

Darwin Initiative: Half Year Report

(due 31 October 2010)

Project Ref No	17-015
Project Title	Harnessing carbon finance to arrest deforestation: Saving the Javan rhinoceros
Country(ies)	Vietnam
UK Organisation	IIED
Collaborator(s)	SNV
Project Leader	Maryanne Grieg-Gran
Report date	October 2010
Report No. (HYR 1/2/3/4)	HYR 2
Project website	http://www.iied.org/sustainable-markets/key-issues/environmental-economics/harnessing-carbon-finance-arrest-deforestation

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).

- Project establishment

One of the recommendations from stakeholders at the launching workshop in January 2010 was to extend the project area beyond Cat Tien, to include the neighbouring district of Bao Lam. This required revising the project boundary as well as introducing the project to a new district and communes. Two district and four communes meetings (including two new communes in Bao Lam district) alongside discussions with community members were undertaken by SNV advisors in April and May. The participants of the district meetings included chairmen of the district people's committee (DPC) and representatives of relevant departments at district level. Two commune meetings involved commune people's committee (CPC) chairmen, representatives of mass organisations, plus relevant technical officials. The main contents of the meetings included project introduction, REDD issues. The meetings involved discussion and feedback through which local stakeholders were informed about the project and REDD, and SNV advisors gained initial insights about the project areas in terms of socio-economic condition from the meeting participants.

After revised the project boundary, in cooperation with Department of Agriculture and Rural Department (DARD) of Lam Dong province, the SNV advisor developed and revised the project document, and gained approval from the Lam Dong People's Committee. As a result, the project office was established in Bao Loc City, Lam Dong province.

- Carbon assessment

Training materials for community forest carbon inventory training have been finalised. The training aims to enable local communities to self-manage forest plots, collect data periodically, and analyse and measure forest carbon. The course will be held on 7-12 December and 20-27 December 2010 in Bao Lam and Cat Tien Districts respectively.

- Assessment of drivers of deforestation

Two consultant teams were hired to conduct two studies on the assessment of drivers of deforestation in Cat Tien and Bao Lam district respectively. The first study in Cat Tien district was completed in May whilst the one in Bao Lam started in September and has just recently completed field activities.

Numerous meetings have been held with stakeholders including DARD at provincial level, district divisions of agriculture, environment and natural resources, district forest development and protection departments, commune authorities, a state forestry company in the project area. Interviews with community members have been conducted to introduce the project and REDD and find out about changes in land cover as well as pressures on forest resources. The most important driver that has been agreed by most stakeholders is agricultural expansion. Others include new road construction and illegal logging.

- Socio-economic baseline

In the study on assessment of drivers of deforestation mentioned above, an initial description of communities in the project area (including social, economic, and cultural characteristics) has also been completed in the first two communes.

-Biodiversity baseline

A biodiversity baseline survey will be undertaken in January 2011. A survey of the Javan rhinoceros population was conducted in spring-summer 2010 by WWF. The results of this (based on DNA analysis) will be available in spring 2011. Unfortunately, one adult rhino was poached after this survey was completed.

- Government relationship establishment

After six months of initiated field project activities, focal points in each level of stakeholders (DARD at provincial level, DPCs, CPCs as well as community members) have been identified. This has provided great support in facilitating collaboration with stakeholders for field activity implementation.

- Community engagement

In order to continuously inform local communities about REDD as well as to identify interest and groups for carbon monitoring activities in the later stages of the project, one consultant team was mobilised in September. The main objectives of this activity are i) to educate local communities in REDD; ii) to gain insights/concerns of local communities in participating in the project as well as to assess community groups for forest protection and management. Four meetings with four project communes and 15 village meetings were conducted. More than 100 commune officials, 66 forest protection groups and more than 500 community members were contacted to assess community interest and demands regarding the project. The activities of existing village forest protection groups were assessed in order to determine ways in which the project could provide support.

There are ongoing activities to assess alternative livelihood options. Another consultant team is currently working with DARD, DPCs, CPCs, the villages, and community members to understand livelihood conditions, and the most important and potential products of the local communities, as well as providing recommendations for the implementation of selected alternative livelihoods.

-Benefit distribution

A paper entitled "Financial Vs. Non-Financial Payments for Ecosystems Services and their implications on Benefit Distribution" has been drafted and is currently being reviewed by project members. The paper is expected to help design a benefit distribution mechanism that ensures equitable and pro-poor benefit sharing. The paper, in addition to discussing economic rationale behind each payment modality, draws lessons from accumulated experience from food-for-work programmes and payments for ecosystem services (PES) elsewhere. The paper recommends assessing the preference of the public for each payment modality and design payment transfers accordingly. Payment modality design, based on community consultation, is expected to increase the welfare of the communities and promote legitimacy of the intervention.

-Project Design Document (PDD)

The PDD has not been prepared yet for two main reasons; (1) outstanding information on special modelling - awaiting from Winrock - due to be obtained in two months; and (2) field measurements of carbon not yet completed, but expected by the end of December.

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.

As described in the project document, the establishment of an advisory board which consists of representatives of local stakeholders has been recommended. The advisory board will serve as an informal platform for technical discussion, and advocacy through which local project partners will be kept informed about the project's progress. In the project site of Lam Dong province, there is a technical working group which has been established under the framework of the UN-REDD Vietnam program. There is a considerable potential linkage between the Cat Tien REDD project and the UN-REDD that is going to be further discussed in the remainder of 2010.

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

Discussed with LTS: *no*/yes, in..... (month/yr)

Formal change request submitted: *no*/yes, in.....(month/yr)

Received confirmation of change acceptance no/yes in.....(month/yr)

3. Do you expect to have any significant (eg more than £5,000) underspend in your budget for this year?

Yes No

If yes, and you wish to request a carryforward of funds, this should be done as soon as possible. It would help Defra manage Darwin funds more efficiently if you could give an indication of how much you expect this request might be for.

Estimated carryforward request: £

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

Nil

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 see community engagement section of this HY report. A short note on the outcomes of the Q1 workshop to follow shortly.)*

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

Please send your **completed form by email** to Eilidh Young at Darwin-Projects@ltsi.co.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: 17-075 Darwin Half Year Report**