grievance and redress mechanism; and (v) sustainability of project interventions after its completion.

Stakeholder involvement will enhance the planning and management of landscape conservation in the Ba River basin. Their engagement will secure the conservation of globally and nationally important biodiversity within these landscapes, and mainstream biodiversity and sustainable forest management and resource use in the forest estate in the Ba River basin. Provincial DARD's will be instrumental in establishing collaborative links with other provincial, district and commune level entities, CSOs, private sector, IPs and local communities, while provincial governments will facilitate coordination across sector and administrative levels. The Project may solicit the services of NGOs/Civil Society Organizations (CSOs) to implement project activities.

Mechanisms and strategies for stakeholder involvement will ensure that relevant shareholders: (i) receive and share information, (ii) provide inputs in the planning, design, implementation, monitoring and evaluation of project initiatives, and (iii) play a role in sustaining the initiatives during and after the

closure of the project. Roles and responsibilities of main stakeholders of the project are summarized in Table 6 below. Early in project implementation, FIPI (with support from Provincial DARDs) will develop a more detailed Stakeholder Engagement plan that would ensure: (a) stakeholders' involvement in project planning, implementation and monitoring; (b) stakeholders engagement in social and environmental screening and risk monitoring; (c) free, fair and transparent methods of information sharing; (d) implementation of gender mainstreaming strategy and action plan; (e) measures to empower stakeholders and potential project beneficiaries; and (f) disclosure and accessibility of information

Table 2: Stakeholder Involvement Plan

Key Stakeholder	Role and responsibilities / mandate	Proposed role in the project and involvement mechanism
Forest Inventory, Planning Institute (FIPI), of Ministry of Agriculture and Rural Development (MARD)	<p>MARD is a government ministry responsible for rural development and the governance, promotion and nurturing of agriculture and the agriculture industry in Viet Nam. MARD has the responsibility for exercising the State management over forest protection and development nationwide through its Viet Nam Forestry Administration (VNFOREST). MARD is responsible for management of national protected area (PA) and enforcing wildlife protection regulations.</p> <p>FIPI is a professional scientific and technical institution responsible for assisting MARD/VNForest in forest inventory, monitoring, planning and periodical reporting of forest status/change at both technical and policy making levels; providing capacity and services to provinces and forest owners on development of forest management planning and plans, including biodiversity survey.</p>	<p>MARD/FIPI is the designated Project Executing Entity and project owner. FIPI/MARD will be directly involved in all aspects of project implementation. MARD is responsible for project planning, coordination, management, monitoring, evaluation and reporting. MARD will assume all duties assigned to the Project Executing Entity and chair the Project Steering Committee and assume a leading role in engaging national and local level stakeholders in implementing project activities. MARD/FIPI will lead annual review meetings on project planning and reporting, and will appraise and approve all project related documents, including Annual Work Plans and Quarterly Work Plans and resulting. FIPI will play the role of project owner as regulated. FIPI will coordinate and oversee the implementation, management and monitoring of the project activities.</p>

<p>Viet Nam Forest Administration (VNForest), of the Ministry of Agriculture and Rural Development (MARD)</p>	<p>VNFOREST is an agency under the Ministry of Agriculture and Rural Development (MARD). VNFOREST performs the function of advising and assisting MARD in State management and implementing State management tasks on forestry in the country, and managing and instructing public service activities under the VNFOREST management scope. VNForest is the agency responsible for developing secondary legislation and the policy framework supporting Forestry Law 2017. VNForest administers the central Forest Protection Department (FPD) that has the mandate of performing the governmental management of forestry and formulating programs, plans for forest protection and management, forest fire safety, ensuring the compliance with law on forestry. VNForest also has a Department of Protection Forest and Special Use Forest management, which is responsible for biodiversity, HCVF and threatened species in Special Use and Protection Forests.</p>	<p>VNFOREST will provide guidance on state management on forestry issues if needed.</p>
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<p>General Department of Land Administration (GDLA), of Ministry of Natural Resources and Environment (MONRE)</p>	<p>MONRE is a government ministry in Viet Nam responsible for state management of land, water resources; mineral resources, geology; environment; hydrometeorology; climate change; surveying and mapping; and management of the islands and the sea. The wide-ranging state management functions of MONRE include the management of air, land and water resources under the amended Law of Environmental Protection (2020), as well as biodiversity under Viet Nam's Law of Biodiversity (2008). MONRE's mandate also includes coordination with ministries, ministerial committees and government agencies in providing guidance for implementation of resource use, environmental protection and biodiversity conservation in the sector areas managed by these ministries and agencies.</p> <p>The GDLA is responsible for the development, dissemination and implementation of policy, regulations and strategy on forest land allocation and management. It also takes the lead in developing land management plans and guidelines for land allocation at district, provincial, and central levels and issues land use certificates and land development certificates. It monitors land use according to the land allocation plan.</p>	<p>The GDLA will be invited to work closely with FIPI on the implementation of relevant outputs under components 1 and 2.</p>
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Departments of Agriculture and Rural Development (DARD) of Gia Lai and Phu Yen Provinces	DARD is a specialized agency under the provincial people's committee, (PPC): advise and assist PPC in state management function on agriculture, fisheries and aquaculture. DARD also has considerable experience of managing PAs. The provincial DARD departments have responsibility for overseeing implementation of forest management on the ground.	DARD is the primary specialized management government partner of the project with key partner support being provided by DONRE. DARD will participate in the provincial Project Management Team, and in development of an integrated vision, and detailed planning of the project activities, including forest restoration areas, EIA, guiding sustainable livelihood activities, including tourism, etc.
Departments of Natural Resources and Environments (DONRE) of Gia Lai and Phu Yen Provinces	DONRE is responsible for managing natural resources and environment at the provincial level. Responsibilities include land administration, pollution monitoring. DONRE plays an increasing role in supporting biodiversity management and in assisting PPCs in managing national park/nature reserve.	DONRE will participate in the Project Management Team, and in development of an integrated vision, mapping of natural resources and detailed planning of project activities, including HCV set-aside areas, forest restoration areas, EIA, guiding sustainable livelihood activities, including tourism.
Departments of Planning and Investment (DPI) of Gia Lai and Phu Yen Provinces	DPI supports the provincial people's committee in the field of planning and investment, including the provision of general advice on strategies and plans on socio-economic development, on mechanism and policies for general economic management and some specific fields, on domestic and foreign investment, etc.	DPI will be a beneficiary of the project results, specifically related to integrated vision on land and natural resources use, sectoral responsibilities to mainstream forest biodiversity conservation into strategies and planning in line with sustainable forest management.
Department of Culture, Sport and Tourism (DCST) of Gia Lai and Phu Yen Provinces	DCST is responsible for public services on culture, sports and tourism of the province. DCST is also responsible for provincial level tourism development.	DCST will support tourism related initiatives, including private-partnerships, and models for sustainable tourism practices.

<p>Provincial People's Committees (PPCs) in Gia Lai and Phu Yen Provinces</p>	<p>PPCs are headed by a chairman and supported by Vice-Chairmen for each major sector including a Vice Chairman for agriculture and forestry. Under Viet Nam's decentralization policies, PPCs play a major role in provincial development and sector planning and implementation, including on environmental management and biodiversity conservation. PPCs also have an important role in ensuring that biodiversity is integrated into sectoral plans and programs at the local level. Specifically, they are responsible for coordinating the biodiversity conservation activities of various line departments at the provincial (and city) level. PPCs currently have management responsibility for those PAs ? SUFs, Integrated Water Management and MPAs - that lie entirely within their provincial territory.</p>	<p>The PPCs in Gia Lai and Phu Yen and their subsidiary agencies at the provincial level will participate in project implementation, providing information, support and co-financial contributions. The PPCs will coordinate and oversee implementation, management and monitoring of project activities assigned to PPCs, including: (i) review work plans and approve budgets; and (ii) preside over inter-agency coordination meetings including district authorities as well as sectoral stakeholders.</p>
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<p>District People's Committees (DPCs) (District Administrations of priority districts) in Gia Lai and Phu Yen Provinces</p>	<p>District administrations (including Divisions on Agriculture, Forest Ranger, Natural resources and environment) are key local-level stakeholders in forest management. District PCs play a key role in supporting local socio-economic development. Being the closest state organization to local communities, they play an important role in overseeing and supporting development activities in their districts. Thus, DPCs have a key role to play in terms of ensuring environmental sustainability and avoiding overexploitation, particularly in relation to activities such as agriculture (including rice and other forms of agricultural production), fishing, aquaculture, as well as industrial development and tourism activities.</p>	<p>DPCs will be key project partner at the project site level, particularly in relation to implementing activities targeting at reducing threats to biodiversity arising from current economic development and livelihood practices.</p>
<p>Commune People's Committees (CPCs) in selected communes in Gia Lai and Phu Yen Provinces</p>	<p>CPCs are key local authorities in managing land use and forest activities. They are responsible, inter alia, for allocating forestland under their control for co-management by communities. CPCs play a key role in supporting local socio-economic development in agricultural production, fishing, aquaculture, industrial development and tourism activities and in overseeing and supporting development activities in their communes.</p>	<p>CPCs will be key project partners at the project site level, particularly in relation to implementing activities targeting at reducing threats to biodiversity arising from current economic development and livelihood practices. CPCs will supply key baseline data at the local level, such as numbers of households, land use types, key land degradation issues and forest use data. They particularly will participate in the allocation of forestland under their control to communities for co-management and implementation of activities targeted at improving forest conservation outcomes as well as improved livelihood in selected communes and households.</p>

PA Management Boards (PA MBs)	PA MBs are designated authorities responsible for the management of the existing formally established protected areas, including Special-Use Forests, Protection Forests under forest protection and development regulations, and nature reserves under provincial regulations.	PA MBs will be directly involved with the planning, implementation and monitoring of project activities in their respective PAs, national parks/nature reserve through providing information, identifying priority issues at each site, and participating in priority interventions on strengthening conservation of forest biodiversity, including through targeted livelihood activities as relevant. PA MBs will also support strengthening conservation activities in identified HCV landscapes.
Local communities / local resource users	Local communities are custodians, primary users and managers of the landscape resources and key target groups for all components of the project. They are engaged in agricultural production, agro-forest, eco-tourism activities, NTFP collection within the national parks and nature reserves. They are the most critical stakeholders for the success of the project.	Local communities will participate in the implementation of project activities and be direct beneficiaries of project investments in the conservation of forest biodiversity and sustainable land and forestland management in national parks and nature reserves. Appropriate land and natural resources regulations in different zones of the national parks and nature reserves will be formulated with their full participation and agreement, to ensure both continuation of income from traditional or suitable alternative livelihood activities in combination with strengthened consideration for forest biodiversity conservation. Specifically, they will engage in: (i) preparation of community forest management plan, including mapping of commune resources, identifying threats and responses to threats, identifying forest management plans and livelihood activities, (ii) the implementation of community forest management, including through relevant community groups and micro-revolving funds, and (iii) training programs aimed at improving resource use and livelihood development, etc.

<p>Ethnic minority groups</p>	<p>Ethnic minorities include indigenous groups living for many generations in national parks and nature reserves, each having a different history, traditions, and diverse material lives. They mainly rely on natural resources, especially forests, for their livelihoods, and as such are one group linked to the degradation of natural resources and biodiversity. In many areas, poverty rates are significant.</p> <p>Communities in buffer zones of PAs include the following ethnic minority groups:</p> <p>Kon Ka Kinh National Park's buffer zone covers 23 village communities of 7 communes across three districts (Mang Yang, KBang and Dak Doa), which are mainly inhabited by the Bana ethnic minority group. They have a long history of dependence on extraction of forest resources for their livelihoods, which continues to place pressures on forest protection and management due to illegal encroachment, poaching and firewood collection.</p> <p>Krong Trai Nature Reserve's buffer zone covers 22 villages across 5 communes of Son Hoa district, Phu Yen province, which are inhabited by the largely Ede ethnic minority group. The traditional cultivation is mostly monoculture, micro-scale and scattered. They have shifted to paddy rice cultivation in recent years, but the productivity remains limited.</p> <p>Kon Chu Rang Nature Reserve's buffer zone covers six villages in two communes of KBang district, which are mainly inhabited by Ba Na ethnic minority people. Crop production including upland rice, paddy rice, cassava and maize is the main source of local income. Recently, coffee plantations have just been established and expanded, but mainly by immigrants and/or employees of state-own forest</p>	<p>Ethnic minorities will directly participate in decision-making processes at the commune level, development of community forest management plan, implementation of livelihood initiatives and in benefit sharing. Specific investment for households of ethnic minorities will be instituted through the community forest management process to ensure strengthening their current livelihood and sustainable forest management.</p>
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Government and academic research institutions	<p>Several universities/institutes at national and provincial levels have strong environment research units with knowledge and experience relevant to this project. The Viet Nam Academy of Natural Science & Technology (VAST), conducting multi-disciplinary studies in socio-economic development, ecology and environmental management, policy analysis, culture. The Research Institute for Forest Ecology and Environment (RIFEE) is a research institution under MARD's Viet Nam Academy of Forest Science (VAFS) focusing on sustainable uses of forests and forestland as well as monitoring and assessment of forest biodiversity. Other universities and institutes, for example, Viet Nam National University of Forestry ? Gia Lai Branch, Tay Nguyen University, Viet Nam Academy of Forest Sciences in the South Central and Central Highlands, and the Central Highlands Institute for Agriculture and Forestry Sciences (WASI) are responsible for undertaking academic research and technological transfer in agriculture, forestry, livestock, biotechnology, protection of ecological environment for the development of agriculture and forestry.</p>	<p>Appropriate partner organizations will be identified during project implementation, as relevant and in line with their thematic focus and experience. Research institutions will be involved in consultancy activities, including on legal-regulatory framework, field studies on mapping and inventory, forest biodiversity monitoring for the benefit of formulating informed recommendations to the project and its national and local government partners.</p>
Civil Society Organizations	<p>Several social organizations are working on sustainable forest management (SFM) and biodiversity conservation issues in Viet Nam, including both international NGOs and national social organizations.</p>	<p>Some social organizations may be engaged in project activities, such as collecting baseline biodiversity data, community engagement, participatory monitoring, and project education and awareness activities.</p>

Mass media organizations, including national and provincial television and radio networks, private communication agencies, printed media, and online media.	Mass media has the responsibility for the dissemination of information and awareness on state policies, strategies and plans to the general public at the national and regional level through mainstream channels of television, radio and print.	Partnerships with key media organizations will support dissemination of information at global, regional and national levels, including on project workshops and seminars, training and capacity building events as well as results and best practices from targeted activities at the national level and in the project site. Approaches will include direct communication, press meetings and press releases, field visits, etc.
Local, national and international NGOs	NGOs play an important role in a variety of sectors like biodiversity conservation; sustainable forest management, minimizing impacts from development, pollution abatement, improving rural livelihoods, as well as addressing the needs of local communities, including on themes like policy and legislation, research, education and awareness raising. Relevant local, national and international NGO active in the project-relevant fields of protected area management, sustainable livelihood support with links to the project's thematic and/or spatial focus include PRCF/PanNature/GreenVIET, Tropenbos/NTFP/PanNature.	Appropriate partner organizations will be identified during project implementation. The project will build on and collaborate with relevant initiatives conducted by local and international NGOs in relevant conservation, monitoring, livelihood development, community-based natural resources management, benefit sharing and other related activities.
Private Sector	Enterprises play an important role in the development and implementation of livelihood initiatives (e.g., medical planting, eco-tourism, community tourism, agro-forest modalities) at commune and district levels.	The project will engage the private sector to enhance the conservation and management of natural forests and their component biodiversity. This will include engagement with forest companies in the project landscape to enhance commitments to biodiversity conservation within forest management, and to engage the private sector in the proposed project activities on livelihoods development and diversification. During the project implementation, these private sector entities operating within the target landscapes, including additional companies responsible for management of production forests, will be engaged in order to identify additional potential partnerships.

Other donor agencies	Several donor organizations (or development partners), including KFW, JICA, WB/IDA, IDH, SNV, and others, have on-going projects either in the project site or covering themes of interest to the project.	Relevant donor organizations will be engaged as partners to facilitate coordination and collaboration at national and landscape levels, to ensure convergence of ongoing programs. The Project will maintain close relations with all relevant donors, as appropriate, invite them to participate in project related meetings and workshops as relevant. Other donor agencies may participate in project oversight and guidance structures during implementation, either through the project steering committee, or via technical working groups leveraged to guide the project.
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In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor; Yes

Co-financier; Yes

Member of project steering committee or equivalent decision-making body; Yes

Executor or co-executor;

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

Gender and Social inclusion considerations have been integrated into the project design (under Output 3.3) following the development of the Gender Analysis and Mainstreaming Action Plan (Annex 10 of UNDP Project Document). The project will provide targeted support to empower women in the forest sector, including support for women entrepreneurs, access to finance, etc. Women will be clearly targeted as project beneficiaries and a target for at least 50% women beneficiaries has been set. Specific gender mainstreaming opportunities that the project will explore include targeted livelihoods

development opportunities for women in forest-dependent communities including the establishment of grassroots women's groups; the empowerment of women to participate in governance and decision-making bodies including the setting of mandatory gender participation targets; ensuring adequate engagement and participation of women in stakeholder consultations (including FPIC as needed) including separate consultation processes and meeting timing/location decisions that allows for women's engagement and provides a supportive environment for their inputs (e.g. separate consultations on technical issues where their awareness or self-confidence may be lower than men); targeted training, awareness-raising and/or capacity development for women including on biodiversity monitoring, planning and PFES (these opportunities will be extended to women's groups and relevant CSOs operating in the project landscape); integrating women's rights and safeguards into the community co-management model for allocation of forestlands to village communities to ensure benefits flow equally to men and women; and ensuring that the PMU and project partners receive gender mainstreaming awareness training.

Based on the gender analysis, the Gender mainstreaming in the project will be addressed through the following actions:

- ? Ensure that project materials, including meeting agendas, communications materials, and all written policies include gender and social mainstreaming.
- ? Create and require minimum standards for planning teams, including representation from multiple gender and social groups and/or tasking of planning team members to speak for vulnerable peoples.
- ? Capacity building and training for project staff and planning team facilitators, staff of Women groups, Youth groups to better engage multiple gender and social groups .
- ? Support mapping of: (i) current gender roles in key development sectors (forest management, NTFP collection, grazing, and tourism, etc.); (ii) gender and social group uses and use patterns of land habitats; (iii) market access by gender; (iv) mapping of the economic sector by gender and social group; and (vi) applying a gender and socially inclusive lens to all investment plans and priorities to ensure that multiple groups' data needs are filled.
- ? Invest in staff to enable adequate connections with multiple groups. Instead of general community meetings, meetings with (i) women's groups; (ii) men's groups; (iii) youth groups; and (iv) individuals with access to or influence over vulnerable people (e.g., IP leaders, landowners, or community leaders).
- ? Capacity building and training for project staff and planning team facilitators to better engage multiple gender and social groups.
- ? Apply sex disaggregated targets and baselines where appropriate, as part of project monitoring plan.

? Conduct economic and social analyses of proposed land and forest plans resulting from the project, and all other outputs (such as proposed protected areas and implementation plans for best practices).

? Support livelihood and economic activities that are targeted to women

? Implement the Communications Strategy, including holding multiple, targeted meetings by disaggregated groups.

? Make better use of digital platforms in order to create oral/audio content, with less emphasis on writing to better communicate with IP groups, rural women, farmers, and youth.

? Incorporate gender and socially sensitive indicators and collect sex disaggregated data for monitoring and evaluating project results.

Recruitment of gender specialist to facilitate the implementation and monitoring of the gender plans and for capacity building and training of key implementing agency staff.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes

Closing gender gaps in access to and control over natural resources; Yes

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Does the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

As the project will focus on an integrated river basin management approach and the focus on livelihoods, sustainable small-scale enterprises for engaging communities in actions to conserve biodiversity and forests will require a focus on engagement with the private sector. In the demonstration target areas, the private sector, including agrobusiness, tourism operators and businesses and merchants will participate in project implementation to enable opportunities to provide technical support, business links and market facilities to improve on livelihood and small community-based enterprises. There is good potential to promote private sector partnerships for the agriculture and livestock sector through engagement between local producers, agricultural cooperatives and retailers to build stronger markets for local, healthy foods from well-managed ecosystems. Similarly, post-COVID, opportunities should re-emerge to engage the tourism sector and resorts for establishing financial mechanisms to support environmental improvements.

Enterprises can play an important role in the development and implementation of livelihood initiatives (e.g. medical planting, eco-tourism, community tourism, agro-forest modalities) and forest management at commune and district levels. Private Enterprises can play an important role in the development and implementation of livelihood initiatives (e.g., medical planting, eco-tourism, community tourism, agro-forest modalities) at commune and district levels. e.g. Truong Sinh Group (medicinal plant products), Thu?n Thien Phuc Company (NTPF and agro-forestry), Thu?n Thien Phuc Company Ltd (forest livelihoods). The project will engage the private sector enterprises, wholesalers and retailers to engage the private sector in the proposed project activities on livelihoods development and diversification. During the project implementation, these private sector entities operating within the target landscapes, including additional companies responsible for management of production forests, will be engaged in order to identify additional potential partnerships. Private sector will be involved via provision of technical support to local communities and market and product information and promotion, and retailers and wholesalers to provide market access and sales promotion. Tourism sector private institutions such as hoteliers, tour operators and service providers. These groups will be engaged to support the community tourism initiatives by (i) providing training for community members to establish ecotourism products and services; (ii) build private-community partnerships to facilitate community participation in ecotourism activities by identifying and design appropriate tourism locations and products, provide information on potential options, assist in market access, etc.

In addition, groups such as Industrial Producers, GHG Producers, Tourism Industry and Aquatic resource producers, among others that use water from the forests (e.g., agricultural, forest and aquaculture products processing industry, textile and garment industry, beverage industry, building material industry, machine equipment production industry, pulp and paper manufacturing process industry, mining, building material industry, oil and gas refining companies, thermal power plant, ecotourism, hospitality or entertainment services and aquatic farming entities) provide an opportunity to testing small scale PFES operations, even though the scope might be limited

Agricultural Services Cooperatives have an enterprise legal foundation operating under the 2012 Vietnam Law on Cooperatives that enables them to play an important role in the agricultural commodities supply chain in the context of fragmented and small production in rural and mountainous areas in Vietnam. They can play a role as agricultural input providers including seeds, fertilizers, irrigation services, pesticides and herbicides; commodities collectors at harvest seasons, pre-processors, transportation, products promotion marketing; products legal compliance ensures; technical services and trainings to farmers; and sharing of knowledge. There are potential Agricultural Services Cooperatives in Gia Lai and Phu Yen for project engagement in the implementation process. In Gia Lai province, there are more than ten agricultural services cooperatives operating in Gia Lai province are the Quang Vinh Medical Herbs Cooperative, Agricultural Doan Ket K. Bang Cooperative, Kon Phe Cooperative (providing fertilizers, pesticides and seeds to farmers), Mang Yang Agricultural Service Cooperative producing some medical herb products with brand An Binh Phat. There are also BB

Cooperative in Son Lang Commune that specializes in greenhouse plant production Chop Chai
 Cooperative in Suoi Bac commune which specializes in livestock production and distribution.

Finally, the private sector is estimated to invest up to \$15,000,000 in fees paid as payment for ecosystem services (PFES) over the project duration. PFES will help to support forest owners with funding for forest protection and management, support forestry companies and forest management boards to protect logging of natural forests, and support local community efforts to protect forests and sustain livelihoods in the context of limited state budgets ? offering further opportunities for targeted private sector engagement.

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

The key project risks, including social and environmental risks and measures for management and mitigation of these risks are presented in Table 3 below:

Table 3: Risk and Risk Mitigation Measures

Project risks					
A. General Risks					
Description	Type	Impact, Probability and Risk Level	Mitigation Measures	Owner	Status
Risk 1: Challenges in engaging local resource users in ethnic minority communities	Institutional	Moderate I-3, L-2	The project will apply participatory processes to ensure engagement of local partners and communities during project implementation and in the preparation of activity plans drawing on lessons from previous OPD projects.	PD	Implementation

Risk 2: Forest management institutions may have inadequate capacity to sufficiently uptake SFM practices for implementation	Institutional	Moderate I-3, L-2	<p>An initial assessment undertaken as part of the PPG indicated that based on the requirement of Decree 156/2019, all forest owners (Forest Management Boards) are required to prepare SFM. Most forest owners have already prepared their SFM plans. However, the capacity of these forest owners is limited in both human resources and budget allocation. As such, the risk can be significant to ensure that appropriate SFM practices are introduced.</p> <p>This risk will be reduced by strong and intensive capacity building program. The capacity building will not only provide for the forest owners' staff (PA, NR, PFMB) but also extended to relevant communities if needed during the project implementation. This program will be closely monitored to ensure that they are environmentally and socially sound.</p>	PD	Implementation
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<p>Risk 3: If assumptions made in the theory of change are not forthcoming during project implementation, such as the institutional framework for addressing integrated basin conservation or that capacity of forest managers and local communities are not upgraded to improve SFM and conservation outcomes there is a possibility that project outcomes may not be met.</p>	<p>Institutional</p>	<p>Moderate</p> <p>I-3, L-2</p>	<p>UNDP CO will monitor and track progress to ensure that adaptive and timely actions are taken to correct any shortcomings or implementation problems.</p>	<p>PMU and UNDP CO</p>	<p>Implementation</p>
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<p>Risk 4: Inability or risks associated with management of project funds and assets and accurate and timely reporting of ineffectiveness of control systems can increase costs, reduce quality, delay impacts and cause social instability</p>	<p>Financial</p>	<p>Moderate I-3, L=3</p>	<p>The following management measures are taken into consideration:</p> <p>As part of the PPG assessment, UNDP undertook a Partner Capacity Assessment exercise to assess the managerial, administrative and financial capabilities of FIPI (the Implementing Partner for the project) and based on UNDP norms the risk was assessed as 'low' and the PCAT confirmed that there were no evidence of financial fraud with FIPI</p> <p>In addition, in terms of procurement of goods and services, FIPI will use electronic procurement as required by regulations and a Procurement Review Committee will oversee and monitor all procurements. UNDP CO will have regular meetings with IP and monitor annual work plans and funds releases</p> <p>UNDP CO will undertake safeguard measures such as annual audits and conduct spot checks to ensure that expenditure matches quarterly work plans and expenditure statements</p> <p>UNDP CO staff will make field visits to verify works have been undertaken in accordance with work plans and agreed norms</p> <p>A Grievance Redressal Mechanism will be established to enable beneficiaries to make any complaints regarding misappropriation of costs and other irregularities</p>	<p>PD and UNDP CO</p>	<p>Implementation</p>
<p>Social and Environmental Risks</p>					

<p>Risk 5: The Forest Management Units in the project area might not effectively engage and ensure participation of all stakeholders in particular in sharing of forest products, livelihood benefits and other benefits and thereby impact on the rights and interests, lands, territories, resources, and/or traditional livelihoods of ethnic minorities resulting in violation of human rights. They might also not effectively apply FPIC procedures thus posing significant risks to achieving project outcomes.</p>	Social	<p>Substantial</p> <p>I-4, L-3</p>	<p>The following management plans/frameworks were prepared at PPG stage to understand and try to address the potential environmental and social impacts of the project. These included the following:</p> <p>A Stakeholder Engagement Plan that defines the clear role and responsibilities of each stakeholder, including local communities and EMs in the implementation,</p> <p>A Gender Analysis and Gender Mainstreaming Action Plan that identifies the potential role of women in resource management and related activities, current constraints to participation of women and vulnerable communities in decision-making and sharing</p> <p>An Indigenous People framework with guidelines of FPIC to ensure FPIC to be secured multiple times during the project timeline, ensure that EMs are actively engaged in project activities, their cultural, social and traditional practices are recognized, maintained and enhanced, that they share equitable benefits from the project (livelihoods, resource use and ABS benefits), that there are special investments focused on these groups.</p> <p>A grievance redress mechanism for the project, based on the existing government and UNDP mechanisms to provide an avenue to articulate any project specific grievances</p>	PD	Implementation
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Risk 6: Project activities related to sustainable forest management, community forest management and livelihood might not fully incorporate the views and needs of women	Social	Moderate I-3, L-2	<p>The Gender Action Plan (GAP) has specific actions targeted to women (and in particular EM women), including: (i) specific awareness and training to sensitize central and local level SFM, PA and Management Board staff on gender related issues; (ii) ensuring adequate representation and active participation of women in relevant decision-making bodies; (iii) involving women in sustainable forest management and livelihood development activities at the Project site; and (iv) provide technical trainings for women on various project related activities, etc. These activities have been also presented under Output 2.5.</p> <p>A comprehensive stakeholder engagement plan, IPF, Gender and ESMF has been prepared during the PPG, and a FPIC process will continue with affected stakeholders during project implementation.</p>	PD	Implementation
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<p>Risk 7: Enhanced management of PAs/FMUs, targeted forest restoration, and realignment of PA boundaries could result in changes or restrictions in access to forest lands and forest resources.</p>	<p>Social</p>	<p>Substantial I-4, L-3</p>	<p>Consultations with local stakeholders (Tram Lap, Dak Rong Forest Companies, local authorities) and ethnic minorities communities guaranteed that there will not be physical relocation, but there could be possibility for economic (e.g., NTFP collection). Allocation of forest for community forest management, while a positive development can have potential to exclude other neighboring communities from access to these resources.</p> <p>Issues pertaining to access restriction induced risks/adverse impacts will be identified , assessed and managed through two distinct elements, i.e. (i) scoped ESIA(s) at the project site level, (ii) a process framework. In addition to the above, the conduct of a SESA for ?upstream:? project elements have been proposed. This will also screen and assess potential future/indirect risks relating to access restriction.</p>	<p>PD</p>	<p>Implementation</p>
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<p>Risk 8: Long-term sustainability of the positive project outcomes could be negatively impacted by climate change, including community forest management, livelihood and small-scale enterprise activities. In the short-term climate induced natural hazards and weather events could impede smooth implementation of the project.</p>	<p>Environment</p>	<p>Moderate I-3, L-2</p>	<p>During the community livelihood investment planning process, specific focus will be taken on selection of agricultural and livelihood practices that are likely to be less vulnerable to climate change, include climate sensitive crop varieties and cropping patterns. The selection of species in sustainable forest and forest land management will focus on species that are more resistant to large fluctuations in climatic conditions.</p> <p>Enhanced management and conservation practices would improve protection and management of critical ecosystems services as well as wildlife habitat, which should help to increase the overall resilience of the natural systems to climate risks in the areas compared to business as usual.</p> <p>Ensure that measures/activities are implement by the project to enhance women and EMs capacity to adapt to climate impacts;</p> <p>In terms of the Monitoring Plan, the condition of the natural ecosystems would be monitored to ensure that activities do not damage these sensitive ecosystems so that it is in a better overall situation to adapt to climate changes.</p> <p>The Management Knowledge and Communications outputs are key to improve awareness of climate and ensuring measures to improve climate resilience</p> <p>See Section below: ?Summary analysis and project implications for climate change considerations?</p>	<p>PD</p>	<p>Implementation</p>
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<p>Risk 9: Poorly designed or executed forest management, NTFP usage, ecotourism, livelihood and small-scale rural enterprise activities, could unintentionally damage critical or sensitive habitats and ecosystems</p>	<p>Environment</p>	<p>Moderate I-3, L-2</p>	<p>The sites selected for project investment conformed to the project's objective of enhancing the conservation of biodiversity through mainstreaming of biodiversity into planning policies and practices into the Ba River landscapes.</p> <p>The project intends to have interventions that will benefit improved conservation, support environmentally friendly agricultural and land use practices to reduce impacts on species and ecosystems, improved monitoring of species and ecosystem health, participation of forest management boards in environmentally-friendly practices (including reduced clearing and improved management of corridor and forest areas), rehabilitation of degraded areas with native species or through natural regeneration processes, and enhanced environmental stewardship of landscape resources by local communities.</p> <p>As an effort to support conservation outcomes, all community agriculture and production systems and livelihood activities will take place outside the high value biodiversity areas (including in buffer zones) to the extent feasible through appropriate mapping and zoning arrangements.</p> <p>The Preparation of a screening checklist developed (refer ESMF) will be applied to screen all investments to ensure that they comply with sound social and environmental principles and are sustainable. Such</p>	<p>PD</p>	<p>Implementation</p>
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Risk 10: Alien Invasive Species (IAS) could inadvertently be introduced to project demonstration sites, in particular during forest restoration activities..	Environment	Moderate I =3, L =2	<p>Project activities will be carefully planned in consultation with relevant DARD experts in forest restoration and local communities. These restoration management plans will be based on MARD forest restoration guidelines (and assessed with their compliance with SES standards) and would be completed prior to any technical demonstration activities taking place and potential perverse impacts and safeguards will be considered as part of this process, along with required standards and guidelines such as mandating use of native species for plantings, measures for IAS control and management, adherence with established SOPs and guidelines of national/local authorities. As part of the effort to manage IAS, this would entail training to key development partners on the project to identify potential IAS and institute measures, along with the local community to eliminate, control and/or manage these species.</p> <p>Technically qualified biodiversity and SFM specialists of Provincial DARDs will support the Provincial PMUs and/or Forest Management Units to monitor and coordinate the risk management strategies</p>	PD	Implementation
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<p>Risk 11: The project sites could potentially intersect with globally and locally important sites with cultural, historical, religious, artistic and traditional values. It is unlikely that the project activities will have structural adverse impacts on these sites but may adversely impact traditional knowledge and practices that are part of the communities for centuries and that are deep-rooted in their cultural practices</p>	<p>Social</p>	<p>Moderate I-3, L-2</p>	<p>The implementation of the EMPF will form the basis for dealing with the interests of the EMs and other special interest groups. Any project related economic development initiatives proposed by communities and EMs will rest on the maintenance of the integrity of their culture and defined using FPIC procedures</p> <p>The use of a screening checklist (refer ESMF) will ensure that these take into consideration all potential impacts and implementation would be monitored to ensure that there are no impacts on cultural heritage of EMs or special interest groups. Gender/participatory expertise will be obtained during the project to guide and monitor these activities, establish procedures for identification and managing such risks.</p> <p>Although the potential for ecotourism is low in the project sites, any potential ecotourism activities will take into consideration the following:</p> <ul style="list-style-type: none"> ? Appropriate waste management measures ? Location of campsites, washing areas, grazing areas in locations that are not ecologically sensitive and of cultural significance ? Train Community tour guides to manage tourist in order to avoid and minimize adverse impacts of visitation on the biodiversity and cultural sites. ? Ensure that the tour guides brief visitors on ?DOs and DONTs? 	<p>PD</p>	<p>Implementation</p>
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<p>Risk 12: Use of pesticides, herbicides or insecticides could potentially pose risk to community health and lack of adequate guidelines on usage and storage of these chemicals could result in generation of hazardous waste through different migration pathways (soil, water, or air).</p>	<p>Environment</p>	<p>Moderate I-4, L-2</p>	<p>To avoid or minimize the use of chemicals, the forest restoration activities will largely focus on assisted natural restoration methods that do not qualify for extensive use of chemicals. During project implementation, the project will follow a strict SOP for the application of any pest management substances/activities. This will include adhering to the following:</p> <ul style="list-style-type: none"> ? The project will ensure that it would follow the list of prohibited pesticides, herbicides and insecticides. ? The storage, transport, disposal and use of pesticides will follow standard and acceptable standards ? Communities and staff using pesticides will be provided training of the safe use and application of pesticides <p>The use of any chemicals will be prohibited within 25 meters from waterways, settlements and high biodiversity value forests</p>	<p>PD</p>	<p>Implementation</p>
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<p>Risk 13: Surveillance and patrolling activities on PAs could lead to escalated conflict or safety-related risks if rangers have contact with poachers. These activities could also have safety risks for local communities if rangers are not properly trained, managed and overseen with a human-rights based approach to law enforcement taken.</p> <p>Anti-poaching patrols could pose safety risks to local communities if they are not properly trained, managed or overseen.</p>	Social	<p>Substantial</p> <p>I=4, L=3</p>	<p>As part of project design, the capacity needs of PA staff have been assessed to understand to what extent they have the skills to address conflict and potentially violent situations. Establishment and implementation of a Standard Operating Procedures (SOP) for management of illegal activities, that will specifically include safety and security-related procedures is defined as part of the ESMF. The project intends to embed local community members within the patrols so that they can help build better relationships between PA staff and communities. In addition, a grievance redress mechanism has been prepared and a comprehensive stakeholder engagement plan has been developed and implemented in the project cycle as well</p>	PD	Implementation
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<p>Risk 14: Forest management institutions may have inadequate capacity to sufficiently uptake SFM practices without impact on biodiversity and natural resources</p>	<p>Environment</p>	<p>Moderate I = 3, L = 2</p>	<p>An initial assessment undertaken as part of the PPG indicated that based on the requirement of Decree 156/2019, all forest owners (Forest Management Boards) are required to prepare SFM plans. Most forest owners have already prepared their SFM plans. However, the capacity of the forest owner is limited in both human resources and budget allocation to ensure that appropriate SFM practices are introduced.</p> <p>The findings from the initial capacity assessment during PPG have informed project design. A key aspect of this project focuses on capacity building for local communities with regards to SFM. As such, this risk will primarily be managed through the activities associated with Component 2:</p> <p>2.1.3Provide technical support to FMUs to conduct resource and biodiversity monitoring and inventory in engagement with their sustainable forest management plans</p> <p>2.1.4Develop guidelines and standards for information collection, indicators, and templates on forest and biodiversity assets at local scale, focusing on forest tree species and density, forest status and forest quality, forest biomass assessment, and wildlife species. Based on lessons learned at local scale, develop recommendations for application of forest, biodiversity resource monitoring and inventory at a larger scale.</p> <p>2.1.5Build the capacity for relevant agencies and staffs at local levels and FMUs (PA and forest managers) in design and</p>	<p>PD</p>	<p>Implementation</p>
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<p>Risk 15: The COVID-19 outbreak could accelerate resource exploitation due to economic disruptions in other livelihoods, pose serious difficulties for effective project implementation and disrupt tourism markets</p> <p>(Refer Annex 16 -Summary Analysis and Project Implications/ Opportunities for Covid)</p>	Environment	<p>Moderate</p> <p>I=3, L=3</p>	<p>During the early part of project implementation particularly during the preparation of livelihood and small business enterprise planning, a rapid assessment of the current social and economic impacts of ongoing Covid-19 (likely as part of IPP), in particular on vulnerable populations in to assess the options for provision of income generation opportunities. The gender actions will also specifically focus on vulnerable women population in high Covid-19 risk areas. The livelihood and enterprise planning exercises will help develop suitable investment plans for responding to and ensuring income recovery for affected vulnerable populations. Special efforts would be made to enhance technical support, extension services and materials to enable the successful implementation of such activities.</p> <p>The Government of Vietnam has certain measures in place for staff, particularly at the provincial and local levels to ensure that they continue to perform their official duties. Meetings can be conducted in small groups and via other communication methods, to the extent these are feasible in given situations. The Provincial Governments have now become more effective with dealing with their responsibilities and ensuring that staff response times are normal, as much as possible. Provincial Governments were fully engaged with this proposal at PPG stage, and expect UNDP and GEF to move forward with the work. At the</p>	PD	Implementation
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Overall Rating	Substantial			
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During project development, the project was reviewed using UNDP's social and environmental screening procedure (SESP). The analysis identified a range of potential social and environmental impacts associated with the project activities. The SESP report (Annex 4) of UNDP Project Document details the specific environmental and social risks that apply. The significance of each risk, based on its probability of occurrence and extent of impact, has been estimated as being Low, Moderate, Substantial or High. Where a risk is identified and assessed as being of Moderate, Substantial or High risk, it triggers the relevant standard or principle. Risks that are assessed as 'Low' do not trigger the related principle or standard. Based on the significance of these individual risks, the project has been allocated an overall SESP risk categorization rating of 'Substantial', the overall risk category being taken from the highest rating allocated to any individual risk.

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

Implementing Partner: The Implementing Partner for this project is the Forest Inventory and Planning Institute (FIPI) of the Ministry of Agriculture and Natural Resources (MARD).

The Implementing Partner is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in this document.

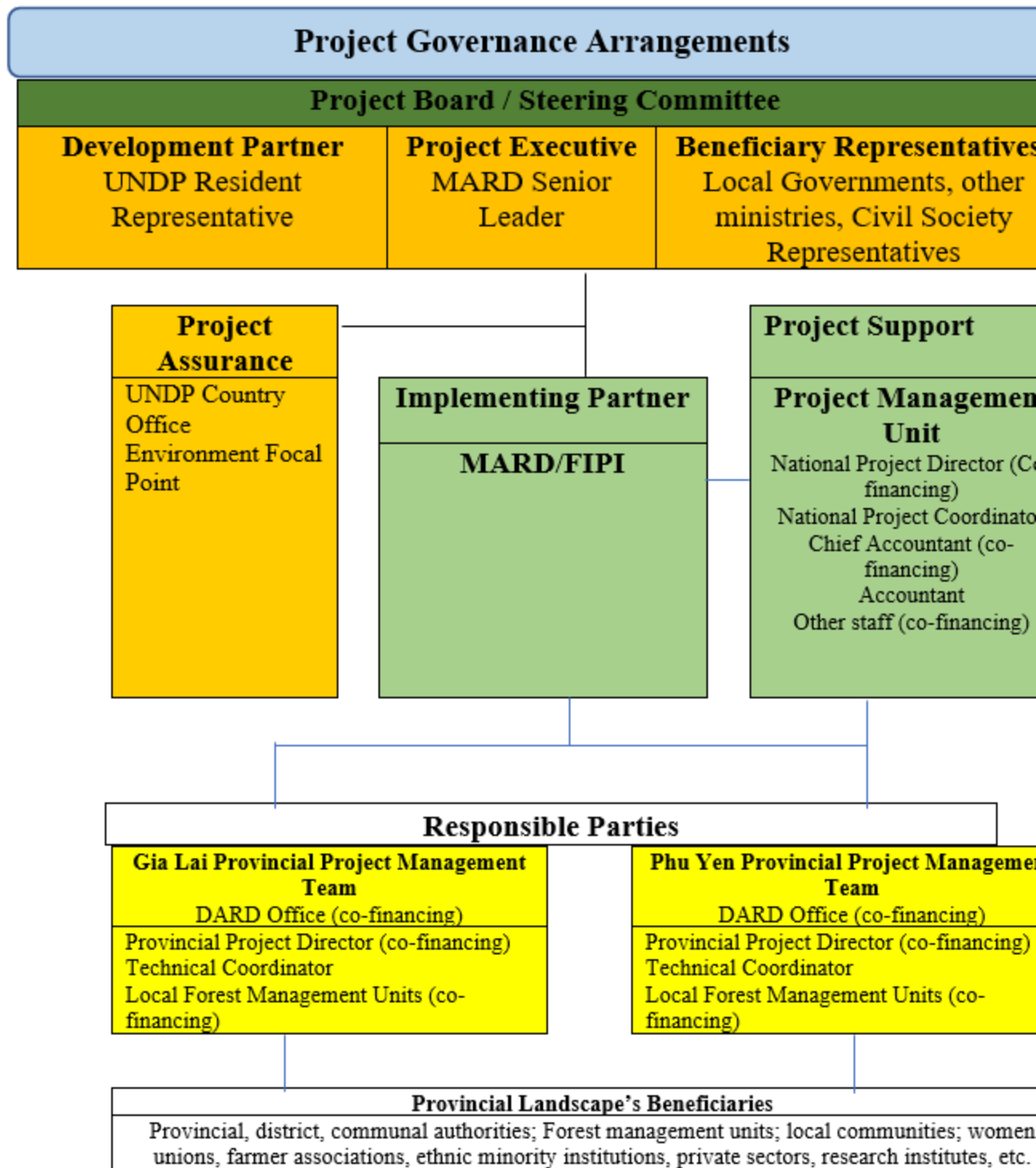
The Implementing Partner is responsible for executing this project. Specific tasks include:

- ? Project planning, coordination, management, monitoring, evaluation and reporting. This includes providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
- ? Overseeing the management of project risks as included in this project document and new risks that may emerge during project implementation.
- ? Procurement of goods and services, including human resources.
- ? Financial management, including overseeing financial expenditures against project budgets.
- ? Approving and signing the multiyear workplan.

- ? Approving and signing the combined delivery report at the end of the year; and,
- ? Signing the financial report or the funding authorization and certificate of expenditures

Responsible Parties: The Responsible Parties to the project are the Provincial People's Committees of the Phu Yen and Gia Lai Provinces.

Project stakeholders and target groups: The project target groups are the Protected Area and Forest Management Boards within the Ba River basin in the two provinces that will be responsible for implementation of protected areas and sustainable forest management actions. The Commune Peoples Committees will actively engage in promotion of co-management of commune forest lands and local communities and ethnic minorities will be beneficiaries of forest management, livelihood and payment for forest ecosystem services.



The UNDP Resident Representative assumes full responsibility and accountability for oversight and quality assurance of this Project and ensures its timely implementation in compliance with the GEF-specific requirements and UNDP's Program and Operations Policies and Procedures (POPP), its Financial

Regulations and Rules and Internal Control Framework. A representative of the UNDP Country Office will assume the assurance role and will present assurance findings to the Project Board, and therefore attends Project Board meetings as a non-voting member.

Project Assurance: Project assurance is the responsibility of each project board member; however, UNDP has a distinct assurance role for all UNDP projects in carrying out objective and independent project oversight and monitoring functions. UNDP performs quality assurance and supports the Project Board (and Project Management Unit) by carrying out objective and independent project oversight and monitoring functions, including compliance with the risk management and social and environmental standards of UNDP. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. Project assurance is totally independent of project execution.

Project Management ? Execution of the Project: The National Project Director (NPD) is the senior most representative of the Project Management Unit (PMU). The NPD will be responsible the mobilization of all project inputs, supervision over project staff, responsible parties, consultants and sub-contractors. The NPD typically presents key deliverables and documents to the board for their review and approval, including progress reports, annual work plans, adjustments to tolerance levels and risk registers. The PMU will also include an Accountant and a Financial Officer (the latter through co-financing) and Administrative assistant (co-financing). A designated representative of the PMU is expected to attend all board meetings and support board processes as a non-voting representative.

Provincial Implementing partners (Responsible Parties): The Provincial Implementing partners' primary responsibility is to provide technical leadership and ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. The Project Implementing partners will inform the national implementing partner and the Project Assurance of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted. The Provincial implementing partners will establish provincial management team that is appropriate with the provincial context and requirements. To ensure the implementation of the project in the project, each province will have one technical coordinator.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

- ☒ National Biodiversity Strategy and Action Plan (NBSAP)
- ☒ CBD National Report
- ☐ Cartagena Protocol National Report
- ☐ Nagoya Protocol National Report
- ☐ UNFCCC National Communications (NC)
- ☐ UNFCCC Biennial Update Report (BUR)
- ☒ UNFCCC National Determined Contribution
- ☐ UNFCCC Technology Needs Assessment
- ☒ UNCCD Reporting
- ☐ ASGM National Action Plan (ASGM NAP)
- ☐ Minamata Initial Assessment (MIA)
- ☐ Stockholm National Implementation Plan (NIP)
- ☐ Stockholm National Implementation Plan Update
- ☐ National Adaptation Programme of Action Update
- ☒ Others

Alignment with national and global priorities:

The project is aligned with the following national and global strategies and plans that link directly to global conventions and related initiatives:

(a) Alignment with national priorities

Vietnam's National Biodiversity Strategy to 2020, Vision to 2030, has the following strategic goals that are aligned to the project outcomes, namely: consolidation and completion of the system of PAs, conservation of ecosystems of national and international importance; preventing the decline of threatened species, particularly endangered, rare and precious species; enhancing the effectiveness of conservation units; sustainable use of ecosystems; control of unsustainable activities and illegal hunting and trade, promote biodiversity as a means to respond to climate change; development of biological corridors to increase connectivity, integrating biodiversity in policy development, and increase financial resources for biodiversity conservation.

Vietnam's Biodiversity Master Plan to 2020, with orientation to 2030 call for the following (i) to combine in-situ conservation with ex-situ conservation and other forms of conservation to ensure effective conservation, consistency and conformity with conditions of each region in the whole country without affecting national defense and security;

(ii) To harmoniously combine conservation and rational exploitation and use of biological resources, attaching importance to maintaining and developing ecosystem services, environment and landscape of biodiversity;(iii) To consistently comply with the criteria set out in the Law on Biodiversity on the basis of inheriting to the utmost the achievements and maintaining the stability

of the existing special-use forest, marine and inland water conservation zones; (iv) To ensure safety of biodiversity, mitigate the degradation and depletion of natural resources, mitigate and adapt to climate change; and (v) To mobilize all resources and experiences of organizations, individuals and communities in the biodiversity conservation; to ensure the principles of equitable and harmonious sharing of interests of the stakeholders

Vietnam National Capacity Self-Assessment (NCSA) under UNCBD, UNFCCC, UNCCD: recognizes the need for multi-stakeholder consensus and decision-making, interaction of capacity building in wider efforts to achieve sustainability, promotion of partnerships and collaboration to maximize impacts and create synergies, etc. that can have a positive impact in conservation of species, habitats and ecosystem services in the Central Highlands.

National Adaptation Program of Action (NAPA), Draft 2021-2030: The project will contribute directly to four of the priority climate change adaptation areas of activity, namely: securing climate smart agricultural and livestock production practices; mainstreaming of climate change into development and implementation of strategies and plans, and strengthening capacity building to respond to climate risks.

Vietnam's Aligned National Action Program To Combat Land Desertification and achievement of Vietnam's Voluntary National Land Degradation Neutrality (LDN) targets for period of 2017-2020 with vision to 2030, prioritizes sustainable land management with a focus on "hotspots", one of which is the Central Highlands which has partial overlap with the Ba River Basin. Nine of the 11 national voluntary land degradation targets refer directly to the Central Highlands. In 2017-18, Viet Nam undertook a number of activities related to the LDN Target Setting Programme. These included development of a so-called "leverage plan", assessment of the trends and drivers of land degradation and estimating baselines and national voluntary LDN targets. The assessment highlighted "deforestation for cultivation or conversion of land use from forest to other land clearing to forest cover reduction and over-exploitation of natural forests leading to reduction in forest reserves" as a key driver. The national voluntary LDN targets that emerged from the process included two sections: agriculture and forestry. Regarding the latter, the targets relevant to the project include: forest protection (three million ha) and natural forest restoration (410,000 ha), to be achieved through a mix of domestic and international support. Both of these targets are associated with the North West and Central Highlands area. Gia Lai Province is located in the Central Highlands.

(b) Alignment with International priorities

Within the global context, the project will contribute to achieving the **UNCBD Aichi Biodiversity Targets**, in particular:

? *Strategic Goal B* - Reduce the direct pressures on biodiversity and promote sustainable use: *Target 5* By 2020 the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced; *Target 7* By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity; *Target 10* By 2015, the multiple anthropogenic pressures on coral reefs, and other vulnerable ecosystems impacted by climate change or ocean acidification are minimized, so as to maintain their integrity and functioning.

? *Strategic Goal C* - To improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity: *Target 12* by 2020, the extinction of known threatened species has been prevented and their conservation status, particularly of those most in decline, has improved and sustained.

? *Strategic Goal D* - Enhance the benefits to all from biodiversity and ecosystem services: *Target 15* By 2020, ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 percent of degraded ecosystems, thereby contributing to climate change mitigation and adaptation and to combating desertification.

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

Knowledge management will be handled through a variety of approaches in the project. Knowledge management during project implementation is captured under Component 3, with a specific Output 3.2 on knowledge shared and exchanged on SFM best practice and innovations. During project implementation, all key project documents and information will be available on a project webpage of the FIPI website (<http://fipi.vn/index.aspx>). Forest, biodiversity, and related environmental monitoring data collected during the PPG and project implementation phases will be included within the relevant national databases. For example, FIPI maintains a database on forest resources, which will be further expanded during the upcoming 6th National Forest Inventory. This includes geo-referenced information in GIS databases. The project will also produce knowledge products, both technical guidelines based on SFM experiences, and public education and awareness materials related to biodiversity conservation and ecosystem services. The project will actively disseminate this information to relevant stakeholders, e.g., through workshops and training programs to support capacity development at the provincial, district and community levels related to biodiversity conservation and SFM. Project team members will also participate in various meetings, workshops and conferences organized by other related initiatives within Viet Nam to share the project's

experience. This may include organizing a final national-level workshop to disseminate the project results. Details of KM activities are discussed under Output 3.2 in substantial detail.

Table 4: Knowledge Management Products and Costs

Knowledge Management Products	Costs USD
Documentation of best practices	43,600
Dissemination of best practices	18,471
Awareness and Communications Plan design and implementation	65,000
Consultation and Awareness meetings	32,500
TOTAL	159,571

9. Monitoring and Evaluation

Describe the budgeted M and E plan

The project results, corresponding indicators and mid-term and end-of-project targets in the project results framework will be monitored annually and evaluated periodically during project implementation. The Monitoring Plan (included in Section VI of the project document) details the roles, responsibilities, and frequency of monitoring project results. While project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements, additional mandatory GEF-specific M&E requirements will be undertaken in accordance with the GEF Monitoring and Evaluation Policy. In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. The annual GEF PIR covering the reporting period July (previous year) to June (current year) will be completed for each year of project implementation. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR. The GEF Core indicators included as Annex F will be used to monitor global environmental benefits and will be updated for reporting to the GEF prior to the TE. The updated monitoring data should be shared with TE consultants prior to required evaluation missions, so these can be used for subsequent ground truthing. The methodologies to be used in data collection have been defined by the GEF and are available on the GEF website.

An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance for GEF-financed projects available on the UNDP Evaluation Resource Center. The evaluation will be independent, impartial and rigorous. The evaluators that will be hired to undertake

the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. Equally, the evaluators should not be in a position where there may be the possibility of future contracts regarding the project being evaluated.

The total indicative costs of the project's M&E are USD 96,665 (about 2.7% of the total amount of requested GEF funds), with a break down in Table 5 as follows:

Table 5: Monitoring and Evaluation Plan

Monitoring and Evaluation Budget for project execution:		
GEF M&E requirements to be undertaken by Project Management Unit (PMU)	Indicative costs (US\$)	Time frame
Inception Workshop and Report (including consultant costs and travel)	20,000[1] ¹	Inception Workshop within 2 months of the First Disbursement
M& E related Workshops	10,000	
M&E of GEF core indicators and project results framework	25,780[2] ²	Annually and at mid-point and closure.
Monitoring of project safeguards management frameworks and/or plans and gender action plans here	As per the multiyear workplan	On-going
Supervision missions	NA	Annually
Independent Mid-term Review (MTR)	20,000[3] ³	September 30, 2024
Independent Terminal Evaluation (TE)	20,885[4] ⁴	September 30, 2026
TOTAL indicative COST	96,665	Provided as a separate section in the TBWP

[1] Includes cost for international consultant (\$9,000), national consultant (\$3,840) and travel and M&E related workshop costs (\$7,160)[2] Includes cost of NC for developing monitoring framework (\$3,840), travel and workshop/meeting costs (\$21,940), Cost of monitoring will be borne by national project coordinator[3] Includes cost of IC (\$9,000), NC (\$4,800) and travel and travel costs (\$6,200)[4] Includes cost IC (\$9,000), NC (\$4,800) and travel and travel costs (\$7,085)

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

The socio-economic benefits in the project will be observed at the individual (household level) as well as at the collective community level for economic groups like farmers, industrial plantation and forest concession groups as follows:

- The project will generate important socio-economic benefits, including benefits for COVID-19 recovery and climate resilience, at local level in the communities in the Ba River basin. First, it will capacitate at least 1,200 beneficiaries and including Ethnic Minorities to practice improved community forest management covering about 3 communes adjacent to boundaries of PAs and/or protection forests who will benefit from sustainable non-forest product collection, forest vegetable collection, mushroom collection, firewood collection, etc. The project will strengthen or create biodiversity-friendly livelihoods, with a strong emphasis on supporting women and ethnic minorities. The project livelihood and value chain interventions are expected to result in at least 500 beneficiaries (at least 30% ethnic minorities), contributing to COVID-19 recovery and leading to an anticipated increase in income from diversified sustainable livelihoods by participating households. The project will also benefit around 800 people (at least 20% EMs) in the selected project sites from improved and sustainable management of production lands, such as agricultural and grazing lands, home gardens, organic farming and locally owned industrial plantations (coffee, macadamia, pepper, cashew, etc.) and livestock management through linkages with cooperatives and private sector to provide technical support, extension, market access, new varieties, etc. Finally around 500 will benefit from improved and efficient PFES monitoring, management and investments linked to conservation actions. Through these interventions, the project will promote green recovery/green livelihood such as in ecotourism enterprises, agroforestry product marketing, and forest resource uses. Overall, through these activities it is expected that at least 3,000 people (50 % women) in the target Ba River basin will directly benefit through improved forest management, improved ecosystem services, SLM and SFM activities and improved livelihoods and incomes.
- As a result of initiatives on improved forest and PA conservation activities additional people living in target river basin will indirectly benefit from improved and sustainable land management, reduced erosion and water flows. This strategy/initiative would also promote non-destructive livelihood activities among the local communities to minimize their dependence on unsustainable resource extraction-based sources of livelihood. Instead, the

initiative is linked to sustainable land and resource use as well as in promoting conservation of resources which is given priority, including ecotourism and the introduction of sustainable agricultural technologies in upland farming communities

- Improved access to basic goods and technical services, technology and improved agricultural, forestry and livelihood, grazing, as well as diversification of livelihoods in agriculture, forestry and non-farm sector including tourism and agri-based products will ensure more livelihood options and better prices and income with the expectation that this will lead to improved tolerance of local communities to wildlife and an increased willingness and acceptance of the need to protect and conserve forests and biodiversity for the benefit of mankind

- The focus on addressing gender inequality wherein various initiatives, such as promotion of alternative livelihood options, participation of women in various local committees are proposed. The project envisages more gender equality in context of sex ratio, decision making powers, ownership and control on resources and women leadership as well as participation. It is anticipated that through this approach women will become stewards of conservation and be an influencing voice in the community

- A reduction in the resource use conflicts and increase in effective implementation of sustainable practices would enable better appreciation of the value and importance of the need for collaboration, cooperation and collective approaches to conservation.

- Incremental funding through new and improved conservation and SFM practices and a sustainability of such investments beyond the life of the project would enable the continued and sustainable use of the forest resources within the Ba River basin;

- Advancement of multi-cropping systems (including agroforestry) in community lands and small holder lands will enhance ecological benefits as well as provide an increased and diversified source of income to local communities, including ethnic minorities. The diversification of resources and livelihoods through sustainable management of forests, improved product development and small scale enterprises will help communities better adapt to the risks posed by climate change

- Stable or improved populations of native species and improved forest environments will greatly enhance visitor experiences for increasing potential for ecotourism, that contributing to improved livelihood opportunities to local communities and enhance benefits to the local economy.

- Implementation of strategies and mainstreaming of biodiversity conservation and SFM actions in forested areas will result into sustainable practices on forest production lands, agriculture, water conservation, value chain products and services. This will collectively result in better conservation and livelihoods outcomes

- Overall the economic benefits generated through sustainable forest and land management practices and improved livelihoods will be expected to translate into global benefits within the Ba River basin landscape, reduce threats and pressures on biodiversity and minimize forest and land degradation. Sustainable agro-ecosystem services that help sustain food production and local livelihoods will be maintained or enhanced. Sustainable agriculture, agroforestry, forest co-management and forest product benefit sharing, ecotourism and other economic activities will likely help ensure food availability and sustainable incomes to local communities.

11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification *

PIF	CEO Endorsement/Approval	MTR	TE
High or Substantial			

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

Project Information

<i>Project Information</i>	
1. Project Title	Sustainable Forest and Forest Land Management in Viet Nam's Ba River Basin Landscape
2. Project Number (i.e. Atlas project ID, PIMS+)	5887
3. Location (Global/Region/Country)	The Socialist Republic of Viet Nam
4. Project stage (Design or Implementation)	Design
5. Date	

Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the Project mainstreams the human-rights based approach

The Constitution of Vietnam (2013) Article 14 states that human rights and citizen's rights in the political, civic, economic, cultural and social fields are recognized, respected, protected and guaranteed in accordance with the Constitution. In accordance with Article 16 all citizens are equal before the law and no one shall be discriminated based on their individual political, civic, economic, cultural or social life.

During the PPG phase, a consultant with expertise in safeguards and gender issues was hired as part of the PPG team. Consultation and meetings were held in the Ba river basin to engage both ethnic minorities and local communities in order to (i) provide them an understanding of the purpose of the project; and (ii) fully understand the challenges, barriers and risks related to the project, and how these can be addressed through the project design and implementation. These consultations enabled the PPG team to get a good understanding of community perceptions and needs and consultations were conducted in a transparent way. The intent of the consultations was to ensure that the project activities would be adapted to ensure that the human rights of stakeholders (and in particular ethnic minorities) are preserved and/or reinforced. In line with national law and UNDP principles, Project design sought to uphold the centrality of human rights to sustainable development, poverty alleviation and ensuring fair distribution of development opportunities and benefits, specifically those related to sustainable livelihood development and access to forest and other natural resources. The project will work to support the Government of the Socialist Republic of Viet Nam to conserve forest biodiversity and supporting a coordinated landscape level approach in the Ba River basin landscapes. The project will uphold human rights principles, by ensuring inclusiveness and equitable distribution of the development opportunities and the project benefits. It will be ensured through a participatory approach that will include the women groups, the ethnic minority communities and indigenous people during the project design, development and implementation phases for inputs. The project will interface with a cross section of Viet Nam's the most vulnerable groups of people (i.e. women, children, ethnic minorities, indigenous peoples, elderly, differently abled, and extremely poor) in rural areas that depend heavily on the health of the forests and the effective management of natural resources to meet the basic necessities (food, clean drinking water, shelter, and basic income). Fundamentally, the project will aim to mainstream the human-rights approach by ensuring a participatory and inclusive approach to project development and implementation, with capacity support as needed to assist duty bearers to fulfil project roles, ensuring the meaningful participation of stakeholders and not discriminating on any grounds including race, gender, minority status, age, religion etc. In addition, the project will adhere to UNDP policies on monitoring, evaluation, audits and transparency in project implementation. A project-specific grievance response mechanism has been developed during the PPG consultation.

Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment

Women's roles in forestry value chains in Viet Nam tend to be those associated with the economic well-being, food and energy security, of their rural households. But women are often disadvantaged in terms of their access to, and control over, the forest resources and in the availability of associated economic opportunities along those value chains (processing, marketing, etc.). In spite of the Government of Viet Nam's several laws and policies to promote women's rights, women are still systematically disadvantaged in areas like access to line of credit, land and information, and the studies indicate that Viet Nam is also grappling with the gender pay gap.

In support of the government's effort to tackle the gender issues, the project will provide targeted support to empower women in the forestry sector, including support to women entrepreneurs, access to finance, etc. And it has been achieved by undertaking a gender analysis during the development phase. The Gender analysis has assessed opportunities to enhance the status of women in respect to forestry sector activities, to address the gender opportunities, and the sector specific gender pay gap. The analysis has also provided valuable insight that would help design the project activities and the indicators that would ensure women's full participation as beneficiaries of technical cooperation and knowledge building efforts. Consultation sessions have been conducted to obtain the views and the inputs from a wide range of local stakeholders, including women, to develop the project activities and to inform a robust stakeholder involvement plan with a full gender consideration. A corresponding gender mainstreaming plan for the project has also been developed and submitted with the project document at time of the CEO Endorsement. Gender-disaggregated targets and indicators will be included within the project results framework, along with specific activities to support women's participation and benefit sharing from the project.

Briefly describe in the space below how the Project mainstreams sustainability and resilience

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The project supports creating a continuous biodiversity corridor in the Central Highlands region, which has been prioritized in the biodiversity action plan (NBSAP) to support the UNCBD targets. The project will also yield climate co-benefits to support the overall mandate of UNFCCC. Specifically, the project will help to ensure that Ba River Basin forests and globally significant biodiversity in the forest ecosystem and the surrounding key protected areas are managed with an enhanced participation of the forest-dependent communities. Existing incentive mechanisms will be better deployed and linked to performance. The conservation, the forest restoration investments and other actions will be based at a landscape-level understanding of the ecological and other trends. The lessons learned in target landscapes will be shared with the managers and the decision makers across two provinces, in turn, enabling necessary regulatory and policy changes for scaling up of the project.

Briefly describe in the space below how the project strengthens accountability to stakeholders

At PPG stage consultation were undertaken with communities, Ethnic Minorities (EMs) and other stakeholders (to the extent this was feasible given the Covid19 situation) to better understand their interaction and dependencies with the landscape (natural resources such as land, forests and wetland resources), their rights and interests, territories, traditional livelihoods and obtain general consensus in accordance with national contexts and preferences. This has led to the development of a comprehensive Stakeholder Engagement Plan and IP Framework that identifies culturally appropriate means of participation of stakeholders, management and monitoring and ensure that such measures are inclusive, participatory and transparent. The project design includes activities that support strengthening of stakeholders to enhance their participation, decision-making and benefit sharing. At PPG stage, a participatory framework was developed to ensure that stakeholders (mainly local communities, EMs, women, and other marginalized groups) have free and fair access to information in a timely manner, can actively participate as equal partners in the design and implementation of activities, ensure transparency, provide feedbacks on the project impacts, promote inclusiveness and equity in resource and benefit sharing. The project has also developed a grievance redressal system to mitigate and manage potential conflicts.

Part B. Identifying and Managing Social and Environmental Risks

<p>QUESTION 2: What are the Potential Social and Environmental Risks?</p> <p><i>Note: Complete SESP Attachment 1 before responding to Question 2.</i></p>	<p>QUESTION 3: What is the level of significance of the potential social and environmental risks?</p> <p><i>Note: Respond to Questions 4 and 5 below before proceeding to Question 5</i></p>			<p>QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High</p>
<p>Risk Description <i>(broken down by event, cause, impact)</i></p>	<p>Impact and Likelihood <i>(1-5)</i></p>	<p>Significance <i>(Low, Moderate, High)</i></p>	<p>Comments <i>(optional)</i></p>	<p>Description of assessment and management measures for risks rated as Moderate, Substantial or High</p>

<p>Risk 1: The Forest Management Units in the project area might not effectively engage and ensure participation of all stakeholders in particular in sharing of forest products, livelihood benefits and other benefits and thereby impact on the rights and interests, lands, territories, resources, and/or traditional livelihoods of ethnic minorities resulting in violation of human rights. They might also not effectively apply FPIC procedures thus posing significant risks to achieving project outcomes.</p> <p>Principle P.2, P.3, P.4, and P.5</p> <p>Principle P.13 and P.14</p>	<p>I= 4</p> <p>L = 3</p>	<p>SUBSTANTIAL</p>	<p>Viet Nam is considered a multi-ethnic country with 54 recognized ethnic groups. The major ethnic groups in Gia Lai province are Kinh, Banar and Jarai, while the major groups in Phu Yen province are the Ede, Cham and Banar. Other ethnic minorities found in Lhu Yen province are the Tay, Nung and Dao. These groups' economic well-being is linked to access to land and natural resources on them. Inadequate consultation with the local communities, including women, and ethnic minority groups may pose a significant risk to human rights violation.</p>	<p>Following consultations with local communities and ethnic minorities (in particular with the Ba Na and Ede groups), an assessment was undertaken to determine the potential impacts of rights and interests, lands, territories, resources, and traditional livelihoods of local communities, including preliminary use of Free, Prior and Informed Consent (FPIC) procedures (refer Annex 2 of Ethnic Minorities Planning Framework). The consultations were in the form of focus group discussions, to the extent feasible under the current Covid19 restrictions. Based on these, and other discussions with other stakeholders, the following management plans/frameworks were prepared at PPG stage to effectively engage all stakeholders, including ethnic minorities applying FPIC procedures so as to ensure their participation and partake of benefits from the project. These included the following:</p> <p>A Stakeholder Engagement Plan (Annex 9) that defines the clear role and responsibilities of each stakeholder, including local communities and EMs in the implementation of the project that will be used during project implementation</p> <p>An Ethnic Minorities Planning Framework (Annex 11) with guidelines of FPIC to ensure FPIC to be secured multiple times during the project timeline, ensure that EMs are actively engaged in project activities, their cultural, social and traditional practices are recognized, maintained and enhanced, that they share equitable benefits from the project (livelihoods, resource use and ABS benefits), that there are special investments focused on these groups.</p> <p>A grievance redress mechanism for the project (refer Section 6.2 of Annex 10), based on the existing government and UNDP mechanisms to provide an avenue to articulate any project specific grievances and have a transparent system address such grievances</p> <p>Livelihood Action Plan(s) will be developed during early project implementation, in case there is any inadvertent restriction on access to resources by communities on account of project activities, to enable replacement activities to be designed and implemented in case there are</p>
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<p>Risk 2: Project activities related to sustainable forest management, community forest management and livelihood might not fully incorporate the views and needs of women</p> <p>Principle P.9, P.10 and P.11</p>	<p>I-3, L-2</p>	<p>MODERATE</p>	<p>Existing assessments indicate that there is relatively balanced division of labor and both men and women are engaged in household income, although the distribution and roles are different. Women carry more of the burden associated with human-wildlife conflict, such as more time spent guarding crops and livestock from potential impacts. This adds to their existing unpaid work burden. Further existing gender biases, especially in the gender pay gap, may unintentionally discriminate against women, limiting or adversely impacting their possibilities for accessing opportunities and/or influence on project activities.</p>	<p>During the PPG phase, a comprehensive Gender Analysis (GA) (Refer Annex 12) has been developed to clarify relevant gender concerns and determine how mainstreaming of women into the project interventions can be ensured. It focuses on specific measures to ensure gender discrimination is avoided and provides a means to improve women's participation in decision-making, have access to natural resources and other benefits from the project and that there are specific capacity building and training that are specifically targeted at women, as well as special livelihood investments that benefit women.</p> <p>The Gender Action Plan (GAP) has specific actions targeted to women (and in particular EM women), including:</p> <ul style="list-style-type: none"> (i) Specific awareness and training sensitize central and local level SFM, PA and Management Board staff on gender related issues and opportunities to improving women roles in decision making and access to benefits; (ii) Ensuring adequate representation and active participation of women in relevant decision-making bodies (Forest Management Boards, community forest management units, commune/village development funds); (iii) Involving women in sustainable forest management and livelihood development activities at the Project site; (iv) Provide technical trainings for women on organic farming, sustainable tourism, medicinal plantation, non-timber forest product collection, handicraft production, start up and business development and support commune's women union to promote women's participation in all livelihood activities.
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<p>Risk 3: Enhanced management of PAs/FMUs, PA expansion, targeted forest restoration and SFM activities could result in changes or restrictions in access to forestlands and forest resources.</p> <p>Principle P.6</p> <p>Standard 5.2 and 5.4</p> <p>Standard 6.6</p>	<p>I = 4</p> <p>L = 3</p>	<p>SUBSTANTIAL</p>	<p>Project activities could result in short-term restrictions in local communities? access to forest resources, including of ethnic minority communities. Allocation of forestlands to communities could have also unintended negative impacts on neighboring community access and use of forest resources. Project activities could also affect land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources.</p>	<p>An initial assessment was undertaken at PPG stage to better understand the potential impacts of restrictions of access to resources for conservation activities in the PAs, Production and Protection forests and the extension of existing PAs. Consultations with local stakeholders (Tram Lap, Dak Rong Forest Companies, local authorities) and ethnic minorities communities guaranteed that there will not be physical relocation, but there could be possibility for inadvertent economic (e.g. NTFP collection) restriction. Allocation of forest for community forest management, while a positive development can have potential to exclude other neighboring communities from access to these resources.</p> <p>The ESMF recognizes this as a potential risk, and suggests that specific actions, including targeted ESIA(s) be defined following screening and assessments undertaken to mitigate and manage any such potential risk. This will entail the preparation of scoped management plans/ESMP(s) developed with local communities and stakeholders. Should there is an inadvertent possibility of a manifestation of the risks, the management measures as outlined in Risk 1 will be instituted, including the GRM process, livelihood action plan(s) and other related prescriptions that might emerge from the targeted assessment.</p> <p>Requirement for SESA for review of conservation and restoration strategy</p>
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<p>Risk 4: Long-term sustainability of the positive project outcomes could be negatively impacted by climate change, including community forest management, livelihood and small-scale enterprise activities. In the short-term climate induced natural hazards and weather events could impede smooth implementation of the project.</p> <p>Standard 2.2</p>	<p>I=3</p> <p>L=2</p>	<p>Moderate</p>	<p>There could be potential climate change risks including precipitation and temperature changes that could have an impact on people's livelihoods as well as on ecological systems (refer project document for further details).</p>	<p>During the community livelihood investment planning process, specific focus will be taken on selection of agricultural and livelihood practices that are likely to be less vulnerable to climate change that include climate sensitive crop varieties and cropping patterns. The selection of species in sustainable forest and forest land management will focus on species that are more resistant to large fluctuations in climatic conditions.</p> <p>In addition, small enterprise development activities will be assessed for the potential impact of climate change on the availability of raw materials, making sure to identify investments that are dependent of raw materials that are readily available or not vulnerable to climate impacts. As part of the enterprise development, cost benefit analysis will be undertaken to ascertain the viability of these investments taking into consideration a number of parameters such as supply, demand, market potential, climate change, etc.</p> <p>Enhanced management and conservation practices would improve protection and management of critical ecosystems services as well as wildlife habitat, which should help to increase the overall resilience of the natural systems to climate risks in the areas compared to business as usual.</p> <p>In terms of the Monitoring Plan, the condition of the natural ecosystems would be monitored to ensure that activities do not damage these sensitive ecosystems so that it is in a better overall situation to adapt to climate changes.</p> <p>The Management Knowledge and Communications outputs is key to improve awareness of climate and ensuring measures to improve climate resilience</p>
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<p>Risk 5: Poorly designed or executed forest management, NTFP usage, ecotourism, livelihood and small-scale rural enterprise activities, could unintentionally damage critical or sensitive habitats and ecosystems</p> <p>Standard 1.1, 1.2, 1.3, 1.4, and 1.6</p>	<p>I=3</p> <p>L=2</p>	<p>MODERATE</p>	<p>There is the risk that these activities could result in perverse ecological impacts if they are not planned wisely and carried out effectively, e.g. potential re-vegetation with non-native species, over-exploitation of NTFPs, over-demand of raw materials for livelihood and small rural enterprise development could impact on species and habitats</p> <p>-</p>	<p>The sites selected for project investment conformed to the project's objective of 'enhancing the conservation of biodiversity through mainstreaming of biodiversity into planning policies and practices into the Ba River landscapes.</p> <p>The project intends to have interventions that will benefit improved conservation, support environmentally friendly agricultural and land use practices to reduce impacts on species and ecosystems, improved monitoring of species and ecosystem health, participation of forest management boards in environmentally-friendly practices (including reduced clearing and improved management of corridor and forest areas), rehabilitation of degraded areas with native species or through natural regeneration processes, and enhanced environmental stewardship of landscape resources by local communities.</p> <p>As an effort to support conservation outcomes, all community agriculture and production systems and livelihood activities will take place outside the high value biodiversity areas (including in buffer zones) to the extent feasible through appropriate mapping and zoning arrangements.</p> <p>The Preparation of a screening checklist developed (refer ESMF) will be applied to screen all investments to ensure that they comply with sound social and environmental principles and are sustainable. Such a checklist would also include the identification of investment location in relation to protected areas and biologically important areas and critical wildlife corridors. . Refer Annex 16 of UNDP Project Document for sustainable approaches to forest management and restoration has been developed at PPG stage in accordance with the government (MARD) approved rules. As part of the screening process, the MARD rules will be assessed for the compliance with SES guidelines</p>
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<p>Risk 6: Alien Invasive Species (IAS) could inadvertently be introduced to project demonstration sites, in particular during forest restoration activities.</p> <p>Standard 1.6</p>	<p>I =3</p> <p>L =1</p>	<p>LOW</p>	<p>There is a potential risk of accidental introduction of IAS as a consequence of forest restoration, agricultural and enterprise development activities</p>	<p>Project activities will be carefully planned in consultation with relevant DARD experts in forest restoration and local communities. These restoration management plans will be based on MARD forest restoration guidelines (and assessed with their compliance with SES standards) and would be completed prior to any technical demonstration activities taking place and potential perverse impacts and safeguards will be considered as part of this process, along with required standards and guidelines such as mandating use of native species for plantings, measures for IAS control and management, adherence with established SOPs and guidelines of national/local authorities. As part of the effort to manage IAS, this would entail training to key development partners on the project to identify potential IAS and institute measures, along with the local community to eliminate, control and/or manage these species.</p> <p>Technically qualified biodiversity and SFM specialists of Provincial DARDs will support the Provincial PMUs and/or Forest Management Units to monitor and coordinate the risk management strategies</p>
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<p>Risk 7: The project sites could potentially intersect with globally and locally important sites with cultural, historical, religious, artistic and traditional values. It is unlikely that the project activities will have structural adverse impacts on these sites but may adversely impact traditional knowledge and practices that are part of the communities for centuries and that are deep-rooted in their cultural practices.</p> <p>Standard 4.1 and 4.3</p> <p>Standard 6.9</p>	<p>I =3</p> <p>L =2</p>	<p>Moderate</p>	<p>Ethnic minorities in the project sites have their culture deep-rooted in cultural heritage sites that are centuries old. The way life and local communities? ancestral culture links to the land and the forest within the project sites. The communities? have vital connection with the natural resources both culturally and economically, and therefore, they have managed and protected these natural resources for centuries. Due to the close dependency on the land and the forest, the communities have garnered traditional knowledge and their cultures have co-evolved. Therefore I would be important to ensure that SFM, SLM and any livelihood and ecotourism activities do not damage the ecological and cultural values of such sites</p>	<p>The implementation of the EMPF prepared during PPG implementation will form the basis for dealing with the interests of the EMs and other special interest groups. Any project related economic development initiatives proposed by communities and EMs will rest on the maintenance of the integrity of their culture and defined through the use of FPIC procedures.</p> <p>The use of a screening checklist (refer ESMF) to screen all project activities from an environmental, social and cultural perspective will help to ensure that these take into consideration all potential impacts and implementation would be monitored to ensure that there is no impacts on cultural heritage of EMs or special interest groups, including on TK practices. Safeguard consideration would be an integral part of any activities that take place in cultural sensitive sites, including the use of FPIC procedures.</p> <p>Although the potential for ecotourism is low in the project sites, any potential ecotourism activities will take into consideration the following:</p> <ul style="list-style-type: none"> ? Appropriate waste management measures ? Location of campsites, washing areas, grazing areas in locations that are not ecologically sensitive and of cultural significance ? Train Community tour guides to manage tourist in order to avoid and minimize adverse impacts of visitation on the biodiversity and cultural sites. ? Ensure that the tour guides brief visitors on ?DOs and DONTs? in the project area and adhere to it. ? Visitations to cultural heritage sites to fulfill local cultural requirements based on cultural appropriate visitation. ? Capacity development training and awareness-raising for local stakeholders, communities and tour operators on the guidelines and their application of cultural sensitive ecotourism principles
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<p>Risk 8: The use of pesticides, herbicides or insecticides in forestry operations could potentially pose risk to community health and biodiversity Standard 8.5</p>	<p>I = 3 L =1</p>	<p>LOW</p>	<p>Pesticides, herbicides and insecticides, though permitted (MARD forest restoration guidelines) potentially could be applied during the project activities to forest restoration activities.</p>	<p>To avoid or minimize the use of chemicals, the forest restoration activities will largely focus on assisted natural restoration methods that do not qualify for extensive use of chemicals. An IPP will be developed that will address the following:</p> <p>The project will ensure that it would follow the list of prohibited pesticides, herbicides and insecticides.</p> <p>The storage, transport, disposal and use of pesticides will follow standard and acceptable standards</p> <p>Communities and staff using pesticides will be provided training of the safe use and application of pesticides</p> <p>The use of any chemicals will be prohibited within 25 meters from waterways, settlements and high biodiversity value forests</p>
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<p>Risk 9: Surveillance and patrolling activities on PAs could lead to escalated conflict or safety-related risks if rangers have contact with poachers. These activities could also have safety risks for local communities if rangers are not properly trained, managed and overseen with a human-right based approach to law enforcement taken.</p> <p>Anti-poaching patrols could pose safety risks to local communities if they are not properly trained, managed or overseen.</p> <p>Principle P.7</p> <p>Standard 1.5</p>	<p>I = 3 L = 3</p>	<p>MODERATE</p>	<p>Project activities will support enhanced patrolling and surveillance activities at protected areas. As these protected areas are subject to wildlife poaching/snaring , illegal encroachment and logging, these activities could lead to safety-related risks ? either to rangers if they came into contact with organized poaching/logging groups; or to local communities if rangers were not properly trained and managed.</p>	<p>As part of project design, the capacity needs of PA staff have been assessed to understand to what extent they have the skills to address conflict and potentially violent situations.</p> <p>Establishment and implementation of a Standard Operating Procedures (SOP) for management of illegal activities, that will specifically include safety and security-related procedures is defined as part of the ESMF.</p> <p>The project intends to embed local community members within the patrols so that they can help build better relationships between PA staff and communities.</p> <p>In addition, a grievance redress mechanism has been prepared and a comprehensive stakeholder engagement plan has been developed and implemented in the project cycle as well.</p>
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<p>Risk 10: Forest management institutions and local communities may have inadequate capacity to sufficiently uptake SFM practices without impact on biodiversity and natural resources</p> <p>Standard 1.8 and 1.13</p>	<p>I = 3 L = 2</p>	<p>MODERATE</p>	<p>Capacity assessment and needs of local communities, local governments and national authorities were identified during numerous PPG consultation meetings and capacity development scorecard assessment. The assessments revealed that the capacity to manage and oversee forest management activities is limited.</p> <p>Local communities do not always have the capacity to undertake SFM and forest co-management activities and FMUs might have the capacity to oversee compliance with guidelines and standards.</p> <p>This risk exacerbates the probability of other identified risks such as environmental impacts of forest restoration, livelihoods and small scale enterprises and impacts on cultural aspects</p>	<p>An initial assessment undertaken as part of the PPG indicated that based on the requirement of Decree 156/2019, all forest owners (Forest Management Boards) are required to prepare SFM plans. Most forest owners have already prepared their SFM plans. However, the capacity of the forest owner is limited in both human resources and budget allocation to ensure that appropriate SFM practices are introduced.</p> <p>This risk will be reduced by the following measures:</p> <p>Implementation of a capacity building program. The capacity building will not only be provided for the forest owners and staff but also extended to relevant communities if needed during the project implementation.</p> <p>Technical support to enhance SFM, and forest related activities</p> <p>This program will be closely monitored to ensure that they are environmentally and socially sound.</p>
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<p>Risk 11: The COVID19 outbreak could accelerate resource exploitation due to economic disruptions in other livelihoods as a result of reduced demand for certain products and services (refer Project Document for additional information on Covid risks) and delay project implementation</p> <p>Standard 7.6</p>	<p>I = 3 L = 3</p>	<p>Moderate</p>	<p>Unless the COVID19 outbreak is contained and managed it could accelerate deforestation, resource exploitation and associated biodiversity loss due to reduced demand for certain crop products and services provided by local people and hence a increased demand on forest products for subsistence (conversion to agriculture, and other informal and at times illegal activities. It would also result in shift of government priorities and this affect co-financing and project implementation (Refer Separate section in Project Document that discuss Covid-19 risks in more detail)</p>	<p>During the early part of project implementation particularly during the preparation of livelihood and small business enterprise planning, a rapid assessment of the current social and economic impacts of ongoing Covid-19 (likely as part of IPP), in particular on vulnerable populations in to assess the options for provision of income generation opportunities. The gender actions will also specifically focus on vulnerable women population in high Covid-19 risk areas. The livelihood and enterprise planning exercises will help develop suitable investment plans for responding to and ensuring income recovery for affected vulnerable populations. Special efforts would be made to enhance technical support, extension services and materials to enable the successful implementation of such activities.</p> <p>The Government of Vietnam has certain measures in place for staff, particularly at the provincial and local levels to ensure that they continue to perform their official duties. Meetings can be conducted in small groups and via other communication methods, to the extent these are feasible in given situations. The Provincial Governments have now become more effective with dealing with their responsibilities and ensuring that staff response times are normal, as much as possible. Provincial Governments were fully engaged with this proposal at PPG stage, and expect UNDP and GEF to move forward with the work. At the Provincial levels, governments are functioning at normal, or near normal with precautions in place. However, engagement of communities and private sector will likely require precautions if there is an outbreak of infection, including following government Covid19 protocols, meeting at the community levels will be restricted to smaller numbers of staff and community members, using precautions of masks and social distancing.</p> <p>Convening discussions with financial institutions, particularly the green funding programs available in the country to catalyze interactions and increase options for direct financing for these livelihood activities, including grant support for tiding over the initial difficult period of recovery. Efforts will be made to increase</p>
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	QUESTION 4: What is the overall project risk categorization?	
	<i>Low Risk</i>	?
	<i>Moderate Risk</i>	?

Substantial Risk x

The overall risk for the project is classified as **?Substantial?**. Based on the assessment undertaken at the PPG stage the following safeguard tools have been developed:

(i) ESMF has been prepared following the completion of SESP. The ESMF identifies a framework for recognizing potential risks from the project activities, a methodology for applying at project implementation for managing and monitoring these risks, including those investments that are still not fully known. Based on the ESMF, scoped/targeted ESIA(s) will be undertaken for activities that might pose a substantial risk to help define specific mitigation and management activities to address these threats (ii) Stakeholder analysis and comprehensive Stakeholder Engagement Plan that identifies the roles and responsibilities of key stakeholders and the means by which they will participate in the project; (iii) A Gender Analysis and Gender Action Plan that identifies specific actions to improve participation of women (including EM women) in decision-making, access to project investments and sharing of benefits; (iv) EMPF(IPF) that recognizes potential impacts on EMs and means for their mitigation and enhanced opportunities for EM participation. Based on the EMPF, an (EMP) IPP will be developed at early project implementation with full FPIC application that defines specific measures that ensure that EMs are actively engaged in project activities, their cultural, social and traditional practices are recognized, maintained and enhanced, that they share equitable benefits from the project (livelihoods, resource use and ABS benefits), that there are special investments focused on these groups . (iv) KM and communication plan (v) project specific GRM; and (vi) design of incentives and other investments that support environmentally friendly nature-based tourism investments and measures to reduce illegal exploitation of wildlife and wildlife products; and (vii) design and implementation of the project in close collaboration private sector and local communities; (viii) SESA for review for conservation and restoration strategy for Ba river basin or any new DEES activities

		<i>High Risk</i>	?		
	QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are triggered? (check all that apply)				
	Question only required for Moderate, Substantial and High Risk projects				
	<i><u>Is assessment required? (check if ?yes?)</u></i>	?		<i>Status? (completed, planned)</i>	
	<i>if yes, indicate overall type and status</i>				
			X	ESIA (Environmental and Social Impact Assessment)	Scoped ESIA(s)
			X	SESA (Strategic Environmental and Social Assessment)	During Implementation
	<i><u>Are management plans required? (check if ?yes)</u></i>	?			
	<i>If yes, indicate overall type</i>		X	Targeted management plans (e.g. Gender Action Plan, Emergency Response Plan, Waste Management Plan, others)	Completed GAP, EMPF and SESP
			X	ESMP (Environmental and Social Management Plan which may include range of targeted plans)	During implementation Targeted ESMP(s) for substantial risk activities based on screening results

			X	ESMF (Environmental and Social Management Framework)	Completed
	<i>Based on identified <u>risks</u>, which Principles/Project -level Standards triggered?</i>			Comments (not required)	
	<i>Overarching Principle: Leave No One Behind</i>				
	<i>Human Rights</i>	x		See Risk 1 and 9	
	<i>Gender Equality and Women's Empowerment</i>	x		See Risk 2	
	<i>Accountability</i>	x		See Risks 1	
	<i>1. Biodiversity Conservation and Sustainable Natural Resource Management</i>	x		See Risks 5, 6 and 9	
	<i>2. Climate Change and Disaster Risks</i>	x		See Risk 4	
	<i>3. Community Health, Safety and Security</i>	X		See Risks 11, 12 and 13	
	<i>4. Cultural Heritage</i>	x		See Risk 7	
	<i>5. Displacement and Resettlement</i>	x		See Risk 3	
	<i>6. Indigenous Peoples</i>	x		See Risk 3	
	<i>7. Labour and Working Conditions</i>	x		See Risks 10	

	8. <i>Pollution Prevention and Resource Efficiency</i>	x	See Risk 8
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Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
PIMS_5887_Annex_4_SESP-16-May-2022	CEO Endorsement ESS	
PIMS 5887 Annex 4 SESP	CEO Endorsement ESS	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

<p>This project will contribute to the following Sustainable Development Goal (s): SDG 15 Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>				
<p>This project will contribute to the following country outcome (UNDAF/CPD, RPD, GPD): Outcome 2 - People in Viet Nam, especially those at risk of being left behind, will benefit from, and contribute to safer and cleaner environment resulting from Viet Nam's effective mitigation and adaptation to climate change, disaster risk reduction and resilience building, promotion of circular economy, the provision of clean and renewable energy, and the sustainable management of natural resources.</p>				
	Objective and Outcome Indicators (no more than a total of 20 indicators)	Baseline <i>Must be determined during PPG phase</i>	Mid-term Target <i>Expected level of progress before MTR process starts</i>	End of Project Target <i>Expected level when terminal evaluation undertaken</i>
<p>Project Objective:</p> <p>To conserve forest biodiversity and maintain or improve the flow of ecosystem services through sustainable forest management embedded in a coordinated landscape-level approach across Ba River basin</p>	<p><u>Mandatory Indicator 1:</u> Number of direct beneficiaries disaggregated by gender (<u>GEF Core Indicator 11</u>):</p>	<p>0</p>	<p>1,000 individuals (500 women)</p> <p><i>Note:</i> At least 1,000 individuals, directly benefit through sustainable forest resource management, sustainable use of NTFPs and livelihood improvement approaches (at least 500 women and 500 men beneficiaries, of which at 30% represent IPs)</p>	<p>3,000 individuals (1,500 women)</p> <p><i>Note:</i> At least 3,000 individuals, directly benefit through sustainable forest resource management, sustainable use of NTFPs and livelihood improvement approaches (at least 1,500 women and 1,500 men beneficiaries, of which at 30% represent IPs)</p>

	<p><u>Mandatory Indicator 2:</u> Number of hectares of Terrestrial Protected Area expanded or under improved management effectiveness. Improved management effectiveness measured by improvement in METT in selected PAs, namely, <i>Kon Ka Kinh National Park, Kon Chu Rang Nature, and Krong Rai Nature Reserve.</i> (GEF Core Indicator 1)</p>	<p><i>PA expanded: 0 HA</i> <i>PA brought under improved management: 0 HA</i> <i>Existing PAs METT baselines:</i> <i>Kon Ka Kinh National Park ? 48</i> <i>Kon Chu Rang Nature Reserve -44</i> <i>Krong Rai Nature Reserve - 35</i></p>	<p><i>(i) PA expanded: 0 HA</i> <i>(ii) PA brought under improved management: 0 HA</i> <i>(At least a 10-point average increase in METT scores from baseline)</i> <i>Kon Ka Kinh National Park ? 58</i> <i>Kon Chu Rang Nature Reserve -54</i> <i>Krong Rai Nature Reserve - 45</i> <i>Note:</i> <i>Survey and demarcation of additional forest company lands into Kon KA Kinh NP and Kon Chu Rang NR to enhance connectivity</i></p>	<p><i>(i) PA expanded: 10,000 HA</i> <i>(ii) PA brought under improved management: 71,106 HA</i> <i>(At least a 25 - point average increase in METT scores from baseline)</i> <i>Kon Ka Kinh National Park ? 73</i> <i>Kon Chu Rang Nature Reserve - 69</i> <i>Krong Rai Nature Reserve - 60</i> <i>Note:</i> <i>At least 10,000 hectares of forest lands added to existing Kon Ka Kinh NP and Kon Chu Rang NR to enhance connectivity</i></p>
	<p><u>Mandatory Indicator 3:</u> Total HA of forest and forest land restored GEF Core Indicator 3</p>	<p><i>0 HA</i> <i>Note:</i> <i>Remaining HCV forests under threat of further fragmentation, particularly in Central Highlands</i></p>	<p><i>200 HA</i></p>	<p><i>500 HA</i></p>

	<p>Mandatory Indicator 4: Area of landscape under improved management practices (excluding protected areas)</p> <p>GEF Core Indicator 4</p> <p>Sub-Indicator 4.1: Area of landscapes under improved management to benefit biodiversity in Forest Management Units <i>This is measured by the following:</i></p> <ul style="list-style-type: none"> (i) Provincial multi-stakeholder coordination platform defines protocols for improving conservation practices within landscape (ii) Commitment of provincial government for support for planning and funding for improving conservation outcomes within forested landscape; (iii) Enhanced SFM plans and budgets allocated for improving conservation outcomes Production and protection Forests; (iv) Implementation of Community-based Forest management in Commune managed lands (v) Agreement of enhancing connectivity in key high biodiversity areas; (vi) Monitoring system operational to monitor improved conservation outcomes <p>Sub-Indicator 4.3 Area of landscape under sustainable land management in production systems <i>This is measured by:</i></p> <ul style="list-style-type: none"> a) Commitment of Commune People's Committee to support biodiversity-friendly practices (b) Commitment of local communities to implement improved conservation 	<p><i>Forest lands under production systems in forest management units and commune agriculture and forest management areas do not adequately consider biodiversity-friendly practices and SFM and SLM programs do not adequately integrate conservation outcomes</i></p>	<p><i>Total area under improved management is 25,000 hectares comprising the following:</i></p> <p><i>Sub-Indicator 4.1: Areas identified for integration of improved conservation practices in sustainable forest management strengthened and approved and budgetary resources allocated from provincial governments and at least revised SFM management for improved conservation outcomes prepared and approved, and funds allocated to initiate conservation-relation activities in around 20,000 hectares of forest management units</i></p> <p><i>Sub-Indicator 4.3: Commune People's Committees initiate biodiversity-friendly activities in around 5,000 hectares of agricultural and commune managed forest lands</i></p>	<p><i>Total area under improved management is 74,485 hectares comprising the following:</i></p> <p><i>Sub-Indicator 4.1 - At least 56,658 hectares of landscape (excluding PAs) in forest management units managed to benefit biodiversity</i></p> <p><i>Sub-Indicator 4.3 ? At least 17,827 hectares of commune forest and agricultural lands in commune managed areas under improved management to benefit biodiversity</i></p>
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	Indicator 5: Greenhouse Gas Emissions Mitigated (measured by million metric tons of carbon dioxide equivalent over a 20- year period) (GEF Core Indicator 6)	0	0	1,541,810tCO ₂ -e mitigated through enhanced protection and avoidance of forest degradation measured over a 20- year period
Project component 1	<i>Mainstreaming biodiversity and ecosystem services into landscape-level planning, monitoring and enforcement</i>			
Project Outcome 1 Enhanced enabling framework and systemic tools to monitor biodiversity and ecosystem services and incorporate landscape-level needs into land use and forest planning, monitoring and enforcement	Indicator 6: Operational status of multi-stakeholder coordination platforms in two provinces (Gia Lai and Phu Yen)	<i>Multiple sector and stakeholder coordination institutional arrangements for planning and management of landscape-level approaches absent or limited within the country</i>	<i>Multi-stakeholder and multi-sector coordination platforms established in the two provinces, protocols established for coordination, planning and budgeting</i>	<i>Multi-stakeholder and multi-sector coordination platforms functional in Gia Lai and Phu Yen provinces and facilitating mainstreaming of biodiversity and ecosystem services in local level planning systems</i>
	Indicator 7: Level of integration of biodiversity and HCVF outcomes adopted and integrated into district land use planning	<i>Provincial, district and forest management plans have limited attention to mainstreaming biodiversity and ecosystem consideration into their planning systems</i>	<i>Strategy for conservation developed identifying specific actions to mainstream biodiversity</i>	<i>Biodiversity conservation and HCVF strategies integrated and adopted into at least 2 district level land use and planning systems</i>
	Indicator 8: Spatially explicit tools for monitoring and response to forest loss and change have been demonstrated in Ba River landscape. Existing tools available are: (i) ?deforestation warning? Tool, (ii) UN Biodiversity Lab tool; and (iii) SMART tool	<i>At least three existing spatially explicit tools available for detecting forest loss and change that is not applied</i>	<i>Assessment and validation of available tools completed, and appropriate tools identified for application, staff trained and monitoring initiated</i>	<i>At least 1-2 existing spatially explicit tools functional and monitoring forest changes</i>

Outputs to achieve Outcome 1	<p><i>Output 1.1: Multi-stakeholder platforms on biodiversity and ecosystem services established at provincial level, supporting multi-sector dialogue on mainstreaming biodiversity into land use and master planning.</i></p> <p><i>Output 1.2: Spatially explicit landscape-level biodiversity and HCVF conservation and restoration strategy developed and integrated into provincial and district master planning/land-use planning processes. The strategy will also be used to prioritize on-ground conservation action under Component 2.</i></p> <p><i>Output 1.3: Enhanced systems for monitoring and assessing forest resource changes (i.e., deforestation and plantation/restoration) and biodiversity, incorporating remote sensing techniques, demonstrated at landscape level, with lessons provided to support national-level upscaling.</i></p> <p><i>Output 1.4: Enhanced coordination on wildlife and forest monitoring and enforcement at landscape levels, through broadening the inter-provincial forest management and protection cooperation regulation MOU to cover wildlife offences alongside forest offences.</i></p>
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Outcome 2	Indicator 9:	<i>Key native species groups under continued threat from forest loss and degradation and poaching. Baselines are</i>	<i>Native species diversity in selected taxa stable or increasing from baseline values</i>	<i>Native species diversity in selected taxa stable or increasing from baseline values</i>
Forests and biodiversity are restored, and protected areas strengthened at landscape scale, through coordinated management across 8 FMUs (including 3 existing PAs and 1 new PA) and two community-managed areas	Status of native species diversity in selected Taxa in existing and proposed PAs. The diversity of species will be measured in the following taxa:	<i>continued threat from forest loss and degradation and poaching. Baselines are</i> <u>Kon Ka Kinh NP</u> <i>Mammals - 88</i> <i>Bird - 326</i> <i>Reptile - 77</i> <i>Amphibian - 58</i> <i>Fish - NA</i> - <u>Kon Chu Rang NP</u> <i>Mammals - 80</i> <i>Bird - 228</i> <i>Reptile - 38</i> <i>Amphibian - 43</i> <i>Fish - 33</i> - <u>Krong Trai Nature Reserve</u> <i>Mammals - 83</i> <i>Bird - 218</i> <i>Reptile - 42</i> <i>Amphibian - 19</i> <i>Fish - NA</i> - <u>Tram Lap-Dak Rong proposed PA</u> <i>Mammals - 46</i> <i>Bird - 214</i> <i>Reptile - 49</i>		
	a) Mammals			
	b) Bird			
	c) Reptile			
	d) Amphibian			
	e) Fish			

	<p><u>Indicator 10:</u></p> <p>Improved status of population of threatened northern buff-cheeked gibbon (<i>Nomascus annamensis</i>) in Kon Chu Rang NP and Kon Ka Kinh NP</p>	<p>Baseline density of population in key PAs in Central Highlands as:</p> <p>Kon Chu Rang NP ? 0.53 groups/km²</p> <p>Kon Ka Kinh NP ? 0.12 groups/Km²</p>	<p>Stable or increased group density of northern buff-cheeked gibbon (<i>Nomascus annamensis</i>)</p>	<p>Increased group density of northern buff-cheeked gibbon (<i>Nomascus annamensis</i>)</p>
	<p><u>Indicator 11:</u></p> <p>Reduction in number of forest/wildlife violations in 3 selected PAs (Kon Ka Kinh NP, Kon Chu Rang NP, and Kromg Trai NR):</p> <p>Forest Fires</p> <p>Animal Traps</p>	<p>Baseline as follows:</p> <p>Kon Ka Kinh NP: 96 recorded violations</p> <p>400 animal traps removed</p> <p>Kon Chu Rang NP: 2 recorded violations</p> <p>Kromg Trai NR: 24 recorded violations</p>	<p>Baseline for 2021/2021 established.</p> <p>Improved system for reporting developed and implemented</p>	<p>10-20% decrease in forest violations from baseline values</p> <p>10-20% decrease in wildlife violations from baseline values</p>
	<p><u>Indicator 12:</u></p> <p>Level of institutional capacities for planning, implementation and monitoring integrated landscape management planning as measured by UNDP's capacity development scorecard for the following institutions:</p> <p>Gia Lai Provincial Institution</p> <p>Phu Yen Provincial Institution</p>	<p>Limited institutional capacities for planning, implementation and monitoring of multiple use landscapes as measured by UNDP Capacity Development Scorecard baseline values as indicated below:</p> <p>Gia Lai Province ? 27</p> <p>Phu Yen Province ? 26</p>	<p>Average increase of institutional capacity as measured by 10% increase in UNDP Capacity Development Scorecard from baseline values for the respective institutions</p>	<p>Average increase of institutional capacity as measured by 25% increase in UNDP Capacity Development Scorecard from baseline values for the respective institutions</p>

	<p>Indicator 13: Diversified livelihood options and % increase in incomes for two communities from sustainably harvested NTFPs, including measurable benefits for women</p>	<p><i>Baselines of average incomes will be validated in Year 1 for each target community managed site. Current average incomes in rural forest communities estimated as follows:</i></p> <p><i>Gia Lai Prov. - \$1,300/year.</i></p> <p><i>Phu Yen Prov. - \$1,950-2,600/year</i></p>	<p><i>At least 5% average increase in income for 25% of participating households at least 20% beneficiary households must be women-headed).</i></p>	<p><i>At least 15% average increase in income for 50% of participating households (at least 20% beneficiary households must be women-headed).</i></p>
	<p>Indicator 14: Improved and efficient PFES applications and utilization linked to conservation outcomes</p> <p>-</p>	<p><i>Of the 1,541 PFES beneficiaries in the 2 provinces in the BA River Basin, around 1/3 (or around 500 beneficiaries are in the project sites. However, effective PFES application is constrained by cumbersome administrative procedures, equity considerations, limited capacity among forest managers for monitoring and evaluation, slow transfer of funds and lack of full linkages of PFES to conservation outcomes</i></p>	<p><i>Completion of evaluation of PFES program in project areas and initiation of actions at least in one project site to improve efficiency and effectiveness of PFES operations, monitoring and linkages to conservation outcomes</i></p>	<p><i>At least around 500 beneficiaries functioning under improved and efficient PFES monitoring, management and fund flow arrangements and investments are linked to conservation actions.</i></p>

Outputs to achieve Outcome 2	<p><i>Output 2.1: Participatory monitoring and inventory on HCVF/biodiversity assets operationalized with training conducted for PA and forest managers and communities living in and around high-biodiversity areas.</i></p> <p><i>Output 2.2: Landscape and site-level biodiversity priorities and actions identified and integrated into sustainable forest management plans (= PA management plans), annual work plans and operations. This will include technical support, extension and demonstration of priority measures including threatened species conservation and habitat management, biodiversity threat reduction, assisted natural regeneration/restoration of degraded habitats.</i></p> <p><i>Output 2.3: Improving PA management, including operationalization of the Special Use Forest proposed for establishment in areas under Tram Lap and Dak Rong State-owned forestry companies.</i></p> <p><i>Output 2.4: Enhanced support for participatory community-based forest management.</i></p> <p><i>Output 2.5: Livelihoods development for women, including training in forest value chains and entrepreneurship, and establishment of women's groups in forest-dependent communities.</i></p> <p><i>Output 2.6: Landscape connectivity for wildlife improved through reforestation/restoration using indigenous species over 500 ha of degraded natural forests.</i></p> <p><i>Output 2.7: Existing financial incentive mechanisms, including PFES, are utilized more effectively, including increased resource mobilization connected to performance and better targeted disbursement mechanisms, to support sustainable forest use and biodiversity and HCVF conservation.</i></p>			
Project component 2	<i>Conserving globally significant biodiversity and ecosystem services in forested landscapes of Ba River basin</i>			
Outcome 3 Knowledge documentation and exchange supports policy guidance, replication and national uptake of improved forest management practices	<p><u>Indicator 15:</u></p> <p>Number of policy guideline notes on biodiversity and SFM enunciated e.g.</p> <p>(i) Replication, scaling-up and long-term sustainability strategy/plan</p> <p>(ii) Policy guidance document on enhancing biodiversity conservation outcomes in SFM investment plans; and</p> <p>(iii) Policy guidelines for mainstreaming biodiversity into provincial master planning</p>	<p><i>Current policies are limited to mainstream biodiversity and SLM within forest management and provincial master planning based on ecological principles and processes for the survival of species, maintenance of ecological services, and habitat connectivity.</i></p>	<p><i>Gaps assessment for enhancing SFM investment planning guidelines completed and revised guidelines issued. Guidelines for mainstreaming into provincial master planning under preparation, consultations completed, and requirements assessed</i></p>	<p><i>Issuance of Replication, scaling-up and long-term sustainability strategy/plan and at least two guidance notes on biodiversity and SFM, with application of new SFM investment guidelines for production and protection forests completed</i></p>

	<p>Indicator 16: Level of awareness on conservation and threatened species conservation in the landscapes as indicated by KAP survey.</p>	<p><i>Baseline survey will be established in Year 1</i> <i>Currently coordinated outreach on conservation landscape planning and threats lacking. Limited awareness of impact of unsustainable forest approaches among general public.</i></p>	<p><i>At least 20% (of which at least 50% women) of sampled community members, government and sector agency staff, private sector and other stakeholders aware of potential conservation threats and adverse impacts of unsustainable forest developments and behavior change for biodiversity outcomes</i></p>	<p><i>At least 60% (of which at least 50% women) of sampled community members, government and sector agency staff, private sector and other stakeholders aware of potential conservation threats and adverse impacts of unsustainable forest developments and behavior change for biodiversity outcomes</i></p>
	<p>Indicator 17: Number of best practices documented and disseminated as part of replication strategy</p>	<p><i>Limited number of good practices in conservation and sustainable forest resource management codified, disseminated and applied</i></p>	<p><i>Best practices topics identified, data and monitoring collection in progress</i></p>	<p><i>Documentation and Dissemination of at least 10 project best practices and lessons learned.</i></p>
<p>Outputs to achieve Outcome 3</p>	<p><i>Output 3.1: Enhancing capacity of forest owners to effectively integrate biodiversity conservation and ecosystem services into their sustainable land management plans and investments</i></p> <p><i>Output 3.2: Communication, knowledge shared and exchanged on SFM and forest biodiversity best practices and innovations, including through project website, site-based exchanges and best practice case studies in support of potential replication, scaling-up and long-term sustainability.</i></p> <p><i>Output 3.3: Gender mainstreaming and safeguard management</i></p> <p><i>Output 3.4: Monitoring and evaluation</i></p>			
<p>Project component 3</p>	<p><i>Gender mainstreaming replication and knowledge exchange</i></p>			

[1] *Baseline, mid-term and end of project target levels must be expressed in the same neutral unit of analysis as the corresponding indicator. Baseline is the current/original status or condition and needs to be quantified. The baseline can be zero when appropriate given the project has not started. The baseline must be established before the project document is submitted to the GEF for final approval. The baseline values will be used to measure the success of the project through implementation monitoring and evaluation.*

[2] *Target is the change in the baseline value that will be achieved by the mid-term review and then again by the terminal evaluation.*

[3] *Outcomes are medium term results that the project makes a contribution towards, and that are designed to help achieve the longer-term objective. Achievement of outcomes will be influenced both by project outputs and additional factors that may be outside the direct control of the project.*

[4] The baseline was developed in 2020/2021 and expected to be undertaken every 5 years

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comment	Response	Relevant Section of UNDP Project Document and - GEF CEO ER.
Comments from STAP		

<p>STAP Overall Assessment and Rating</p> <p>Concur</p> <p>STAP comment:</p> <p>STAP welcomes UNDP's proposal ?Sustainable Forest and Forest Land Management in Viet Nam?s Ba River Basin Landscape?. The proposal builds on a range of UNDP landscape management projects in this region and has been well-developed by the lead agency. Most of the STAP guidelines have been followed with reference to global environmental benefits, risk screening, theory of change and multi- stakeholder engagement. Perhaps the proponents may consider the following open-source article in terms of projected change in the region?s forests that could be valuable in their project adaptation forecasts:</p> <p>https://www.nature.com/articles/s41467-019-09646-4</p>	<p>Thank you for your comment and reference to the nature article, which however is focused more generally on South East Asia. In calculation of C mitigation, specific data from Vietnam has been used</p> <p>Detailed responses to specific questions are provided in the sections below:</p>	<p>NA</p>
<p>Part I: Project Information</p>		

<p>B. Indicative Project Description Summary</p> <p>Project Objective Is the objective clearly defined, and consistently related to the problem diagnosis? <u>STAP comments</u></p> <p>Yes</p> <p>Project components A brief description of the planned activities. Do these support the project's objectives?</p> <p><u>STAP comments</u></p> <p>Provided with detail and building on earlier work undertaken</p> <p>Outcomes A description of the expected short-term and medium-term effects of an intervention. Do the planned outcomes encompass important global environmental benefits/adaptation benefits?</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>Are the global environmental benefits/adaptation benefits likely to be generated?</p> <p><u>STAP comments</u></p> <p>Yes - these are particularly so in the case of carbon sequestration</p>	<p>Thank you for the positive comments</p>	<p>NA</p>
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<p>Outputs</p> <p>A description of the products and services which are expected to result from the project. Is the sum of the outputs likely to contribute to the outcomes?</p> <p><u>STAP comments</u></p> <p>Yes, provided in detail</p>	<p>Thank you for the positive comments</p>	<p>NA</p>
<p>Part II: Project justification</p>		
<p>A simple narrative explaining the project's logic, i.e., a theory of change</p> <p><u>STAP comments</u></p> <p>Adequate description provided even though specific section or diagram was not included. This is noted as being part of the project development phase.</p>	<p>A Situation Analysis and Theory of Change is described in the Project Document through narratives and diagrams</p>	
<p>1. Project description. Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)</p> <p>Is the problem statement well-defined?</p> <p><u>STAP comments</u></p> <p>Yes</p>	<p>Thank you for the positive comments</p>	<p>NA</p>

<p>Are the barriers and threats well described, and substantiated by data and references?</p> <p><u>STAP comments</u></p> <p>Indirectly noted</p>	<p>A detailed discussion of barriers and threats are provided in the documents including a Situation Analysis of the Project</p>	<p>GEFCEO ER Figure 1</p>
<p>For multiple focal area projects: does the problem statement and analysis identify the drivers of environmental degradation which need to be addressed through multiple focal areas; and is the objective well-defined, and can it only be supported by integrating two, or more focal areas objectives or programs</p> <p><u>STAP comments</u></p> <p>Yes ? this is provided in detail</p>	<p>Thank you for the comment</p>	<p>NA</p>

<p>2) the baseline scenario or any associated baseline projects</p> <p>Is the baseline identified clearly?</p> <p><u>STAP comments</u></p> <p>Yes ? very detailed overview of baselines.</p> <p>Does it provide a feasible basis for quantifying the project's benefits?</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>Is the baseline sufficiently robust to support the incremental (additional cost) reasoning for the project?</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>For multiple focal area projects: are the multiple baseline analyses presented (supported by data and references), and the multiple benefits specified, including the proposed indicators;</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>Are the lessons learned from similar or related past GEF and non-GEF interventions described; and</p>	<p>Thank you for the comments</p>	<p>NA</p>
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<p>3) the proposed alternative scenario with a brief description of expected outcomes and components of the project</p>	<p>The Theory of Change is now presented</p>	<p>GEFCEO ER Figure 2 and narrative</p>
<p>What is the theory of change?</p>		
<p><u>STAP comments</u></p>		
<p>Theory of change is referenced a few times and the project narrative is adequate in coverage. This is noted as being part of the project development phase.</p>		
<p>What is the sequence of events (required or expected) that will lead to the desired outcomes?</p>		
<p><u>STAP comments</u></p>		
<p>To be developed in first phase of project</p>		
<p>What is the set of linked activities, outputs, and outcomes to address the project's objectives?</p>		
<p><u>STAP comments</u></p>		
<p>Described</p>		
<p>Are the mechanisms of change plausible, and is there a well-informed identification of the underlying assumptions?</p>		
<p><u>STAP comments</u></p>		
<p>Yes</p>		
<p>Is there a recognition of what adaptations may be required during project implementation</p>		

<p>5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund, LDCF, SCCF, and co-financing</p> <p>GEF trust fund: will the proposed incremental activities lead to the delivery of global environmental benefits?</p> <p><u>STAP comments</u></p> <p>Yes</p>	<p>Thank you for the comment</p>	<p>NA</p>
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<p>6) global environmental benefits (GEF trust fund) and/or adaptation benefits (LDCF/SCCF)</p> <p>Are the benefits truly global environmental benefits/adaptation benefits, and are they measurable?</p> <p><u>STAP comments</u></p> <p>Yes ? these are provided in detail</p> <p>Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>Are the global environmental benefits/adaptation benefits explicitly defined?</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>Are indicators, or methodologies, provided to demonstrate how the global environmental benefits/adaptation benefits will be measured and monitored during project implementation?</p> <p><u>STAP comments</u></p> <p>Yes</p>	<p>Thank you for the comments</p> <p>In terms of the final comment on climate risk screening, this is provided as a separate Annex</p>	<p>Refer UNDP Project Document Annex 17</p>
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<p>7) innovative, sustainability and potential for scaling-up</p> <p>Is the project innovative, for example, in its design, method of financing, technology, business model, policy, monitoring and evaluation, or learning?</p> <p><u>STAP comments</u> Real-time remote sensing is presented as an innovation.</p> <p>Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?</p> <p><u>STAP comments</u> Yes</p> <p>Will incremental adaptation be required, or more fundamental transformational change to achieve long term sustainability?</p> <p><u>STAP comments</u> Possibly</p>	<p>Thank you for the comments</p>	<p>NA</p>
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<p>2. Stakeholders.</p> <p>Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers?</p> <p><u>STAP comments</u></p> <p>Yes - noted</p> <p>What are the stakeholders? roles, and how will their combined roles contribute to robust project design, to achieving global environmental outcomes, and to lessons learned and knowledge?</p> <p>What are the stakeholders? roles, and how will their combined roles contribute to robust project design, to achieving global environmental outcomes, and to lessons learned and knowledge?</p> <p><u>STAP comments</u></p> <p>Good stakeholder analysis provided in a detailed table which also includes indigenous peoples.</p>	<p>Thank you for the comments</p> <p>Extensive consultations were carried during the PPG stage, ion particular at the field level with local communities, IPs, provincial administrations and other stakeholders</p>	<p>Refer UNDP Project Document Annexes 9and 7</p>
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<p>3. Gender Equality and Women's Empowerment.</p> <p>Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?</p> <p><u>STAP comments</u></p> <p>There is a detailed section on gender empowerment with good background information as well as a clear 50% training target for women</p> <p>Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed?</p> <p><u>STAP comments</u></p> <p>Possibly could</p>	<p>Thank you for your comments</p> <p>A gender analysis and mainstreaming action plan was developed during the PG stage</p> <p>In terms of the risk associated with gender participation this is reflected in the safeguard documents and measures to ensure management of this risks</p>	<p>Refer UNDP Project Document Annex 10 (Gender)</p> <p>And Annex 4 (SESP)</p>
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<p>5. Risks.</p> <p>Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project's control?</p> <p>Are there social and environmental risks which could affect the project?</p> <p>For climate risk, and climate resilience measures:</p> <p>? How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately?</p> <p>? Has the sensitivity to climate change, and its impacts, been assessed?</p> <p>? Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with?</p> <p>? What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures?</p> <p><u>STAP comments</u></p> <p>Excellent risk analysis provided</p>	<p>Thank you for the comments.</p> <p>The risks are further elaborated in a number of annexes</p>	<p>Refer UNDP Project Document in Annex 4 (SESP), Annex 16 (covid) and Annex 17 (Climate risks)</p>
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<p>6. Coordination. Outline the coordination with other relevant GEF-financed and other related initiatives</p> <p>Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects?</p> <p><u>STAP comments</u></p> <p>UNDP coordination with ADB and other donor projects noted</p> <p>Is there adequate recognition of previous projects and the learning derived from them?</p> <p><u>STAP comments</u></p> <p>Partially</p> <p>Have specific lessons learned from previous projects been cited?</p> <p><u>STAP comments</u></p> <p>Partially</p> <p>How have these lessons informed the project's formulation?</p> <p><u>STAP comments</u></p> <p>Yes</p> <p>Is there an adequate mechanism to feed the lessons learned from earlier projects into this project, and to share lessons learned from it into future</p>	<p>Thank you for the comments</p> <p>In terms of other projects and means of collaboration, these are discussed in the project document</p>	<p>Refer UNDP Project Document Table 2 (Partnership arrangement)</p>
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<p>8. Knowledge management.</p> <p>What overall approach will be taken, and what knowledge management indicators and metrics will be used?</p> <p><u>STAP comments</u></p> <p>Noted as part of Component 3 of project</p> <p>What plans are proposed for sharing, disseminating and scaling-up results, lessons and experience?</p> <p><u>STAP comments</u></p> <p>Using existing UNDP mechanisms.</p>	<p>Thank you for your comments</p> <p>Component 3 has been further developed to enhance KM and learning and support replication</p>	<p>Refer UNDP Project Document Component 3</p>
<p>GEF Council Member Comments</p>		
<p><u>Comments from Canada:</u> Vietnam's work under the United Nations Convention to Combat Desertification (UNCCD) is not mentioned in the proposal ? we recommend that the proposal clarifies the link, or lack thereof, between project activities and UNCCD activity.</p>	<p>Vietnam's Aligned National Action Program To Combat Land Desertification and achievement of Vietnam's Voluntary National Land Degradation Neutrality (LDN) targets for period of 2017-2020 with vision to 2030, prioritizes sustainable land management with a focus on "hotspots", one of which is the Central Highlands which has partial overlap with the Ba River Basin. Further details are provided in the GEFCEO ER in particular in relation to LDN targets</p>	<p>Refer GEFCEO ER Section 7)</p>

<p><u>France Comments:</u> Sustainable Forest and Forest Land Management in Vietnam's Ba River Basin Landscape: Is it possible to have more information on the reference to 'restoration of habitat connectivity' and how much of the forestry aspect is taken into account in 'sustainable forest management,' especially in connection with the legality aspects?</p>	<p>The project is largely aimed at enhancing conservation of species and biodiversity in the Ba River basin through improved PA management effectiveness, increasing connectivity through increasing area of PAs, introducing biodiversity conservation aspects in management of production forest areas through SLM interventions and integration into local planning aspects. In terms of legal aspects, the project aims to enhance the capacity of forest managers to operationalizing new policies to implement their Sustainable Forest Management Plans (SFMPs) and conservation targets which have been formulated in accordance with Circular 28/2018/TT-BNNPTNT on sustainable forest management and respective regulations on biodiversity. Under the Forestry Law 2017, a new decree on investment policies for forest protection and development, and processing and trade of forest products and another new policy on investment and development of special use forest and protection forest that are being developed by VNForest/MARD, and expected to be approved, legally enforced and implemented by provincial authorities and forest owners from 2022. These policies are critical for guiding forest owners to determine their priority of works, mobilization of financial resources, and collaboration and arrangement of relevant stakeholders to implement and achieve their management and conservation targets setting for 2021-2025 and 2026-2030 that is defined by each forest of PA management board. The new guidance is expected to regulate and increase payments to buffer zone communities engaged in co-management that is at the disposal to communities for livelihood related activities.</p>	<p>Refer UNDP Project Document Output 3.1 (Pages 47-48)</p>
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<p><u>Norway/Denmark Comments:</u> The project is highly relevant for Vietnam. It aligns with Vietnamese priorities in forest management and addresses an important gap in Vietnam, i.e., forest biodiversity conservation. ?The project will be incremental to ongoing SFM projects and processes in the project area. It will add essential elements, including a landscape-level understanding of threats and ecological processes, and enhanced and gender-mainstreamed participation of local, forest-dependent communities. ?The PDF should further clarify how the project maps out and addresses key drivers for forest loss and biodiversity degradation in the project area, e.g., the Ba river basin. As a matter of fact, key drivers of forest loss are infrastructure development, illegal logging and forest fire. While the project undertakes a river basin approach, it is not clear how this works out across related provinces (Gia La, Phu Yen...), sectors (forestry, land administration, socio-economic development planning...). ?Regional and cross-border cooperation in hydropower development, forest protection, illegal logging, wildlife trade, etc. should be addressed.</p>	<p>The key threats and barriers to conservation of BA river basin forests are outlined in the Project Document,</p>	<p>UNDP Project Document Output 2.7 (PFES)</p>
<p>There should be more substance on whether and how forest environmental services (PFES) and REDD+ payment schemes are applicable in the project. ?The overall risk categorization for the project is high. We agree with the GEF Secretariat stating that the project will notably have to assess its potential impacts on access and rights of IPLCs. It is important to achieve a parallel focus on biodiversity protection and IPLC?s rights in project component 2. Only one of the seven outcome targets concerns IPLC, namely diversified livelihood options in two communities. Elsewhere it is said that ?approximately 3,000 members of forest-dependent communities, as well as staff of various forest management authorities and government agencies, will directly benefit from the project?s capacity development and livelihoods support?. It is not given information about population figures in the project area, but it seems reasonable to assume that only a tiny part is targeted. We would welcome more information about the selection of beneficiaries and about measures to be put in place to ensure that the project will not lead to deteriorated livelihoods and violation of</p>	<p>In terms of river basin approach, the project focuses on (i) coordination within the provinces among different sectors and stakeholders to mainstream biodiversity into land use and master planning (Output 1.1); using spatially explicit tools to integrate biodiversity into provincial and district level land use planning (Output 1.2); inter-provincial coordination to track and enforce wildlife and forest offences (Output 1.4); landscape and site-level priority setting (Output 2.1) communication and knowledge sharing (Output 3.2) etc. as a means to improve cooperation</p>	<p>UNDP Project Document (Annex 4 - SESP) for issues related to IPLCs</p>
	<p>In terms of PFES, the project includes specific focus on enhancing efficiency/effectiveness of existing PFES mechanisms by addressing current constraints and gaps in PFES operations and where PFES does not exist, investigate new options for introducing a variety of PFES options</p>	<p>UNDP Project Document Output 2.4 (Criteria for selection of beneficiaries)</p>
	<p>In terms of balancing biodiversity conservation and IPLCs access and rights, this was extensive evaluated at PPG stage and measures put in place to ensure that the rights of IPLCs are not compromised</p>	<p>UNDP Project Document Annex 9 for PPG consultations</p>
	<p>A number of Outputs in Component 2 are specifically aimed at enhancing benefits to local communities, e.g., Output 2.1 (participatory monitoring and inventory that ensures that local communities have sustainable benefits from SFM activities); Output 2.4 (Participatory community-based forest management); Output 2.5 (directly focusing on livelihoods, forest value chain and entrepreneurship and women? groups for forest</p>	<p>UNDP Project Document Annex 18 (Livelihood Options)</p> <p>GEF CEO ER (Section 4) Pages 47-48 on Private Sector engagement and Annex 7 of UNDP</p>

<p><u>Germany Comments:</u> Germany approves the following PIFs in the work program but asks that the following comments are taken into account: Germany welcomes the well-structured proposal and particularly the link to synergetic initiatives to strengthen the implementation. Suggestions for improvements to be made during the drafting of the final project proposal: We suggest taking another look at lessons learnt and best practices for many of the intended activities that are available globally and for SE-Asia in particular. Constraining factors for the suggested measures are often their institutional anchorage and sustainable financing mechanisms.</p> <p>Under Component 1 and 2 special legal entry points and long-term financing concepts for the intended innovations should be identified at an early stage (e.g., for multi-stakeholder platforms, use of spatially explicit biodiversity and ecosystem services considerations for land use planning, participatory biodiversity and forest resource monitoring and inventory) and thus be part of the project concept</p>	<p>In terms of Component 1 and 2, these are already discussed in responses to comments from France regarding legal entry points.</p> <p>Legal entry points are discussed in detail in the following Outputs:</p> <p>Output 1.1: The Planning Law of 2017, and its related Decree 37/2019 and Circular 38/2019 lays out the norms and processes for multi-sectoral integrated master at national, sectoral and provincial level that provides the legal entry point for the multi-stakeholder coordination mechanism.</p> <p>Output 1.2: Integration of forest/biodiversity outcomes into provincial master planning based on Decision 502/2020 issued by Prime Minister approving tasks/contents for developing the Phu Yen provincial master planning and Decision 1015/2020 issued by the Prime Minister for developing the Gia Lai provincial master planning</p> <p>Output 1.3: Testing technical guidelines on monitoring forest/landscape change in relation to effectiveness SFM planning and implementation (Circular 28/2018 and Circular 33/2018 related to Forestry Act)</p> <p>Output 1.4: Review of monitoring, surveillance and enforcement systems (relating to Decree 01/2019 regulating forest rangers and specialized forest protection force);</p> <p>Output 2.4: Decrees 156/2018 and 83/2020 of Forest Act.) related to capacity needs for PA, forest management Boards and local community on biodiversity conservation, SLM management and capacity and skills need to engage local community in forest management</p> <p>Output 2.7: Improving linkages of PFES fund investments with conservation outcomes in accordance with Decree 99/2010 with over 20 legal instruments, such as Decrees, Prime Minister Decisions and Circulars have) that provides the national mandate/policy for forest environmental services</p> <p>Output 3.1 based on Circular 28/2018 to facilitate forest owners and management boards in the project provinces to implement SFM plans</p> <p><u>Regarding financial sustainability</u> in relation to implementation related to the Forestry and</p>	<p>In terms of legal entry points refer following:</p> <p>Section 3 of GEF CEO ER (as reflected in response to Question 2 above), namely:</p> <p>Output 1.1 (Pages 22-23)</p> <p>Output 1.2: (Page 23)</p> <p>Output 1.3: (Pages 23-24)</p> <p>Output 1.4: (Pages 24-25)</p> <p>Output 2.4: (Pages 27-28)</p> <p>Output 2.7: (Page 30)</p> <p>Output 3.1 (Pages 31-32)</p> <p>Regarding financial sustainability refer in particular to Output 3.2 (page 33) and Section 7 ?Innovation, Sustainability and Scaling Up? (Page 37-39 of GEF CEO ER)</p>
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<u>United States Comments:</u> The United States requests that this project is circulated to the Council for a four-week review period prior to CEO endorsement	No comment	NA
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ANNEX C: Status of Utilization of Project Preparation Grant (PPG).
(Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF: 100,000			
Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount (\$)		
	Budgeted Amount	Amount Spent To-date	Amount Committed
Project preparations grant to finalize the Project document for project, "Sustainable Forest and Forest Land Management in Vietnam's Ba River basin landscape"			
71200 International Consultants (see note 1 below)	42,250	44,204	(1,954)
71300 Local Consultants (see note 2 below)	33,400	39,105	(5,705)
71600 Travel (see note 3 below)	8,000	7,636	364
72500 Supplies (see note 4 below)	1,000	-	1,000
74500 Translation costs (see note 5 below)	3,000	626	2,374
75700 Training, Workshops, and Conferences (see note 6 below)	12,350	7,787	4,563
Total	100,000	99,358	642
Notes: <ol style="list-style-type: none"> Budget #71200 International consultant: One International Project Development Specialist Budget #71300 Local consultants for Six national consultants: <ol style="list-style-type: none"> 1. National SFM Specialist, 2. National Policy & Institutional Specialist; 3. National Biodiversity & Protected Area Specialist; 4. National communities, Gender & Livelihood Specialist; 5. National Safeguard Specialist, 6. Forest Monitoring and GIS Specialist Budget # 71600 Domestic travel for National consultants (no international travel due to COVID restrictions) Budget # 72500 office supplies and supplies for the consultations and workshops. Budget # 74500 Expenses for translating of safeguard documents and ProDoc from to Vietnamese and back to English Budget # 75700 Trainings, inceptions and validation workshop, local-level meetings, FPIC and safeguards consultations, project activities related consultations at the demonstration landscape and at the national level. 			

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.

Ba river basin is the largest one in the South-Central region of Vietnam and geographical extent from 12°41' -14°35' north latitude and 108°59' - 109°30' east longitude. The Ba River basin covers an area of approximately 14528 km² over 22 districts and cities of three provinces, namely Dak Lak and Gia Lai provinces in Central highland region and coastal province of Phu Yen in South central region. The

basin is bordered by Quang Ngai and Kon Tum provinces to the north, Binh Dinh province to the east, and Khanh Hoa and the East Sea to the southeast.

The Ba River basin is combined of three main sub river basins and reservoirs, including Ia Yun river, Krong H?Nang river and Hinh river, and lakes of Ayun Ha, Song Hinh, Ba Ha, Krong H?nang, KaNak and An Khe. Location of Ba River basin is presented at the Figure 1.

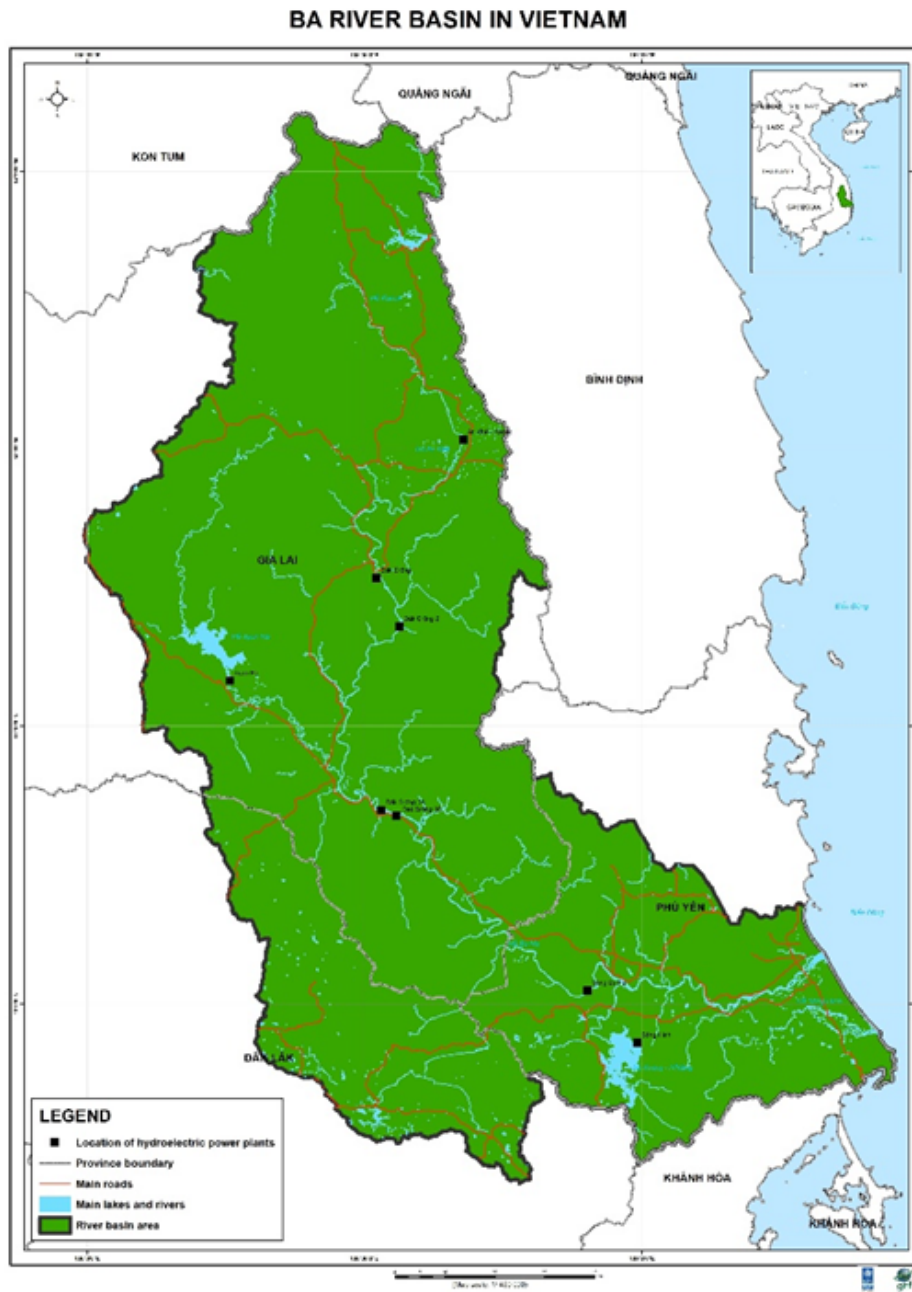


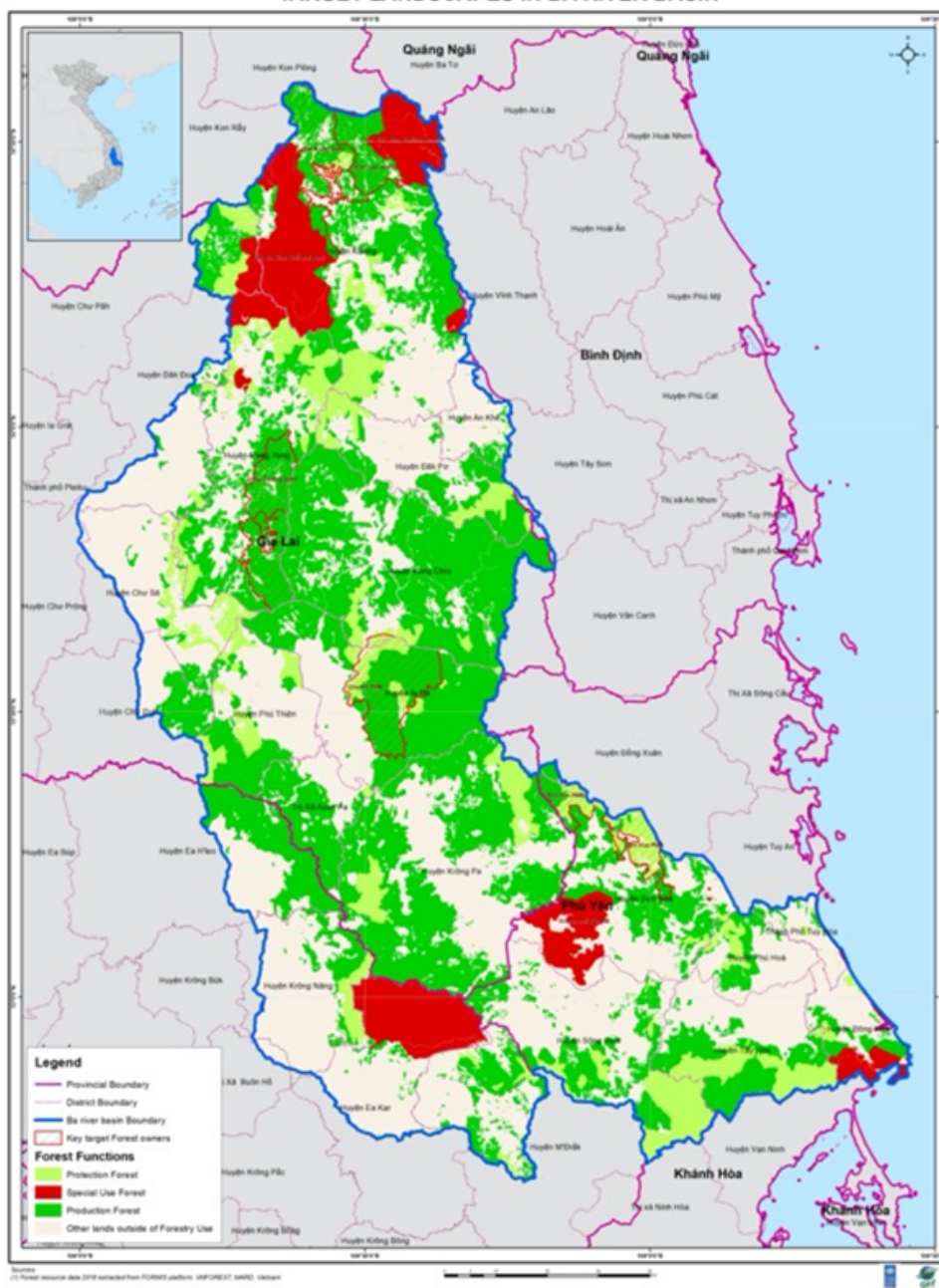
FIGURE 1 LOCATION OF THE BA RIVER BASIN IN VIETNAM

Forest landscapes and selected forest management units

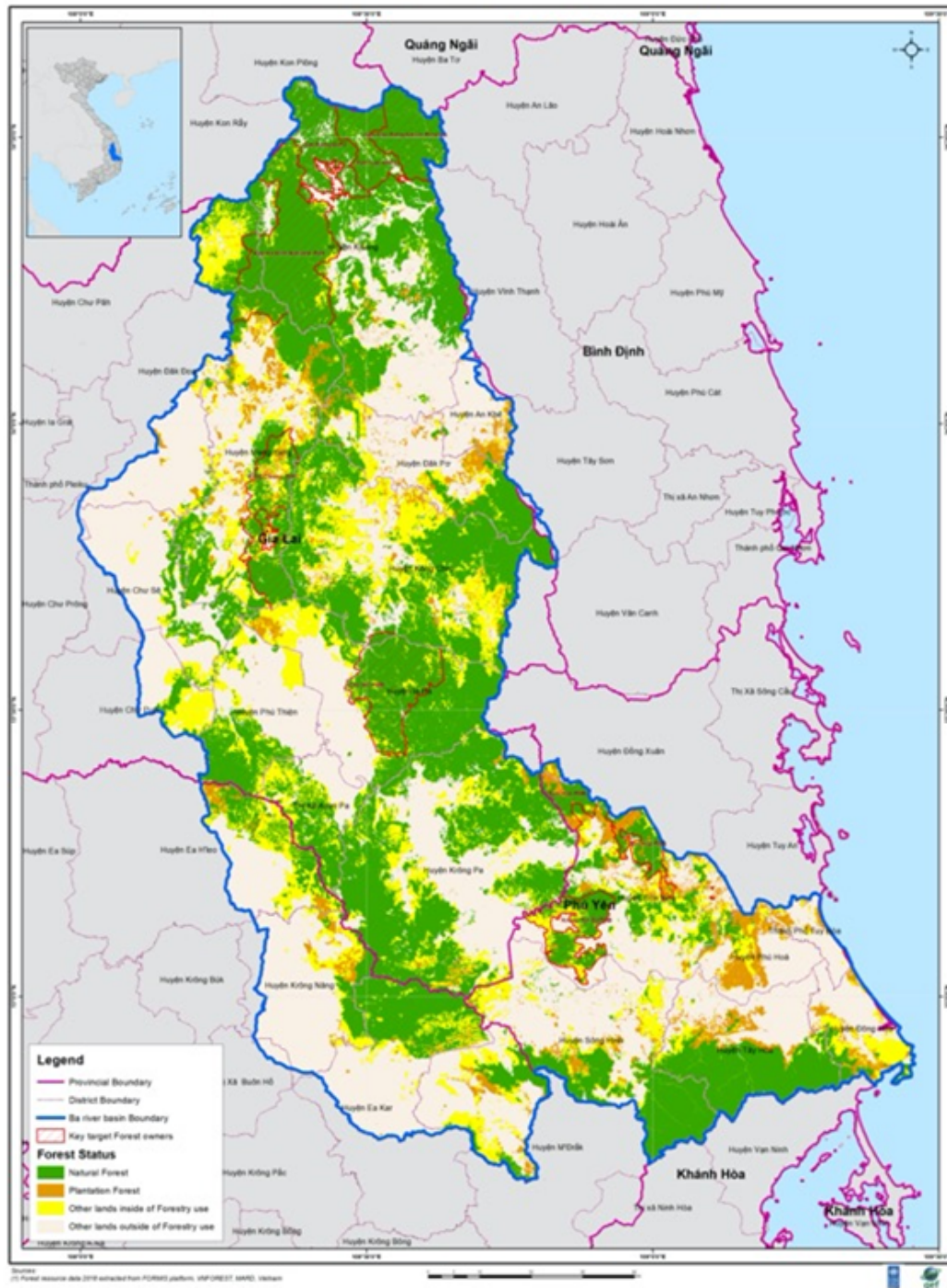
Based on the forest cover data 2019, total area of land and forestland in the Ba River basin is around 864900 ha (approximately 59.0 % of the total Ba River basin area), in which the forested area is about 639000 ha, including: 563000 ha of natural forests, 62000 ha of mature plantation forests, and 14000 ha of young plantation forests. In term of the forest functions, the forested areas are classified as 90000 ha of special use forests, 120000 ha of the protection forests, 411000 ha of production forests, and 18000 ha of forests outside forestry use plan.

In PPG phase, the project has suggested to select 8 forest management units for the project areas including: Kon Ka Kinh national park, Krong Trai and Kon Chu Rang nature reserves, and 3 state forest companies of Tram lap, Dak Rong and Kong Chieng, and two protection forest management boards of Son Hoa district and Chu Mo. Forest landscapes and selected forest management units is presented in the Figure below.

TARGET LANDSCAPES IN BA RIVER BASIN

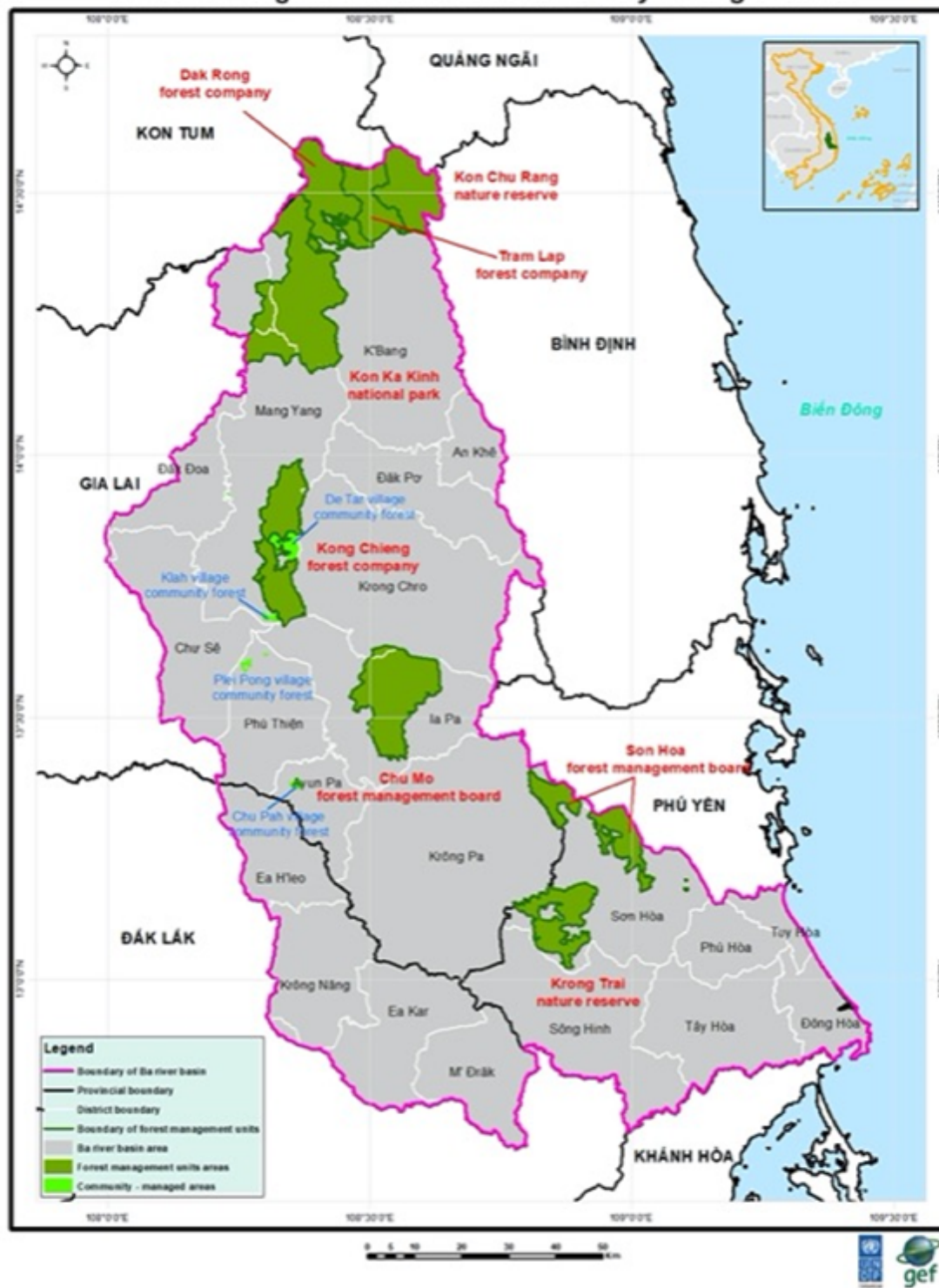


TARGET LANDSCAPES IN BA RIVER BASIN



Source:
Forest resource data 2019 extracted from FORGIS platform, VNP (VNP 2017, 2019), Vietnam

BA RIVER BASIN IN VIETNAM **Forest Management Units and Community-Managed Areas**



Annex F: GEF 7 Core Indicator Worksheet

Annex G: GEF Project Taxonomy Worksheet

Annex H: Changes from PIF

Summary of changes made	PIF	GEF CEO ER/ Prod doc	Rationale
Objective	To conserve forest biodiversity and maintain or improve the flow of ecosystem services through sustainable forest management embedded in a coordinated landscape-level approach across Ba River basin	No Change	NA
Components	<p>Component 1: Mainstreaming biodiversity and ecosystem services into landscape-level planning, monitoring and enforcement</p> <p>Component 2: . Conserving globally significant biodiversity and ecosystem services in forested landscapes of Ba River basin</p>	No Change	NA
	Component 3. Policy mainstreaming replication and knowledge exchange	Component 3. Gender mainstreaming replication and knowledge exchange	The reference to policy mainstreaming was revised as it was clearly stated by the national and provincial agencies, that revision of policy framework under Forestry Law 2017 and revision of circulars and/or regulations was outside the scope of the project, rather the real need was to improve knowledge of forest managers to implement existing legislation and regulations (as explained under changes to Output 3.1 below

Output 2.3	2.3 Training, equipment and operational support provided to PA managers on patrolling and surveillance, boundary identification/realignment, and community/stakeholder engagement to reduce illegal poaching, logging and encroachment. Enhanced training and capacity development support will be provided to support the operationalization of the Special Use Forest proposed for establishment in areas under Tram Lap and Dak Rong State-owned forestry companies.	Output 2.3: Improving PA management, including operationalization of the Special Use Forest proposed for establishment in areas under Tram Lap and Dak Rong State-owned forestry companies	Slight change to title of Output, although content not changed
Output 2.4	2.4 Enhanced community-based conservation of forest biodiversity through support to participatory forest/forest land allocation to village communities, participatory forest management planning, and NTFP and forest income generation models in buffer zones of PAs	Output 2.4: Enhanced support for participatory community-based forest management	Slight change to title of Output, although content not changed

Output 3.1	3.1 Existing policy framework under Forestry Law 2017 is assessed and guidance, circulars and/or regulations developed to support conservation of forest biodiversity and ecosystem services and application of regulations at local and provincial levels.	Output 3.1: Enhancing capacity of forest owners to effectively integrate biodiversity conservation and ecosystem services into their sustainable forest management plans and investments	The government counterparts felt that the emphasis on assessing existing legislation and policies would likely be too difficult to achieve under a small provincial project. In discussion with forest staff, it was clear that the main concern in applying these existing legislation and policies was the lack of knowledge and capacity at the ground level (i.e. amongst forest owners of forest production and special use forests) in being able to interpret and apply these policies more effectively. Thus the Output is now more focused on enhancing capacity of forest owners to integrate biodiversity and ecosystem values in SFM plans
Output 3.2	3.2 Knowledge shared and exchanged on SFM and forest biodiversity best practices and innovations, including through project website, site-based exchanges and best practice case studies.	Output 3.2: Communication and Knowledge shared and exchanged on SFM and forest biodiversity best practices and innovations, including through FMU websites, site-based exchanges and best practice case studies.	Communication added to KM
Output 3.3	3.3 M&E system incorporating gender mainstreaming implemented for adaptive project management.	Output 3.3: Gender mainstreaming and safeguard management	Given GEF requirement for a stand-alone M&E Output, gender is now separated as a new Output
Output 3.4	NA	Output 3.4. Monitoring and evaluation	As per new GEF requirement for a stand-alone M&E Output

Targets	<p>Core Indicator 1: Terrestrial PAs created or under improved management ? 81,088</p> <p>Core Indicator 6: Greenhouse gas mitigated - 1,577,006 tCO₂-eq</p>	<p>Core Indicator 1: Terrestrial PAs created or under improved management ? 81,106</p> <p>Core Indicator 6: Greenhouse gas mitigated 1,541,810 tCO₂-eq</p>	<p>The new numbers are based on actual ground assessments made at PPG stage.</p> <p>Slight change to Core Indicators 1 and 6</p>
Component budgets were adjusted	<p><i>Component 1: \$600,000</i></p> <p><i>Component 2: \$1,186,621</i></p> <p><i>Component 3: \$252,529</i></p> <p><i>PMC: \$103,955</i></p>	<p><i>Component 1: \$552,222</i></p> <p><i>Component 2: \$1,156,092</i></p> <p><i>Component 3: \$370,876</i></p> <p><i>PMC: \$103,915</i></p>	<p>The budget was slightly adjusted between three project Components calculated in consultations with key stakeholders to ensure enough funds is available for implementation of each Component.</p> <p>The exception is Component 3, on account of the need for separation of the M&E budget as a separate output to ensure that that it takes into account the full requirement of M&E including monitoring the RFA, SESP, ESMP, IPP, GRM and SEP</p>
Project co-financing was adjusted to real commitments	<p><i>\$22,470,000</i></p>	<p><i>\$18,633,000</i></p>	<p>Adjusted to actual co-financing currently committed to the project which is a 17% decrease from PIF stage. However 2 project to be funded by KfW in the 2 project provinces are expected to be operational in late 2022 will add another USD 4.1 million to co-financing, bringing the total co-financing amount to USD 22,733,000 (and slightly above the PIF target).</p>

ANNEX E: Project Budget Table

Please attach a project budget table.

Expenditure Category	Detailed Description	Component (US\$eq.)						Total (US\$eq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency)[1]
		Component 1	Component 2	Component 3	Sub-Total	M&E	PMC		
Equipment	Equipment = \$10,000 - Consists of laptops (3), smart phones (5), binoculars (5), GPS devices (10) and field monitoring kits for staff (20) for species monitoring	10,000			10,000			10,000	MARD
Equipment	Equipment & supplies - \$7,000 for livelihood support activities		7,000		7,000			7,000	MARD
Contractual Services – Individual	National project management unit staff – \$80,915. Other PMC costs associated with travel, supplies, comms, IT, office, etc will be paid from co-financing				-		80,915	80,915	MARD
Contractual Services – Company	Contractual Services – Companies = \$115,000(a) Development of basin wide advocacy and outreach program - \$40,000 (Output 1.1)(b) Mapping of forest cover and species composition/distribution and guideline for HCVF assessment for all FMUs in Ba River basin - \$75,000 (Output 1.2)	115,000			115,000			115,000	MARD
Contractual Services – Company	Contractual Services – Companies = \$574,000(a) Forest and biodiversity assessment and inventory, guidelines and standards for information collection in FMUs and provision of technical support and equipment for resource inventory - \$165,000 (Output 2.1)(b) Provision of training for PA extension and management, proposal of new conservation area, operational plan development, conservation management planning and SMART patrol development - \$182,000 (Output 2.3)(c) Training and management of community forest co-management and design and implementation of financial models - \$99,000 (Output 2.4)(d) Livelihood support for women-based enterprise development and management - \$52,000 (Output 2.5)(e) Technical and implementation support to FMUs for forest restoration - \$76,000 (Output 2.6)		574,000		574,000			574,000	MARD
Contractual Services – Company	Contractual Services - \$65,000 - Support for communication and awareness programs - \$65,000 (Output 3.2)			65,000	65,000			65,000	MARD
International Consultants	International Consultants - \$24,000(a) Preparation of Ba River forest management and restoration strategy - 20 days at \$600/day = \$12,000 (Output 1.2)(b) Development of protocols for inter-provincial coordination - 20 days at \$600/day = \$12,000 (Output 1.4)	24,000			24,000			24,000	MARD
International Consultants	International Consultant - \$48,000(a) Consolidation of roles and management responsibilities of PA and FMU Management Boards and guidance for integrating biodiversity conservation outcomes in SFM planning and forest restoration - 60 days at \$600/day = \$36,000 (Output 2.2 and 2.6)(b) Development of management actions for additional areas added to		48,000		48,000			48,000	MARD
International Consultants	International Consultants - \$12,000 (a) Development of communication and knowledge sharing best practices - 20 days at \$600/day = \$12,000 (Output 3.2)			12,000	12,000			12,000	MARD
International Consultants	International Consultants - \$27,000(a) Mid-term (15 days) and terminal evaluations (15 days) at \$600/day = \$18,000 (Output 3.4)(b) Establishment of monitoring framework for project monitoring - 15 days at \$600/day - \$9,000 (Output 3.4)				-	27,000		27,000	UNDP
Local Consultants	Local consultants - \$257,472(a) Review existing provincial coordination mechanisms, develop provincial coordination roles and prepare advocacy strategy - 65 days at \$192 = \$12,480 (Output 1.1)(b) Support for forest management and restoration strategy - 25 days at \$192/day = \$4,800 (Output 1.2)(c) Spatial data mapping assessment, guidelines for data collection, training and skills development, monitoring guidelines and application of FRMS systems - 67 days at \$192/day = \$12,864 - (Output 1.3)(d) Review monitoring, surveillance and enforcement systems, provincial regulations, protocol and guideline development and protocols for inter-provincial data sharing - 134 days at \$192/day = \$25,728 (Output 1.4)(e) Two Provincial Technical Coordinators (2) at	257,472			257,472			257,472	MARD

Local Consultants	Local consultants-\$124,992(a) Forest resource mapping and inventory and training local staff in forest and biodiversity asset monitoring – 50 days at \$192/day = \$9,600 (Output 2.1)(b) Assessment of biodiversity values and threats of KBAs, forest restoration and connectivity, and annual planning support and training on survey techniques – 120 days at \$192/day = \$23,040 (Output 2.2)(c) Organization support for provincial multi-sectoral coordination and governance arrangements for forest management and annual planning support, - 52 days at \$192/day = \$9,984 (Output 2.2)(d) Facilitation support for assessment of poaching risk management mapping and prioritizing locations for risk management – 40 days at \$192/day = \$7,680 (Output 2.3)(e) Capacity needs assessment for community forest management, training, establishment of participatory processes, - 85 days at \$192/day = \$16,320 (Output 2.4)(f) Technical support for establishment of forest-based enterprises, training, business development and value chain and financial mechanisms, women livelihood development – 100 days at \$192/day = \$19,200 (Output 2.4 and 2.5)(g) Gender mainstreaming training and risk management=30 days at \$192/day = \$5,760 (Output 2.5)(h) Forest restoration planning and management & manual preparation = 100 days at \$192/day = \$19,200 (Output 2.6)(i) Financial incentive mechanism assessment, PFES strengthening and new options-		124,992		124,992		124,992	MARD
Local Consultants	Local consultants-\$90,240 (a) To conduct training of forest managers on integrating conservation and SFM outcomes in forest plans and management – 120 days at \$192/day = \$23,040 (Output 3.1)(b) To document and support development of best practices and establishment of website and social media platforms – 3 national consultants – 175 days total at \$192/day = \$33,600 (Output 3.2)(c) Gender safeguard consultant – 60 days at \$192/day = \$11,520 (Output 3.3)(d) Preparation of targeted ESMP, IPP, SESA and Targeted ESIA – 115 days at \$192/day = \$22,080 (Output 3.4)			90,240	90,240		90,240	MARD
Local Consultants	Local consultants - \$17,280 (e) Monitoring and evaluation support – 20 days at \$192/day = \$3,840 (Output 3.4)(f) Consultant for inception, MTR and TE – 70 days at \$192/day = \$13,440 (Output 3.4)				-	17,280	17,280	UNDP

Trainings, Workshops, Meetings	Training workshops and conferences = \$102,000(a) Meetings related to develop coordination arrangements and protocols, training meetings, meetings to development advocacy strategy, and bi-annual provincial coordination meetings = \$38,000 (Output 1.1)(b) Workshops to validate mapping of forests and species, basin forest management and restoration strategy and guidelines for HCVF development = \$18,400 (Output 1.2)(c) Meetings and training workshop for spatial data mapping, information and data management, data collection, verification and monitoring = \$17,200 (Output 1.3)(d) Meetings, workshops and training on surveillance and enforcement, SMART patrols, standards for SFM and inter-provincial data management and exchange - \$28,400 (Output 1.4) workshops, training and conferences -	102,000			102,000			102,000	MARD
Trainings, Workshops, Meetings	\$294,100(a) Meetings and workshops for review of status of monitoring and inventory, methodology development, guidelines and standards development and training of staff for all FMUs for biodiversity and forest inventory - Ba River conservation and forest management strategy development - \$41,600 (Output 2.1)(b) Training and workshops for landscape and site-level integration of biodiversity into SFM plans and operations, annual plan development etc. - \$44,000 (Output 2.2)(c) Training and workshops, community meetings etc. for PA management plans development and operationalization of expansion of existing PAs - \$40,000 (Output 2.3)(d) Consultation, workshops and training for Poaching risk assessment and roadmap, SMART patrol establishment and monitoring - \$59,000 (Output 2.3)(e) Consultation meetings, workshops and training sessions for training of PA and FMU staff in co-management, support community capacity building for co-management, community small enterprise and value chain programs- \$45,000 (Output 2.4)(f) Consultation meetings, workshops and training sessions for livelihood and small enterprise development for women, including nursery techniques, etc. \$46,500 (Output 2.5)(g) Training workshops for forest restoration, monitoring and management for forest managers - \$5,000 (Output 2.6)(h) Training and workshops for	294,100			294,100			294,100	MARD

Trainings, Workshops, Meetings	training, workshops and conferences - \$106,971(a) Consultation meetings and workshops and training for forest managers and field staff for conservation, SFM and co-management - \$32,500 (Output 3.1)(b) Consultation workshops, training workshops and meetings for documentation, dissemination and promotion of best practices - \$18,471 (Output 3.2)(c) Consultation workshops, training and meetings relation to gender, safeguards, etc. - \$26,000 (Output 3.3)(d) Consultation workshops			76,971	76,971			76,971	MARD
Trainings, Workshops, Meetings	training, workshops and conferences - \$106,971(a) Consultation meetings and workshops and training for forest managers and field staff for conservation, SFM and co-management - \$32,500 (Output 3.1)(b) Consultation workshops, training workshops and meetings for documentation, dissemination and promotion of best practices - \$18,471 (Output 3.2)(c) Consultation workshops, training and meetings relation to gender, safeguards, etc. - \$26,000 (Output 3.3)(d) Consultation workshops				-	30,000		30,000	MARD
Travel	Travel - \$43,750 - Lump sum travel costs for international and national consultants, Provincial Technical Coordinators, FMU and PA staff and national, provincial staff for workshops, monitoring	43,750			43,750			43,750	MARD
Travel	Travel - \$108,000 - Lump sum to cover travel of international and national consultant, contractual companies, national & Provincial project team, FMU and PA staff for work and training related travel, workshop travel costs etc.		108,000		108,000			108,000	MARD
Travel	Travel - \$52,385 - Travel covers national consultants to visit FMUs and PAs in relation to implementation of communication, training of forest managers, monitoring, gender and safeguard oversight and MTR and TE evaluations			30,000	30,000			30,000	MARD
Travel	Travel - \$52,385 - Travel covers national consultants to visit FMUs and PAs in relation to implementation of communication, training of forest managers, monitoring, gender and safeguard oversight and MTR and TE evaluations					22,385		22,385	MARD
Other Operating Costs	Professional services - \$23,000 - Project Assurance Activity (Micro assessment, audits, spot checks) at \$5,750/year				-		23,000	23,000	UNDP
Grand Total		552,222	1,156,092	274,211	1,982,525	96,665	103,915	2,183,105	

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agency is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies' capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).