

Darwin Initiative: Half Year Report
(due 31 October 2009)

Project Ref. No.	17015
Project Title	Harnessing carbon finance to arrest deforestation: saving the Javan rhinoceros
Country(ies)	Viet Nam
UK Organisation	IIED
Collaborator(s)	SNV, Department of Forestry, Cattien National Park
Project Leader	James MacGregor (IIED) Richard McNally (SNV)
Report date	31/10/09
Report No. (HYR 1/2/3/4)	HYR 1
Project website	http://www.iied.org/sustainable-markets/key-issues/environmental-economics/harnessing-carbon-finance-arrest-deforestation-saving-javan-rhinoceros http://darwin.defra.gov.uk/project/17015/

1. Outline progress over the last 6 months (April – September) against the agreed baseline timetable for the project (if your project has started less than 6 months ago, please report on the period since start up).

The project got off to quite a slow start given the changes in National implementing partner [*it changed from Indochina Carbon to SNV though the lead individual has remained the same to ensure continuity*]. An initial obstacle, which was overcome, was for SNV to obtain permissions for working in Lam Dong province. SNV, although having worked in Viet Nam for 15 years, had not worked in this province and therefore had to gain government approvals from PACCOM. The National REDD co-ordinator helped expedite this process and in August the project was officially recognized in the Province.

Much of the initial work has focused on Mapping, through remote sensing of the area and understanding the 'drivers of deforestation'. This is necessary to define the project boundaries and to help in assessing the baselines for deforestation. The satellite images have now been purchased and are being processed in order to determine the rates of deforestation and historical land uses changes. We have also mapped deforestation across Viet Nam using the *Vegetation Conversion Continuous Fields* (VCF) which is an open access source. At the same time the socio-economic assessment is being carried out in the area. From a slow start the project has quickly gained momentum.

This is the first REDD project in Viet Nam and has therefore raised considerable interest. The UN REDD was launched in September and they have requested using this project as a pilot as part of the UN REDD. The Department of Forestry has also requested that the initial results from the socio-economic assessment be used as part of a presentation by the Government of Viet Nam at Copenhagen COP 15. It is unsure what results can be provided but this would be a very positive step and create good profile for the project. We will have a communication brief highlighting the project for COP 15.

We plan to have a workshop on January 5th in Lam Dong Province to further highlight the project boundaries and project next steps. It is envisioned that after this we will start to engage more with the local communities as the project boundaries and deforestation 'hotspots' and their drivers are better understood. The IIED staff will come over for the workshop.

2. Give details of any notable problems or unexpected developments that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

One of the major lessons we have found is that there are certain technical skills and knowledge which are needed in defining the project area and projecting deforestation into the future. Though we have some time covered for experts on this, more time is needed and we have had to give more of the initial staff costs to carbon experts, with good knowledge of remote sensing and data interpretation, the VCS Biocarbon methodology. Therefore for year one we have had to slightly change the budget allocation to dedicate more time to these types of skill sets. The focus on year one requires more technical input than in later years which will start to focus more on field testing and community engagement.

One unexpected development is that we have had to pay for satellite images. We expected to use landsat imagery which is free source, but this is not available after 2007 (and therefore not allowed under the VCS REDD methodology) so we have had to purchase SPOT images. Going through local sources we have managed to get these at a reasonable price but this was not initially accounted for. We have therefore postponed some field activities to later, which is not a major problem.

Have any of these issues been discussed with the Darwin Secretariat and if so, have changes been made to the original agreement?

The issue in changes of national partner have been discussed with DI. The reasons for this change were clearly articulated and concerned the long term ability of Indochina Carbon to commit to the project. The in-country lead individual moved to SNV and was able to house the project there to ensure continuity and delivery.

The technical issues on remote sensing and mapping have been discussed with the project team. We managed to make adjustment to the different staff time to deal with these developments. It will not impact the overall budget.

Discussed with the DI Secretariat: no/yes, in..... (month/yr)

Changes to the project schedule/workplan: no/yes, in.....(month/yr)

3. Are there any other issues you wish to raise relating to the project or to Darwin's management, monitoring, or financial procedures?

No

If you were asked to provide a response to this year's annual report review with your next half year report, please attach your response to this document.

Please note: Any planned modifications to your project schedule/workplan or budget should not be discussed in this report but raised with the Darwin Secretariat directly.

Please send your **completed form email** to Eilidh Young, Darwin Initiative M&E Programme at Darwin-Projects@ectf-ed.org.uk . The report should be between 1-2 pages maximum. **Please state your project reference number in the header of your email message eg Subject: 14-075 Darwin Half Year Report**