

WWF'S COMMENTS ON THE DRAFT SEDP 2011-2015

- based on the electronic version of the draft SEDP 2011-2015 dated May11, 2010

WWF Vietnam¹ has prepared the following set of comments that includes both overall and specific comments and recommendations:

1. OVERALL COMMENTS & RECOMMENDATIONS:

For Vietnam to maintain a vibrant economy in the future, socio-economic development must be integrated with the protection of ecosystems and sustainable use and management of natural resources. This is doubly important in the face of climate change, as healthy ecosystems will buffer economic investments from climate changes and build a more resilient Vietnam. Natural ecosystems are rapidly degrading and with that degradation, the products and services that healthy, functioning ecosystems provide are reduced or lost entirely. Many of these ecosystem products and services are not quantified yet provide significant contributions to the economy and to the quality of life of the Vietnamese people. As these 'free of charge' ecosystem services are lost, investments must be made to replace them. A good example of this is when floodplain wetlands are disconnected from the flood regime through the building of dikes, thereby losing the water purification and groundwater storage benefits from these floodplain wetlands. This leads to reduced water quality and water shortages that must be resolved through technological inputs. These new costs restrain economic development and could be avoided through careful integration of ecosystem conservation planning and economic planning. Assessment of sustainable development that addresses the protection of ecosystems for their products and services and sustainable use and management of natural resources requires measures that are not just quantity based but are also quality based. It is as important, if not more important, what the quality of the ecosystem is as the amount that is there. This quality includes both the content of the ecosystem in terms of the number and distribution of species present but also the context of the ecosystem in terms of where it is located and what is surrounding it. Therefore, socio-economic development planning must be integrated with landscape level land use planning to ensure that the area is big enough and is not just an isolated island, but is connected with other intact ecosystems.

The SEDP 2011-2015 has not yet put sufficient emphasis on the value of natural resources and ecosystems and the cost of not ensuring their sustainable management and their negative impacts of their degradation on the sustainable economic development in Vietnam. The analysis of existing pressures on natural systems and resources in both Part I and II of the draft document does not sufficiently cover the growing pressures and threats which include human population growth, agricultural expansion, infrastructure development, unsustainable and illegal resource extraction and poorly planned and uncoordinated provincial, national, and regional development. These activities are fragmenting habitats and eroding Vietnam's and the Mekong Region's natural capital. An alarming example is the rapid conversion of forests to plantation and agricultural uses in some areas. Driven largely by foreign investments, this trend is degrading Vietnam's pristine forests. Another growing threat is the targeted poaching of animals for consumption in restaurants, as trophies, and to supply an expanding traditional medicine market. From the standpoint of Vietnam's hydrological systems (which impact nearly every aspect of conservation and development in the country), a key concern is

¹ World Wide Fund for Nature (WWF) Vietnam is a part of the WWF Greater Mekong Program, WWF began its operations in Vietnam in 1985. Presently, WWF works in the central and southern Annamites and the Mekong Delta.

the rapid development of hydropower installations and the poor track record of hydropower developers to undertake adequate planning and risk assessment for these projects.

Despite the fact that healthy natural systems are necessary to sustain key 'ecosystem services' such as clean water, food, and fibre which are important in Vietnam's continued development and for the human well being, the draft SEDP contains very little that will ensure and encourage their protection and rehabilitation.

Climate change is exacerbating the existing pressures and drivers that are causing the degradation of natural systems and causing additional direct impacts, with Vietnam already warming and experiencing more extreme floods, droughts, and storms. Moreover, there is also a growing awareness that ecosystems can also play a critical role in terms of climate change mitigation and adaptation (ecosystem based adaptation) e.g. helping to regulate climate through forest carbon, providing natural protection to extreme weather, etc. These challenges call for integrating ecosystem-based climate change mitigation and adaptation with socio-economic planning as climate change will become an increasingly negative impact on the peoples, economies and biodiversity of Vietnam.

Investing in the conservation of biodiversity, ecosystems, and the services they provide can lead to greater resilience to the expected impacts from climate change and thus strengthens the future sustainability of human livelihoods and economic development. The difference in ecosystem value between 'effectively managing' natural systems and their ecosystem services and a degrading 'business as usual' scenario can have a very high economic value to the government and the people of Vietnam.

The present pressures, threats, including climate change, and drivers for the ongoing degradation of the natural systems and resources in Vietnam and the Mekong Region calls for a more integrated landscape-scale approach to environmental protection and conservation. Critical to effective landscape-scale conservation is land-use and landscape planning. By using a set of tools to marry conservation, natural resource management, and economic development aspirations the protection and rehabilitation of natural systems is integral to development planning, not an annex to it.

In areas where production is occurring or planned to occur, the use of best management practices, standards and ecologically sustainable management certification such as the Forest Stewardship Council (FSC) will ensure that production enhances natural systems instead of degrading it to a point that profits are significantly reduced. For example, a large proportion of the forests in Vietnam are either production or protection forests. If managed well, these forestlands can provide ecosystem services and contribute to the protection of natural forests by acting as corridors for species migration, thus ensuring habitat integrity and climate change resilience on a landscape level.

Therefore, WWF strongly recommends that the SEDP 2011-2015 include the following:

- Integration of economic growth with ecosystem protection and rehabilitation.
- Valuation of ecosystem services and targets for increasing the total quantity of ecosystem services provided by intact, functioning ecosystems.
- Landscape level land use mapping to ensure that important ecosystem features are maintained and are not isolated.
- Use of ecologically sustainable production methods that reduce environmental degradation and improve market value and access, and SEDP targets for production in the forestry, agriculture, aquaculture, and hydropower sectors should include levels for the how much of the total production should be certified production

- Targets that address quality in addition to quantity
- Commitment to building climate change resilience through ecosystem-based adaptation that strengthens ecosystems and buffers investments from climate changes

2. SPECIFIC COMMENTS & RECOMMENDATIONS:

WWF recommends that Part I and II be elaborated to include and address the following:

- An assessment and analysis of the pressures on the natural systems and resources and the risks, economic, social, and environmental, related to the degradation of ecosystem services and the loss of biodiversity. This should include a thorough analysis of the pressures on ecosystems and natural resources, and the possible solutions to address these challenges, as well as the opportunities ecosystems provide in relation to climate change responses.
- Ensure that the existing pressures and shortcomings with regard to environmental protection, natural systems and resources described in Part I are sufficiently addressed in Part II. E.g. with the current environmental status described in Part I, pages 57 and 58, the five year targets set in Part II, page 74 and Page 125, are not sufficient.
- Part II should include and promote an integrated sustainable development approach, also comprising climate change responses, this approach should including:
 - An integration of conservation, climate change responses and socio-economic development planning and implementation, at all levels, as this would contribute to securing landscape integrity and climate change resilience, and
 - Promotion of sustainable land and water management, and best-practice commodity production and certification programs.
- Additionally, Part II should develop and include:
 - A separate section on the issue of *biodiversity and ecosystem services* should be included in addition to the existing sections like *land, environment*.
 - A specific biodiversity target, which should be developed, based on the changes in composition and number of species, habitats and ecosystems, this target should go beyond the indicators of forest coverage and number of protected areas nature reserves established, to also include more qualitative aspects.

Forest Coverage

PART I, B, IV (page 54-59) and PART II, B, VI (page 120-128)

Forest quantity, quality and analysis of key root causes: In the overall assessment of the forest coverage and the forest quality (page 54) it is stated that the forest coverage target of 43% is not expected to be met by 2010 and moreover that the forest quality has not been improved despite the increase in forest cover, and most of the remaining natural forest has been seriously degraded. Nevertheless, in the section on Orientation and solutions (PART II, B, VI, page 120) the critical issues and shortcoming with regard to forest coverage, quality, and conservation and protected areas are not addressed. This of particular importance in relation to the Vietnam Development Goal (VDG) # 7 – Ensuring environmental sustainability, and the part of this VDG that relates to forest cover². The aim of sustainable forest management is not being met because of the following reasons, some of which are also true for the management of other natural resources:

- Weakness in controlling illegal logging; some provinces have applied logging ban but illegal logging is still happening;

² “Increase the percentage of forest cover to 43% by 2010” (VDG # 7)

- Natural production forest land conversion to agriculture (i.e. cashew) and other forestry production (i.e. rubber, acacia);
- Inconsistent forest management plan at provincial and forest unit level. The content of current management plans of most units are still simple and thus not meeting the international standards for sustainable management;
- Poor people living around or inside the forest and high levels of illegal encroachment;
- Extensive lack of forest data due to lack of appropriate forest inventory method and budget; without correct forest resource data, the sustainable forest management plan can not be developed;
- Law enforcement, monitoring system is still weak in the forest protection at all levels due to lack of capacity and resources, etc.

Some of the possible solutions to address these shortcomings should be included in the SEDP:

- Ensure that SEDP targets do not encourage unsustainable harvesting of forest resources
- Ensure that SEDP promotes the development and application of suitable policy for forest protection and management. For instance, release the current harvesting quota system based on long-term, approved sustainable forest management plan, instead of giving the forest manager a right to decide the harvesting volume. And at the same time, to strengthen the monitoring system with strict law enforcement to ensure that all levels comply with laws and regulations;
- That the need for capacity building of forest managers and relevant government staff at the field level is included in the SEDP;
- That the SEDP promotes community based forest management and additional sustainable livelihoods in order to improve lives of local peoples depending on the forest.

Refining the forest coverage achievement and target: On page 120 it is stated the forest coverage target for 2010 is 42.5% and that it is expected that the forest coverage will reach 40% by end of 2010. However, even the reduced expectation does not seem feasible according to the current reforestation rate as of above.

In order to address the issue of poor forest quality it is recommended that a target for how much of this increase in the forest cover should be protected forest (in %). This is critical since forest coverage alone might be a misleading indicator. High percentage of forest coverage alone does not guarantee that the forest quality, including the species richness, is sufficiently good. Therefore, the target set for protected forest in principle will help to achieve the high quality forest ecosystem and its associated ecosystem services, which are needed for the welfare of the society.

In relation to forest coverage, WWF recommends the following:

- The analysis of the quality of the forest coverage achievements, and the key root causes and solutions are further elaborated (page 54 and page 120).
- That the calculation of the forest coverage achievements is clarified, this is of particular importance as this part of VDG #7 (page 120).
- That the forest coverage target is revised to also include more qualitative indicator of how much of the forest coverage should be protected forest (page 120)
- Section 2.b, I, B, PART II and Section 2 (page 83) and in section b, IV, B, PART II (page 116) should include a mention of the long-term “Forestry Development Strategy” that states that by 2020, 30% of production forest area in Vietnam will be certified by International standards (the

Forest Stewardship Council – FSC), and the need for the state level to address the key outstanding issues and support the forest sector to achieve this ambitious goal.

- On page 54 it is stated that the forest coverage rate of Vietnam by 2010 was expected to reach only 40%. This number seems inaccurate as in 1990 Vietnam only had 27.2% of forest cover, yearly increased 0.6%, it means by 2010 we only achieved 30.7%. This statement should be clarified.
- There seem to be inaccuracy in the English translation on page 54 and 55, in relation to: “5 billions ha of forest” or “5 millions”; “salt-mash forest” or “mangrove forest”. Please check and correct.

Water resources

In the overall assessment of the SEDP there is primarily a focus on water utilization and wastewater treatment rather than water resource management (page 55).

In relation to water resources, WWF recommends the following:

- The issue of water resource management requires further elaboration in the overall assessment as well as in the SEDP 2011-2015, including the need for promotion of better water resource management practices, especially integrated river basin management. This includes the urgent need to for application of the River Basin Management legislation and hereunder the establishment and strengthening of River Basin Organisations (RBOs) as well as the need for a broader stakeholder engagement in water resource management, hereunder civil society organisations (page 55 and 123-124).
- There seem to be inaccuracies in the word use on page 124 as the term “trouble spots” – this correct term is probably “hot spots”. Please check and correct.

Marine and Coastal Environmental Target

In the section C, PART II on REGION DEVELOPMENT ORIENTATION (page 130), there is a mention of “Sea, coastal areas and islands: Focusing on developing marine economy with respect to sea potentials”, as one of the areas with potential for economic development. Indeed, the marine and coastal environment is already very important in Vietnam, as marine resources have increasingly contributed to the country’s development in many ways. The government has also recognized the importance of marine and coastal environment, and the government has set up a network of marine protected areas along the coast to protect this marine and costal environment.

In relation to water resources, WWF recommends the following:

- It is critical that targets for protection of marine and coastal resources are developed and integrated in the SEDP 2011-2015.

Raising People’s Awareness of Resource Management and Sustainable Development

Awareness raising plays an important role, along with other approaches to sustainable natural resource management and sustainable development. Achievements in the area of raising awareness on environmental protection is mentioned in the overall assessment of the present SEDP (page 9), however the issue of awareness raising in relation to environmental protection and climate change is not give much attention in the draft SEDP for 2011-2015

In relation to environmental awareness raising, WWF recommends the following:

- In Part II in general and specifically in section III (#7), A, PART II, the importance of raising the awareness of people in relation to environmental protection, ecosystem services and biodiversity values, and climate change impacts and responses should be emphasised.

Other specific comments

Finally WWF has the follow additional specific recommendations:

- Page 8 provides two sentences about major achievements in environmental protection during the last five years. However they are way too general, unlike other detailed achievements described in the same page, and inconsistent with what is stated in Page 15 about limitations in protecting resources and environment. Please elaborate these sections and ensure consistency between page 8 and 15.
- Page 56 mentions the effectiveness of environmental data collection and analysis in Vietnam and that these meet “the requirement of prevention and control of pollution as well as biological diversity protection”. This is in conflict with a statement in Page 57 on low quality of environmental checking and monitoring system. Please elaborate and ensure consistency between page 56 and 57.
- Page 82 states that the average income of rural people will increase from 1.8 to 2 times by 2015 in comparison to 2010. Currently most of Vietnam’s agricultural export products are raw materials. Even if the target of “added value” of agricultural produces increases annually by 2.7%, in addition to productivity increase, it would not be feasible for farmers to have doubled their income in 5 years, unless: better plans for sustainable land use are developed and implemented (especially for the areas to be seriously effected by climate change and natural disasters); crop mechanism conversion; sufficient investment fund for processing and packaging; strict quality control and implementation of best management practices, standards and certification and linkages to markets for these products. Please elaborate the argument for this target and ensure that it is feasible.