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**Six Monthly Technical Progress Report**

**January 2013 – June 2013**

for the BMU / ICI project

**Avoidance of deforestation and forest degradation in the border area of Southern Laos and central Vietnam for the long-term preservation of carbon sinks and biodiversity (“CarBi Project”)**

BMU signature 11\_III\_017\_ASIEN\_K\_Eindämmung Leakage

Fanie Bekker, Trans Boundary Director: CarBi

July 2013

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**ANNEXES**

**Annex 1: CarBi Summary (traffic light) Report FY13 Q3**

**Annex 2: CarBi Summary (traffic light) Report FY13 Q4**

**Annex 3: CarBi Priority Risk Assessment and Mitigation Plan**

**Annex 4: CarBi Updated Staff Establishment**

**Annex 5: Summary of Xe Sap Biodiversity Survey Results**

**Annex 6: CarBi Restoration land allocation size limitation memorandum**

**1. INTRODUCTION**

The CarBi Technical Progress Report for January 2013 - June 2013 is a detailed reflection on *actual progress* made towards the *Indicators*, *Specific Results* and *Intermediate results*, measured against the *planned progress*. *Challenges, solutions* and *adaptive management* options based on potential risks, are also discussed in detail. Each *Specific Result* is also complemented by a *summary* of progress made, and challenges experienced during this reporting period.

Recent developments in CarBi human resource related matters, an overview of progress on the communications front, as well as an update on CarBi’s priority risk profile, are also presented. The CarBi *Summary Progress Reports* FY13 Q3 and Q4 in a *Traffic Light* format, indicating progress made with specific Component activities, are also attached as Annexes 1 and 2 respectively. This more cryptic version also provides a quantitative overview of implementation progress, and is updated quarterly.

**2. RISK MANAGEMENT**

Risk management remains an integral part of CarBi’s integrated governance system, ensuring an updated reflection on the priority risks which impact on the project’s value offering. A priority risk assessment was conducted at the end of June 2013 to assess the extent to which priority project risks identified in May 2012, and updated in December 2012, have been successfully addressed through adaptive management interventions. Please see the revised Priority Risk Assessment and Mitigation Reportattached in this regard (Annex 3). It highlights the 8 priority risks which require specific and ongoing adaptive management intervention, and also reflects on the progress which has been made in this regard since the previous reporting period. No new priority risks have been identified in the reporting period. Operational risks are sufficiently addressed through CarBi’s Component Catch Up Plans, and will be elevated to the priority level if justified.

**3. STAFF MATTERS**

Despite the challenging internal remuneration structure, which has now been addressed to some extent at WWF country level, CarBi has been quite fortunate to retain almost all staff during the last 6 months, which really enhanced our ability to maintain consistent levels of service to our internal and external clients. The only exception was the resignation of Seven Forest Guards (6 from Hue and 1 from Quang Nam) during the reporting period, primarily due to offers of permanent positions with the Vietnam Government (6 positions), which is not seen in a negative light due to the constructive role they can now play in applying the CarBi experience and expertise in their new positions. The other (7th) Forest Guard was accepted to further his studies. We also view this as a strong contributor towards sustainability and maintaining the momentum built by CarBi, also beyond project end. The Laos Landscape Manager position remains vacant, despite several rounds of intense recruitment and unsuccessful offers made. The most recent round of recruitment also resulted in an offer being made towards the end of July’13, and we are optimistic regarding the realization of this prospect, which will add an experienced manager to CarBi’s establishment. The experienced CarBi Laos Protected Area Manager has been appointed as acting Landscape Manager until this position is filled. CarBi’s ability to grow its value offering from a Marketing and Communications point of view is still sub-optimal due to the continued absence of WWF Laos Communications Manager. A strong Vietnam Communications team, always ready to assist CarBi, together with the short-term deployment of a Volunteer/Intern to assist until the Laos position has been filled, had a positive impact on continuity. CarBi will now also appoint a more experienced consultant for a 6 month period to, in consultation with the current WWF country and Regional Communications team, provide an enhanced platform from where the communications value offering can be sustained and grown.

Although the matrix staff structure and dual roles of some key CarBi staff members are still challenging, the operational experience and adaptive management applied during the last year, are still paying dividends towards the ability of the team (Family) to ensure the necessary focus on their core CarBi responsibilities. The Regional and Country Financial, Human Resource, Administrative and Communication Support Services staff, including our WWF Germany Colleagues, are also an integral part of the extended CarBi Family brand, and contribute significantly to the strengths of the collective. The same applies to the relevant WWF GM Strategy Managers where synergy is cardinal towards alignment with regional strategy. Our honest realization that we are still far from perfect, creates the enabling environment for continuous learning and growth, as can also be seen in the technical progress reported under the Intermediate Results below.

CarBi has also invested some quality time and effort in the establishment and maintenance of a fairly robust Occupational Health and Safety Management system in its domain. The environmental and safety risks which the Forest Guard teams are confronted with, necessitate a strong focus on the protection of our biggest asset, our staff. We are quite fortunate that no serious injuries have been experienced thus far, something we want to maintain beyond project end.

The current status of CarBi’s human resource capital, are reflected in detail in the attached CarBi Staff Establishment (Annex 4).

**4. COMMUNICATION**

Despite the lack of dedicated CarBi communications capacity as discussed above, CarBi was still able to solicit some publicity. Please refer to the list of media products below. There were also several related (regarding themes) articles in the Vietnam and Laos media, which again highlighted the potential of CarBi to link strategically to current media streams and themes, and also to synchronise with the respective countries’ main focal areas. The establishment of a *Conservation Economy* in the CarBi planning domain and beyond, remains high on our agenda, and has been integrated into CarBi’s revised Communications Implementation Strategy. CarBi has already built a solid database which demonstrates our ability to enhance livelihoods in the planning domain. Please also refer to Section 5 in this regard. We are hopeful that the achievements in this regard will be enhanced significantly during the implementation phase of the Restoration Component of CarBi, which already started with the first Protection Contracts issued to villagers, and will be expanded with the first planting of trees in September’13. Our counterparts are also very interested in being part of celebrating CarBi’s successes, as confirmed in recent PMU and IMC meetings.

The updating and refreshing of our website [www.wwf.panda.org/greatermekong/carbi](http://www.wwf.panda.org/greatermekong/carbi) remains a communications priority, and much more can still be done to enhance this strategic communication medium. We will, with the able support from the WWF Vietnam Communications staff, and the newly appointed consultant, intensify this process in the months to come. CarBi has also embarked on the establishment of a photo database where quality photographs of our work will be centralized in an accessible format. This is work in progress, and a professional photographer will also be recruited soon to ensure that we capture the progress of CarBi at appropriate levels of quality (we already have been able to deliver quality photographs for the Laos side of the project as reported in the previous TPR. The links to access these are: Password: **CarBi**

- [February survey](http://globalwildlife.smugmug.com/Laos/February-Surveys-Xe-Sap-Laos/22515057_xFWbj6#%21i=1833511619&k=nFKnjf8)

- [May survey](http://globalwildlife.smugmug.com/Laos/May-2012-Surveys-Xe-Sap-Laos/23344394_g8vZWm)

Although much more focused on its biodiversity monitoring value than photographic quality, we also include the following links to indicate some camera trap photography and project activities as an indication of the landscape, people and species diversity we are privileged to share our working space with.

Camera trapping Hue Saola Nature Reserve

<https://drive.google.com/folderview?id=0B_w-k3hN1xZjU2tDTmVLT1RFZ1k&usp=sharing>

Camera trapping Quang Nam Saola Nature Reserve

<https://drive.google.com/folderview?id=0B_w-k3hN1xZjVkxSR0dQN0xrVFk&usp=sharing>

Vietnam PA camera trap videos

<https://drive.google.com/folderview?id=0B_w-k3hN1xZjd25HWS1EWlJrTTQ&usp=sharing>

Camera trapping Bach Ma National Park

<https://drive.google.com/folderview?id=0B_w-k3hN1xZjN0JIQVVRNGtyYXc&usp=sharing>

Camera trapping Xe Sap NBCA

<https://drive.google.com/folderview?id=0B_w-k3hN1xZjS0k5VlU0OVVDVkE&usp=sharing>

VPA pictorial activity summary January – June 2013

<https://docs.google.com/file/d/0B_w-k3hN1xZjM1JfeEdqTE9FRDg/edit?usp=sharing>

LPA (Xe Sap NBCA) pictorial activity summary January – June 2013

<https://docs.google.com/file/d/0B_w-k3hN1xZjQS1KNHZzWGJWSkE/edit?usp=sharing>

We have also received the first results of CarBi’s progressive and high impact approach towards Saola and other rare species monitoring through leech analysis, and will be reporting on the resultant communication products in months to come.

**Media Coverage for the reporting period January’13 – June’13**

Stories on unique picture of a Striped rabbit in Vietnam:

[panda.org/vietnam](http://panda.org/vietnam);

[http://vietnam.panda.org/en/newsroom/news/?208967/A-rare-encounter-with-an-endangered-species-Vietnam#](http://vietnam.panda.org/en/newsroom/news/?208967/A-rare-encounter-with-an-endangered-species-Vietnam)

3 newsfeed on FB on the striped rabbit and 01 photo album on species captured by CarBi’s camera traps:

<https://www.facebook.com/media/set/?set=a.485615431481227.109533.433021940073910&type=3>

<https://www.facebook.com/photo.php?fbid=522684437774326&set=pb.433021940073910.-2207520000.1374049382.&type=3&theater>

<https://www.facebook.com/media/set/?set=a.542032785839491.1073741829.433021940073910&type=3>

Article on CarBi’s Saola law enforcement project funded by IUCN SOS Initiative:

<http://www.sospecies.org/sos_projects/mammals/saola/>

**5. BUILDING A CARBI CONSERVATION ECONOMY**

CarBi has adopted a Conservation Economy Strategy, which is aimed at the following Objectives:

* The enhancement and diversification of livelihoods through capacity building and job creation, facilitated by the Conservation Industry (e.g. training and employing local villagers in forest protection activities).
* Enhancing the resilience of livelihoods and economies through the maintenance of ecosystem services’ productivity…sustainably (e.g. through successful biodiversity management, sustaining the ability of watersheds to produce high quality water for dams/hydropower, and climate change adaptation)
* Establishing the necessary institutional arrangements as an enabling environment for the first two Objectives (e.g. to provide the policy and implementation framework, facilitating the implementation of a PES system, benefitting local communities and their forests sustainably)
* Promote economic activities which subscribes to the principle of sustainability (e.g. responsible NTFP utilization and responsible sylvicultural practices)
* Promoting responsible land use options which are synchronized with long term sustainability (e.g. responsible eco-tourism, and promoting sustainable environmentally friendly agriculture and forestry)
* Enhancing the levels of awareness, at both government, business and community level, regarding the ability of healthy ecosystems to sustain the foundation which is required for growing economies and livelihoods…sustainably (e.g. integrated environmental education, awareness raising, and youth development programmes)
* Planning and implementing progressive biodiversity conservation strategies to protect natural resources from illegal exploitation (e.g. integrated government and civil society biodiversity law enforcement, and Community Forest Management)
* Mainstreaming resource/environmental economics principles into land use planning processes (e.g. the application of sound environmental impact assessments, and the development of judicious decision support systems and policies to ensure sustainable development, internalising environmental costs)
* Crafting of incentives to promote sustainable and socially responsible development (e.g. promoting the growth, sustainable harvesting and marketing of certified green products, like rattan, or providing investment incentives to companies interested in responsible eco-tourism)

Due to the importance of CarBi’s socio-economic footprint in the project domain, it was decided to provide some key indicators of progress made in this regard, with specific emphasis on Job Creation, Income Generation, and Capacity Building. A comprehensive series of detailed sub databases have been created to record all CarBi’s activities related to these indicators (by all 4 Components in both countries: Protected Area Management, Forest Restoration, Timber Trade and REDD). This is summarised on a quarterly bases to reflect our impact on the livelihoods of the people we are privileged to share the CarBi experience with. It must be noted that this is work in progress, and the robustness of the system will be improved as staff gains more experience in pursuance of CarBi’s Conservation Economy Strategy. The figures below provide an indication of the total number of beneficiaries, number of Person Days work created, income generated, as well as capacity building opportunities provided since project start.

|  |  |  |  |
| --- | --- | --- | --- |
| TOTAL NUMBER OF BENEFICIARIES WORKED | TOTAL PERSON DAYS WORK CREATED | TOTAL INCOME GENERATED (USD) | CAPACITY BUILDING BENEFICIARIES (NUMBER OF PARTICIPANTS) |
| 1,789 | 5,622 | 571 655 | 4,472 |

**6. TECHNICAL PROGRESS**

**Specific result 1 – Protected area component Vietnam**

|  |
| --- |
| The Saola Protected Areas of the central Vietnam provinces from Quang Nam and Thua Thien Hue as well as the expansion area of Bach Ma National Park are effectively managed |

**Summary**

Enforcement activities within Vietnam diversified considerably during the reporting period and attained not only higher levels of consistency but also stabilised processes to improve effectiveness as well as health and safety standards, also setting the tone for other WWF projects. Forest guard patrols operating inside the Hue Saola Nature Reserve removed 2,469 snares and 45 illegal camps, whilst those at the Quang Nam Saola Nature Reserve, destroyed 2,321 snares and 74 camps. This brings a total of 28,419 snares and 577 illegal camps destroyed over 15,936 patrol days since the start of CarBi in Vietnam. Other activities involving forest guards and buffer zone patrols includedteam leader continuation training, strengthening of health and safety initiatives for forest guards (risk assessment processes, MOUs with hospitals, emergency evacuation plans) and favorable results from seven multi-agency patrols in the buffer zones of Bach Ma National Park Extension and the Hue Saola Nature Reserve were recorded.

Noteworthy strategic law enforcement activities included completion of strategies for all three Saola protected areas, preparation of the first draft tactical maps used to direct resources to priority hotspots, and conducting the first bi-annual law enforcement stakeholder forum intended to be a vehicle that improves inter-agency cooperation and information exchange.

After implementation of all six recommendations from the 2012 external MIST assessment, the MIST system is now providing consistent reports at a high standard of accuracy. As part of CarBi’s transition to SMART, the first report for June ’13 was produced concurrently with the MIST report for the Hue Saola Nature Reserve.

Significant milestones were achieved to improve the effectiveness of protected area management within the CarBi planning domain. These include the finalization of zonation maps for each protected area after the provision of GIS training to protected area GIS Officers and managers, completion of the Socio-economic Assessment report for the Vietnam Reserves which provides informative insights on causal factors and drivers of activities impacting the target protected areas, installation of 15 markers to demarcate the Bach Ma National Park Extension boundary and preparation of METT Improvement Plans for each protected area that define projected time bound incremental score improvements until the end of the project. Furthermore, the approval of each CarBi domain protected area’s Management Plan is in the final stages of official government approval.

All approvals have been granted which now path the way forward to the imminent construction from July ’13 of the two ranger stations in Quang Nam. Equipment for the mobile patrol outposts at both Saola Nature Reserves have now been procured for use by Forest Guards, and CarBi has successfully obtained external funding to construct a permanent outpost inside the Core Zone of the Quang Nam Saola Nature Reserve.

Following field training for technical staff from all three protected areas on camera trapping techniques, CarBi’s camera trapping program expanded to each location with at least 6 traps set per site, revealing at least 20 species of avifauna, ungulates and others. The first batch of 20 leech samples was sent to the Kunming Institute of Technology for genetic analysis, and although no Saola DNA was identified, promising results identified more than 12 animal species, reconfirming the significant potential of this technology to detect species which would otherwise be quite challenging.

**Intermediate result 1.1**

*Hue and Quang Nam Saola Nature Reserves and Bach Ma National Park extension: By end of the project, the effectiveness of Protected Area management has increased to 70% of total possible scores (Source of verification: WWF-World Bank Management Effectiveness Tracking Tool). The following base lines have been established: Hue SNR Sept 2010: Scored 38: Quang Nam SNR Sept 2010: Scored 33: Bach Ma NP Sept 2010: Scored 67).*

**Progress**

During this semester significant milestones have been achieved to improve management effectiveness within the Saola protected area landscape. The GIS service provider finalized the zonation maps for all three protected areas. This was facilitated by addressing the challenges outlined in the previous progress report, including facilitation of a dual-purpose training course for MIST Officers (who also act as GIS Officers) at each protected area on MapInfo software, and improving the ability of protected area management staff to use and unlock the potential of GIS as a management tool. After completion of the training courses, staff from each protected area provided detailed input to finalise the various base and thematic layers for inclusion in their respective zonation maps.

The English version of the Socio-economic Assessment (SEA) report for communities living inside and adjacent to each of the three Saola protected areas, was completed. The assessment provided some incredibly useful and valuable insights on community perceptions and attitudes on their neighboring protected areas, causal factors behind forest resources use and exploitation, drivers of illegal activities and potential avenues to explore when conducting future awareness raising activities. In addition, potential opportunities were identified for community based conservation economy initiatives in each protected area.

Three METT Improvement Plans (MIPs) were prepared and finalized, after consultation with staff from each protected area. The aim of each was to provide clear guidance on how to achieve an incremental increase in METT scores and meet the desired 70% rating target by the end of the CarBi project in 2014.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Hue Saola Nature Reserve** | | | **Quang Nam Saola Nature Reserve** | | | **Bach Ma National Park** | | |
| **Current Score (Dec 2012)** | **Projected Score 2013** | **Projected Score 2014** | **Current Score (Dec 2012)** | **Projected Score 2013** | **Projected Score 2014** | **Current Score (Dec 2012)** | **Projected Score 2013** | **Projected Score 2014** |
| **47** | **55** | **65** | **47** | **61** | **67** | **62** | **70** | **72** |
| **46%** | **54%** | **64%** | **46%** | **60%** | **65.7%** | **61%** | **68.6%** | **71%** |

**Table 1:** Projected METT scores and percentages for the Vietnam protected areas within the CarBi landscape until December 2014

It is envisaged that with the development and implementation of the MIPs, METT scores for each protected area will progressively improve following an agreed trajectory by the end of the CarBi project.

Boundary marker installation for the Bach Ma National Park Extension (BMNPE) was completed in Quarter 3. The process of boundary demarcation was conducted with the active participation of local village people, who assisted to define where village and BMNPE land intersected. This process resulted in the installation of 15 concrete boundary markers and also served as an awareness raising opportunity where laws protecting the National Park were disseminated in these communities.

**Challenges and solutions**

As shown by Table 1 above, the achievement of the desired 70% rating target by the end of the CarBi project in 2014 will not be realized. It is also quite clear that the original targets for the two Saola reserves were set too high. CarBi staff and counterparts have projected that only BMNP has the potential to reach this mark. For both the Hue (H) and Quang Nam (QN) Saola Nature Reserves (SNRs), the projected METT scores fall short of the target. Attainment of these projected percentages is, however, also conditional upon a variety of factors, many of which CarBi and WWF are unable to influence e.g. allocation of cash resources by the Government of Vietnam to implement some of the initiatives contained in each plan. Therefore, there is an element of risk that these projected scores may not be achieved to our levels of satisfaction. To provide some additional perspective on this matter, it’s worth noting that the world average METT % for all Protected Areas, is around 50%.

The original budget allocated to demarcate the boundaries of both the H and QNSNRs was inadequate, hence implementation of this activity has been temporarily postponed. Recently, during a protected area component budget review, additional funding was reallocated to achieve this important output. However, this activity will only commence once the revision has been approved.

**Intermediate result 1.2**

*By end of the project, infractions (violation of law, agreements and rules/illegal activities) into the three protected areas have been reduced by at least 30 % (e.g. based on trends in snare traps detected, and confiscation of timber and wildlife in relation to resource inputs from patrolling).*

**Progress**

Enforcement activities within Vietnam diversified considerably during the reporting period. Management of Forest Guards (FGs) has been strengthened by the promotion of one of the FG Team leaders (March ‘13) to a Protected Area Officer (PAO) position working for CarBi. The PAO’s principal role is to support, supervise and monitor FG teams operating in both the H and QNSNRs and support law enforcement initiatives particularly those related to the achievement of Intermediate Results 1.2, 1.4 and 1.5. Since the commencement of the PAO, there have been noticeable improvements in the leadership of FG activities, tactical planning and collaboration with SNR authorities, and advancements in health and safety protocol operationalisation. The following results were recorded during the last six months:

***Hue SNR Results:***

* 55 patrols totalling 1,806 patrol days (average 6 days per trip)
* 45 illegal camps of hunters and loggers destroyed
* 2469 illegal animal traps (snares) removed

Around 168 local people were confronted in the forest with verbal warning issued to them by Nature Reserve rangers to refrain from illegally extracting forest resources.

***Quang Nam SNR Results:***

* 62 patrols totalling 2,269 patrol days (average 6.5 days per trip)
* 74 illegal camps of hunters and loggers destroyed
* 2321 illegal animal traps (snares) removed

Around 51 local people were confronted in the forest with verbal warning issued to them by Nature Reserve rangers to refrain from illegally extracting forest resources.

19 trainees, consisting ofseven FGs (three and four H and QN SNR respectively) and 12 Forest Protection Department (FPD) rangers assigned to the SNRs and BMNP, participated in a four day Team Leader Continuation Training Course at BMNP during March ‘13. Training covered curricula taken from basic field craft, basic enforcement and the manager level modules from the Ministry of Agriculture and Rural Development’s (MARD) approved courses. Training activities consisted of theoretical content, supported by practical *in-situ* forest demonstrations.

With the completion of the zonation maps (Intermediate Result 1.1 above), base maps were generated for each protected area. A list of thematic layers using MIST (and later SMART) data have been defined and the first tactical maps will be prepared in July ’13. These tools will be used to coordinate law enforcement patrols at each protected area. This is a major advancement in the ability of FG patrols and protected area authorities to visualise hotspot areas and respond in a coordinated manner with other law enforcement agencies on a monthly and seasonal basis.

Major advancements were made during this semester to improve the health and safety working conditions for FGs, counterparts and WWF CarBi staff. These included:

1. Preparation of MOUs with district hospitals to support emergency evacuation and malaria treatment/prevention. A considerable amount of time was consumed to negotiate with three district level hospitals across two provinces. In principle agreement has now been reached with each, and all that remains is for WWF, each protected area authority and hospital to sign the agreements. In addition to WWF CarBi FGs and staff, SNR rangers, porters/camp managers and consultants who work in the forest under CarBi activities, are also covered. The MOU will come into effect from the 1st July ‘13. This process provides a far higher level of support and assurance to all those covered, and demonstrates that CarBi is serious about looking after the welfare of our staff, consultants and those of our counterparts.
2. An Emergency Evacuation Plan (EEP) was prepared for the HSNR and inserted as an appendix in the MOU. The QNSNR EEP is still under preparation and will be added to the MOU upon its completion by the end of August ‘13.
3. CarBi staff developed a new risk assessment procedure for FG patrols and rangers stations/outposts. The introduction of this new system seeks to raise the awareness of FGs and rangers to the risks associated with their activities, and assist them to identify and prepare strategies to minimise risks faced whilst conducting forest patrols, in line with the best practice HIRA (Hazard Identification and Risk Assessment) system.
4. Procurement of curative malarial medicinal treatments for FGs, SNR rangers and WWF staff and consultants was allocated as a high priority. Numerous meetings were held between three major service providers, including SOS International, Family Medical Practice (Da Nang City) and District level hospitals to firstly obtain information on appropriate medicines and treatment, and secondly, types of service required to promote awareness of malaria, prevention, diagnosis and treatment. This semester-long process has recently borne fruit with the inclusion of clauses on procurement of curative malaria medicines, and six monthly conduction of the awareness raising activities being added to the district level hospital MOUs. Distribution of curative medicines will occur after the awareness raising training activities are concluded in July ‘13.

A process was followed with a service provider to prepare enforcement strategies for each Saola protected area. A preliminary workshop lead by the Law Enforcement Technical Advisor (LETA) to introduce and explain key concepts and suggestions of activities for inclusion in each strategy, was organised. This was followed by consultations with staff from each protected area to prepare the strategy, inclusive of activities, a five year work plan and accompanying budget. At present a Vietnamese version of the strategy is being translated into English for each protected area. These strategies will commence operation from 1st July ‘13.

Seven multi-agency patrols were conducted in the buffer zones (with occasional visits inside protected areas when required) of BMBP (4) and HSNR (3) from January to June 2013. These patrols included staff from district FPD, protected area agencies, local police and government authorities, with occasional collaboration with the 637 Army Station (HSNR). Multi-agency patrols will continue in accordance with local seasonal trends of forest resource harvesting, e.g. before and after the Tet New Year celebrations. Operations will expand to the QNSNR in FY14.

***BMNPE patrol results included:***

* Four patrols totalling 140 patrol days (average 5 days per trip)
* 14 illegal camps of hunters and loggers destroyed.
* 75 illegal animal traps (snares) removed.
* 16.9m3 of round and sawn timber were destroyed *in-situ* (the FPD were unable to transport it from the reserve).
* One chainsaw was confiscated and numerous illegal equipment items destroyed.
* 12 local people were confronted in the forest and records of their identity were taken. Unfortunately none were arrested.

***Hue SNR patrol results included:***

* Three patrols totalling 126 patrol days (average 6 days per trip)
* 75 illegal animal traps (snares) removed.
* 5m3 of timber was confiscated or destroyed.
* Two chainsaws were confiscated and numerous illegal equipment items destroyed.
* Four loggers were arrested and handed over to the A Luoi sub – FPD for action.
* One person was caught in possession of a Big Headed Turtle, however, he managed to escape into the forest The turtle was returned to the nearest stream.
* The first law enforcement forum workshop was held in Hue City during March ’13 with participation of 29 law enforcement stakeholders from Thua Thien Hue and Quang Nam provinces. The forum aim was threefold; 1) share information and identify issues of law enforcement interest between relevant stakeholders; 2) facilitate dialogue between stakeholders and encourage greater levels of cooperation especially when arresting and issuing official warnings and fines to forest infringers. This event will be run on a bi-annual basis until the end of the CarBi project.
* A strategy for the operationalisation of an informant network was defined by the LETA and Protected Area Management Technical Advisor (PAMTA) for the H and QN SNRs. Training materials were prepared to train informant ‘handlers’ and a short training course was conducted for the CarBi Protected Area Manager (PAM) and PAO. A Microsoft Access database developed by WWF Cambodia was modified to manage informant data and results and is now ready for use. Field activities will be trialled initially at the HSNR during FY14.

**Challenges and solutions**

CarBi remains concerned about the lack of progress by rangers from the two SNR’s to arrest people they encounter breaking the law in the forest. Likewise, the number of people intercepted in the forest each semester is quite high and few formal administrative procedures are followed to create incentives to discourage these practices. Over the next six months, CarBi staff, through the law enforcement forum, will change field tactics, use tactical maps, and develop systems and procedures with SNR agency staff to address these shortcomings.

Information on mobile phone reception, patrol routes and exit points for the QNSNR Emergency Evacuation Plan has taken longer to collect as this information wasn’t as readily available as that of the HSNR where patrolling activities commenced one year earlier. It is expected that the QNSNR EEP will be completed and operational by the commencement of monthly patrol activities in September ‘13.

**Intermediate result 1.3**

*By end of the project, mammal species diversity and numbers in particular for ungulate species show upward trends.*

**Progress**

The final report on monitoring baselines for focal indicator species from the CarBi Vietnam landscape, i.e. Crested Argus and Northern Yellow cheeked Crested Gibbon, has been completed. Key findings include: 1) at a minimum, the Hue-Quang Nam-Bach Ma protected area complex is of national significance for *Nomascus* gibbon conservation; 2) both are good indicator species for biological monitoring as their presence is likely influenced by both snaring and forest quality and occur in areas of potential Saola and Edward's Pheasant habitat.

The program to collect leeches from forest areas, wound-up in May ‘13. At present there are approximately 550 samples documented and in cold storage awaiting genetic analysis. A trial batch of 20 samples was sent to the Kunming Institute of Zoology with whom WWF recently signed a MOU to analyse further DNA samples. CarBi received a summary report of the analysis results in June ’13 which unfortunately did not indicate the presence of Saola. DNA identified from most noteworthy fauna species included wild pigs, Serrow, Ferret Badgers, Muntjac, rodents, squirrels and Macaque. Further samples will be sent to China in coming months for analysis.

After the initial success of camera trapping activities conducted in the QSNR early in the semester, the camera trapping program for ungulates and other key Annamite endemic species was expanded to all three Saola protected areas. A field-based camera trapping training course was conducted by the CarBi Wildlife Biologist at BMNP for SNR and QSNR (two each), as well as 2 technical government staff of BMNP, to capacitate them to support future field initiatives. Images and video have been captured twice (two occasions of two month data recording cycles) at the QNSNR, and one cycle each at HSNR and the BMNPE. At least 20 avifauna, ungulate and other species have been recorded to date. The team plans to set camera traps year round until the end of the CarBi project and to collect data and replace batteries bi-monthly. Some of the images / footage can be viewed in the links provided under Section 4 (Communications).

**Challenges and solutions**

Early attempts to transport DNA samples to China met with the challenge of tube leakage, resulting in loss and contamination of samples. Following an exhaustive process, the biological monitoring team successfully refined the leech storage and transportation protocol, and now the risks of transport related sample loss are extremely low.

There are limitations in the scale of the camera trapping program across the Vietnam Saola landscape due to insufficient numbers of camera traps that may be installed at any given time (only six per protected area). Ideally, to maximize the chances of recording ungulate and other key Annamite endemic species, we need to increase the number of camera traps to 20 per protected area.

**Intermediate result 1.4**

*On an annual basis as of project start, the effectiveness of the patrolling and Management Information System (MIST) has been externally verified and validated.*

**Progress**

During the reporting period, the team implemented all six recommendations contained in the November 2012 external MIST assessment. These included:

* Providing refresher training on MIST, and GIS training to all three Vietnam MIST Officers, a second back up staff member from each protected area and two CarBi staff. In addition, one MIST Officer from Laos received technical MIST refresher training in Vietnam.
* A system to gather intelligence from an informant network was developed (refer to Intermediate Result 1.2 above).
* MIST data was used on a monthly basis to plan FG operations.
* All information recommended for effective planning was included in MIST reports.
* Protected area authorities at both SNRs took on larger responsibilities to plan and guide forest guard patrols.
* CarBi staff built two new data model sets for SMART, covering both FG and multi-agency patrol operations (refer to Intermediate Result1.5).

On a regional level, WWF is switching over to use SMART. The next external assessment planned for November / December ‘13 will examine the roll-out and current level of SMART software competency which will be under trial since July 2013 by CarBi.

**Intermediate result 1.5**

*By 12 months after project start: MIST and all ranger stations are established and fully operational.*

**Progress**

The monthly MIST reports produced by all three Vietnam protected areas now provide a consistent level of reliable information. This consistency was facilitated through a ‘training of a trainer’ approach i.e. the HSNR MIST Officer (who has both advanced competency and interest in MIST). The external assessor provided training to this person, who in turn successfully trained the other two MIST Officers. An encouraging further outcome has been the increase in capacity of the BMNP MIST Officer who has now advanced to a level where he produces MIST reports for not only the BMNPE, but also for the entire National Park.

Due to the many shortcomings identified with the MIST system, WWF will swap to SMART on a regional basis over the next 18 months. CarBi has set a goal to fully operationalize SMART across the project domain by October ‘13 at which time all MIST reporting will cease. To facilitate this goal the following activities were implemented:

* Review of the use of MIST to identify shortcomings and integrate improvements into new SMART data model sets.
* Definition of two new data model sets: *in-situ* FG / ranger patrols (Laos) and multi-agency patrol activities in buffer zone areas.
* Redesigned Ranger Based Data Collection (RBDC) proformas for use with both new data model sets – at present in a second Draft format.
* Two participants from Vietnam (PAM and HSNR MIST Officer) and the Xe Sap NBCA MIST Officer attended a 6 day training course in Cambodia on SMART.
* Entry of the two new data model sets in the SMART software.
* Preparation of a plan to gradually phase SMART into the CarBi protected area as well as Timber Trade domain, commencing with the HSNR and the Xe Sap NBCA.

From June ’13, both the HSNR and Xe Sap NBCA MIST/SMART Officers concurrently commenced preparation of MIST and SMART reports. Feedback on the June ’13 SMART report has been compiled and will be used to refine the data model sets and reports. A preliminary examination of the June ‘13 report shows encouraging results. It appears that greater levels of information are available in each generated report, each of which is accompanied by more detailed and useful maps. This last point will be an advantage when producing tactical maps to improve law enforcement patrol planning and hence, effectiveness.

After a thorough and detailed process, all administrative procedures and approvals to construct the two QNSNR ranger stations are complete. WWF will sign a contract with both the QN FPD and a service provider in July ’13 to commence construction. It is anticipated that construction will be completed by the end of September ‘13.

Micro hydro-electricity generators have been installed and are operational at the two HSNR ranger stations located along the Ho Chi Minh Trail.

Two large army surplus tents (one for each SNR) were purchased in June ’13 for use as mobile outposts. The addition of this equipment increases the ability of FG teams to extend patrol coverage and their ability to respond to hotspots and seasonal trends. Patrol activities using this equipment will commence from August 2013.

CarBi was successful in obtaining 8000EUR from WWF Austria to fund the construction of one permanent outpost within the core zone of the QNSNR. The location of this outpost has now been selected and the procedural aspects are being dealt with to activate construction as soon as possible.

**Challenges and solutions**

SMART was only globally released in March /April ’13, so there are few experienced practitioners available at the moment. The learning curve will therefore be steep as the MIST/SMART Officers learn how to use and fine tune the system. To address this identified concern and consequently successfully roll out SMART across the CarBi landscape by October ‘13, technical backstopping from the software developers will be required. Additional training for the HSNR, Xe Sap NBCA MIST/SMART Officers and the LETA is necessary for CarBi to effectively maximize its potential.

**Intermediate result 1.6**

*By 18 months after project start: Management plans for the Saola Nature Reserves have been developed and appraised as well as revised for Bach Ma National Park.*

**Progress**

All three management plans are now in the final stages of approval. The BMNP plan has been reviewed by the National FPD who have confirmed in principle approval of the document, pending a number of small adjustments relating to infrastructure and budget estimations. The HSNR has completed all the required administrative procedures for extension of the protected area and submitted this and the management plan to the Thua Thien Hue People’s Committee for final review and approval. A decision is expected by early August ‘13. Key government stakeholders have provided comments on the QNSNR’s plan and these have been integrated into the draft document. The QN FPD intends to submit the document to the Province People’s Committee in July ‘13 for approval.

**Intermediate result 1.7**

*By end of the project: One sustainable financing mechanism will have been developed per Protected Area.*

Please refer to CarBi’s proposed Payment for Forest Ecosystem Services (PFES) value offering under Intermediate Results 3.2 and 5.5, which will also include both H and QNSNR’s.

**Specific result 2 – Xe Sap NPA**

|  |
| --- |
| The Xe Sap National Protected Area is effectively managed |

**Summary**

WWF supported government ranger patrols have now settled into a regular pattern of consistent monthly patrolling operations. As a result, MIST reports are consistently produced each month and after implementation of four of the six 2012 external MIST assessment recommendations, MIST report quality has improved significantly. The first trial SMART report was produced for June ’13. Feedback from this report will be used to fine tune the data model set over the following months.

Some Xe Sap National Biodiversity Conservation Area (XSNPA) results during the reporting period include:

* 20 patrols totalling 1008 patrol days (average 7 days per patrol)
* 37 illegal camps destroyed and
* 828 illegal animal traps (snares) removed.

This brings a total of 2,565 snares and 105 illegal camps destroyed over 1863 patrol days since the start of CarBi patrols in Laos.

An action plan to implement integrated (multi-agency) buffer zone patrol activities in both provinces has now been devised and patrol activities are planned to commence from August ’13.

In June ’13, CarBi eventually succeeded in getting the relevant Laos Government Departments to sign a co-operation agreement between key law enforcement agencies in Xekong and Salavan provinces. This agreement signifies an elevation of the importance of law enforcement within the CarBi domain and a serious commitment from the government to support project initiatives, which is seen as a CarBi Laos highlight thus far.

The constructed patrol outposts at Koubroy (Salavan province) and Po (Xekong province) have been handed over to the protected area to commence ranger operations from. Outposts at Doub and Kalo villages (Salavan and Sekong provinces respectively) are currently under construction and are expected to become operational in September ’13. Completion of all four structures will significantly enhances the ability of CarBi supported ranger patrols to increase time spent conducting patrols in the protected area.

New measures have been introduced to improve the health and safety of rangers and CarBi field workers, including risk assessments for patrols and outposts, preparation of Emergency Evacuation Plans, and progress in procuring curative malarial medicines.

Major developments towards improving the effectiveness of protected area management are ongoing, however, a number of encouraging indicators of change are evident. A METT assessment was conducted and a score of 43% was recorded, a rise from 17% in 2010. A METT Improvement Plan was also formulated to ensure incremental score improvements until the end of the CarBi project. Boundary demarcation within Salavan province was completed with 53 concrete markers installed. Lastly in June ’13, a three day capacity building study tour was organized for 22 CarBi staff, counterparts and partner organisations to nearby Xe Pian National Biodiversity Conservation Area in southern Laos where lessons learnt could be exchanged between staff.

The translation of the Draft Management Plan from English to Laotian has been completed and the document distributed to counterparts and stakeholders for review. A plan will be followed to consult key stakeholders before revising the document and submission to provincial authorities for approval.

Village Focus International (VFI) have made some significant headway this reporting period with the completion of Land Use Planning activities at seven of the 10 target villages, selection of 15 households per village (150 households) to participate in livelihood improvement activities, preparation of 150 livelihood improvement plans, as well as the first in-village technical training on small animal husbandry (25 participants including 11 women).

The detailed final biodiversity survey report has been finalised and is available for dissemination. Camera trapping and leech collection activities have been implemented in all six of the selected survey squares in western Xe Sap NPA. A diverse and interesting range of animal and bird species was recorded. 29 leech samples have been collected, documented and transported to Vietnam and are waiting to be sent to the Kunming Institute of Technology for genetic analysis.

**Intermediate result 2.1**

*By end 2012 biodiversity surveys of three priority areas complete and populations of bird, mammal, reptile, amphibian and plant species of conservation value in Xe Sap NPA identified.*

**Progress**

The detailed final biodiversity survey report has been finalised and is available for dissemination. A simple presentation summarizing the results of the survey in English is also available (please refer to Annex 5). A service provider has been engaged to lead and develop the awareness raising program for Xe Sap NPA. A key component of this program will be to develop and assist the government counterparts to deliver a powerful presentation in Laotian that highlights the conservation values of Xe Sap NPA. The base line data collected through these surveys will be complemented through the ongoing camera trapping as well as high impact Saola monitoring strategy.

**Intermediate result 2.2**

*By 7 months after project start: MIST is established and fully operational.*

**Progress**

The MIST system used in Laos is identical to that used in Vietnam, however, it has only been collecting patrol data for just over 12 months. CarBi-supported government ranger patrols now regularly operate on a monthly basis, and consequently MIST reports are consistently produced each month. The Laos team has successfully implemented four of the recommendations contained in the November ‘12 external MIST assessment. These included:

* The Xe Sap MIST Officer participated in MIST refresher training with his Vietnam MIST Officer colleagues.
* MIST data was used on a monthly basis to plan ranger patrol operations.
* All information recommended for effective planning was included in MIST reports.
* CarBi staff built two new data model sets for SMART covering both ranger patrols and multi-agency patrol operations (please refer to Intermediate Result1.5).

As mentioned previously under Intermediate Result 1.5, due to the many shortcomings identified with the MIST system, WWF will swap to SMART on a regional basis over the next 18 months. CarBi has set a goal to fully operationalize SMART across the project domain by October ’13, at which time all MIST reporting will cease. The Xe Sap NPA also implemented the six activities outlined within Intermediate Result 1.5 to facilitate this goal.

From June ’13, both the Xe Sap NPA and HSNR MIST/SMART Officers concurrently commenced preparation of MIST and SMART reports. Feedback on the June ’13 SMART report has been compiled and will be used to refine the data model sets, reports and Ranger Based Data Collection sheets.

**Challenges and solutions**

Please refer to those outlined in Intermediate Result 1.5 as they are identical for the Laos Xe Sap side. Only one of the two outstanding recommendations i.e. increase the level of participation of protected area authorities to plan and guide forest guard patrols will be implemented progressively until the end of the project. The development of an informant network is challenging, as there are considerable limitations in human and financial resourcing to manage such an initiative.

**Intermediate result 2.3**

*By 18 months after project start: an incentive system for patrol staff payments has been devised and is being implemented.*

**Progress**

As indicated during the July’12 to December‘12 Technical Progress Report, CarBi is obliged to operate within the WWF Greater Mekong Human Resources Policy regarding performance management, and this system will be applied to incentivize excellence for patrol staff in the CarBi domain as well. Therefore, no further actions will be implemented with this Intermediate Result other than applying the above mentioned Human Resources Policy.

**Intermediate result 2.4**

*By 12 months after project start: two ranger outposts have been constructed and equipped, and are operational a minimum of 20 days per month by trained and equipped field staff.*

**Progress**

The construction of two ranger outposts, one each in Salavan (Koubroy village) and Xekong (Po village), have been completed. At present, the procurement of equipment to operationalize the stations is underway. The anticipated commencement of ranger patrols from these outposts is scheduled from August ‘13.

**Intermediate result 2.5**

*By 18 months after project start: four ranger outposts have been constructed and equipped, three of which are operational a minimum of 20 days per month by trained and equipped field staff.*

**Progress**

Two ranger outposts, one each in Salavan (Doub village) and Xekong (Kalo village) are currently under construction. All materials have been delivered onsite and the concrete foundations for both have been laid.

**Challenges and solutions**

Construction has been delayed due to the early onset of the rainy season, however, we expect construction of both to be completed and handed over to the Xe Sap NBCA by September ‘13.

**Intermediate result 2.6**

*By 7 months after project start: Co-operation agreements between key law enforcement agencies within Laos have been signed and activities have begun.*

**Progress**

In June ’13 a Co-operation Agreement was signed between key law enforcement agencies in Xekong and Salavan provinces with the CarBi project. The agreement took effect from the 1st June ’13 and includes the principal objectives below:

1. At provincial and inter-provincial levels, coordinate control of illegal timber and wildlife trade.
2. Synchronize procedures for inspection and criminal case investigation of illegal activities including deforestation, timber smuggling, wild life and NTFPs trade, as well as illegal mining within the Xe Sap NPA, particularly focusing on identified and potential hotspot areas.
3. Define an adaptive mechanism of law enforcement coordination that follows recognized areas of task and legal jurisdiction between agencies
4. Document lessons learned from CarBi and law enforcement collaboration and share results with other protected areas in Laos.

**Intermediate result 2.7**

*By 12 months after project start: district level trans-boundary (Laos / Vietnam) co-operation agreements have been signed, including a budget and work plan, and activities have begun.*

**Progress**

The Timber and Wildlife Trade Action Plans for Quang Nam, Hue, Saravanh and Xekong provinces, which are discussed in detail under Intermediate Result 4.2, will provide the guiding principles and operating framework for the district level cooperation agreements, which will be drafted as soon as the provincial action plans are completed, and the trans boundary inter-provincial action planning workshop has been conducted.

**Challenges and solutions**

The Trans Boundary inter-provincial timber and wildlife trade workshop is planned for October’13, after which the drafting of district level agreements will commence.

**Intermediate result 2.8**

(replacing old 2.8 and 2.9 as per CarBi’s Inception Report)

*By 30 months after project start (end 2013) monitoring baselines have been established for a minimum of two priority species/groups, including Nomascus gibbon, inside priority areas of Xe Sap NPA.*

**Progress**

This activity is on track. All monitoring activities follow the Xe Sap NPA monitoring protocol developed by the CarBi Wildlife Biologist. From January to June ’13, camera-traps were randomly set in 31/39 monitoring plots (79%) and removed (i.e. survey completed) in 19 (49%) across western Xe Sap NPA. Cameras were set in the last remaining eight monitoring plots in June ’13 with results expected to be retrieved in late August ’13. A highly diverse range of animals and birds have been camera trapped to date, including: Serrow, wild pigs, multiple species of Macaque monkeys and Muntjac, squirrels, Civets (including the IUCN Vulnerable Owston’s civet), hog badgers, Mongoose, Chinese Francolin, Spotted Linsang, Brushed Tailed Porcupine, Silver Pheasant and a number of Partridge species. Some of the images/footage can be viewed in the links provided under Section 4 (Communications).

After retrieval of all the camera trapping data, it will be used to determine occupancy estimation of the mammal community to establish monitoring baselines. Data entry, species identification, and analysis is ongoing, however, preliminary results are promising and will allow baseline occupancy estimates (please refer to Intermediate Result 2.16).

During camera trapping activities, monitoring teams also collected 44 leech samples from the four selected survey squares, 29 of which were prepared and transported to Vietnam. These samples will be sent to the Kunming Institute of Technology for genetic analysis.

A plan has been prepared to commence high impact Saola monitoring through camera trapping and leech collection in the eastern section of Xe Sap, the area of forest which also contains the highest potential Saola habitat within the protected area, as confirmed by several Saola experts, the high impact monitoring will commence in July ’13.

**Intermediate result 2.10**

*By 3 months after project start: 10 key target villages have been selected for interventions.*

**Progress**

Land use planning (LUP) activities have been completed in seven (2 Xekong and 5 in Salavan provinces) of the 10 target villages. The activities also involve demarcation of internal zonation boundaries, preparation of village regulations and erecting a map of the land use plan at a central point in each village. LUP activities at the last three villages are scheduled for completion by October’13.

150 households (15/village) from the 10 target villages, have been selected to participate in livelihood improvements. Three pilot livelihood models have been selected for each village and 5 households are supported by CarBi to participate in each model. Selected models include: raising poultry, coffee and banana growing, Y Bong (*Persia kurzii* Kosterm) cultivation, Acacia plantation, paddy rice, small animal and cattle husbandry, as well as fish aquaculture. VFI have completed 150 individual household livelihoods improvement plans that outline their involvement and a work plan of activities.

A training course on animal husbandry was coordinated by VFI and implemented between 26 - 30 March ‘13. 25 people from selected model households participated and eight and four government technical staff from Salavan and Xekong Provinces respectively participated. 11 trainee participants were women.

**Challenges and solutions**

Xe Sap staff from each province is interested in participating in all LUP activities at each village. Although VFI/CarBi is grateful for this level of interest and support, the limited number of Xe Sap NPA staff available, who also balance other commitments, either with CarBi or other unrelated government work, delays implementation of these activities. This has ramifications not only for the timely completion of LUP activities, but also hinders VFI’s attempts to select the three most appropriate villages to pilot the biodiversity agreements. VFI needs support from both Salavan and Xekong provincial authorities to expedite the LUP for the remaining three villages. This issue will be raised at the forthcoming IMC meeting scheduled in July ’13. As a complementary measure, adaptive management has been applied resulting in the addition of this activity to a Catch-up Plan prepared in collaboration with Village Focus International (VFI).

**Intermediate result 2.11**

*By 7 months after project start: one target village (selected as a model) has signed a biodiversity agreement, and has begun with implementation.*

**Progress**

To date no villages have been selected to enter into biodiversity agreements with WWF CarBi. However, two meetings were organised with participants from Xe Sap NPA, CarBi, VFI and the PAMTA in February and June ’13, to develop and comment upon the DRAFT biodiversity agreement document. There is no fit for purpose template in this regard for Laos, and CarBi had to initiate this process in consultation with VFI. Completion of the second draft of this document is expected in early July ’13 from VFI, who will seek technical feedback, prior to preparing the document to present as a final draft for consideration by any of the selected pilot villages.

**Challenges and solutions**

A number of issues have arisen to explain why little progress has been made with this Intermediate Result. Firstly, the timing to complete the IR grossly underestimated the amount of time required to select the pilot villages. Both participatory rural appraisal (PRA) and land use planning (LUP) activities were required to select an appropriate village to pilot agreements with. To date, PRA’s have been completed for all 10 target villages, and LUP for seven. Resolution of this issue and expediting of the remaining three LUP activities will be raised at the forthcoming IMC meeting scheduled in July ’13. As part of CarBi’s adaptive management process, a work plan and associated timeline for the preparation of biodiversity agreements have been formulated and inserted into a Catch-up Plan prepared in collaboration with VFI.

**Intermediate result 2.12**

*By 12 months after project start: three target village have signed biodiversity agreements, and have begun with implementation*

**Progress**

Please refer to Intermediate Result 2.11 for an explanation of this activity.

**Intermediate result 2.13**

*By end of the project, monitoring of the implementation of biodiversity agreements in 10 key villages within the Xe Sap Protected Area show improvement of livelihoods by a minimum of 15 % over the course of the project.*

**Progress**

Two meetings were organised between staff from Xe Sap NPA, CarBi, VFI and the PAMTA during February and May ’13 to review what baseline information had already been compiled and identify additional baseline measurement parameters. A data collection proforma has been prepared to collect the required information from target villages.

**Challenges and solutions**

Upon a review of the 10 completed village PRAs, it was discovered that information collected by VFI was inadequate to effectively measure changes in livelihoods resulting from implementation of livelihood improvement activities. Recognising the importance of this information, a process of adaptive management was applied, resulting in the organisation of the two above-mentioned meetings, preparation of the proforma data collection sheet and insertion of the activity into the Catch-up Plan prepared in collaboration with VFI. Collection of this information will commence from July ’13 and completion is anticipated by the end of August ’13.

**Intermediate result 2.14**

*By end of the project, the effectiveness of Protected Area management has increased to 70% of total possible scores (Source of verification: WWF-World Bank Management Effectiveness Tracking Tool). Base-line for Sept 2010: Scored 17.*

**Progress**

Twenty-two base and thematic layers were defined by staff from the Xe Sap NPA. A consultant was commissioned to prepare nine zonation maps covering the area of Xe Sap NPA across both Salavan and Xekong provinces. The preparation of a draft set of maps is anticipated to be ready for review by August ’13.

In Salavan province, participatory boundary demarcation was completed with 53 painted concrete markers installed, and their location logged with a GPS. In Xekong province, half the markers (32) have been installed. Completion of this activity has been temporarily delayed by the onset of the rainy season which makes access to these remote areas impossible.

A three day study tour to Xe Pian NPA in southern Laos was arranged for 22 CarBi staff, counterparts and partner organisations in June ’13. Participants gathered knowledge on boundary demarcation, community ranger-based law enforcement, sustainable ecotourism and livelihoods improvement.

A METT assessment was conducted for Xe Sap NPA in March ‘13 by the PAMTA. A score of 43, or 42.2% was recorded which is a significant improvement from the baseline assessment conducted in 2010 of 17, or 16.7%. This is a significant increase in the overall level of protected area effectiveness.

A Draft METT Improvement Plan (MIP) was prepared by the PAMTA and distributed to counterpart staff for comment, with expected feedback in July ’13. Likewise, with the MIPs prepared in Vietnam, the document provides clear guidance on how to achieve incremental increases in the METT score and meet the desired 70% rating target by the end of the CarBi project in 2014. Scores of 50% and 56% respectively for December 2013 and December 2014, were projected, a figure that falls well short of the very unrealistic target of 70%, which was set during project planning.

**Challenges and solutions**

The GPS logged locations of installed boundary markers within Xekong province were mapped with MapInfo, but unfortunately this revealed large disparities with the nationally approved map. Once this error was identified, measures were taken to correct the locations with the assistance of local villages. The early arrival of the rainy season prevented further access to these sites to finish relocation and placement of new markers. This will be continued after the rainy season in October ‘13.

Based upon the projected December 2014 METT score of 56%, achievement of the desired 70% target by project end (also December 2014) will not be possible. The main reasons include, low overall capacity of Xe Sap NPA management staff, insufficient personnel and negligible recurrent financial resourcing to maintain activities after the completion of CarBi (e.g. a total of eight staff to manage a 130,000 plus hectare reserve and 100% reliance upon CarBi to fund and resource ranger patrol activities). Despite the challenges, CarBi is positive that a significant improvement to a level which will be at least better than the world average of around 50%, will be achieved by project end.

**Intermediate result 2.15**

*By end of the project, infractions (violation of law, agreements and rules/illegal activities) into Xe Sap protected area have been reduced by at least 30 % (e.g. based on trends in snare traps detected, confiscation of timber and wildlife, logging roads).*

**Progress**

Currently four patrol teams are regularly deployed each month to conduct patrols at key locations within Xe Sap NPA. All generated patrol data is used to produce monthly MIST reports.

Xe Sap NPA results:

* 20 patrols totalling 1008 patrol days (average 7 days per patrol)
* 37 illegal camps destroyed and
* 828 illegal animal traps (snares) removed.

This brings a total of 2,565 snares and 105 illegal camps destroyed over 1863 patrol days since the start of CarBi patrols in Laos.

Major advancements were made during this semester to improve the working conditions for rangers. These included:

1. An Emergency Evacuation Plan (EEP) is currently under preparation for areas regularly patrolled and accessed by ranger patrol teams. The content is identical to those being used and prepared in Vietnam (IR 1.2). Completion of the EEP, including the production of a map, is expected to be completed by the end of August ‘13.
2. The same new risk assessment procedure used in Vietnam (IR1.2) was also introduced for ranger patrols and outposts in Xe Sap. The introduction of this system seeks to raise the awareness of rangers to the risks associated with their activities, and assists them to identify and prepare strategies to minimise or prevent potential accidents.
3. The process to procure curative malarial medicinal treatments for rangers, counterpart staff and WWF staff / consultants, commenced with meetings in Vientiane with the National Malaria Institute, followed by discussions with both provincial level hospitals completed. Negotiations are still underway to gain access to curative malarial medicine for exclusive use of rangers.

An action plan to implement integrated (multi-agency) buffer zone patrol activities in both provinces has now been devised. Activities include procurement of equipment necessary to support patrol activities (cameras, GPs, etc.), training, planning / coordination processes and patrol implementation.

**Challenges and solutions**

Similar to the circumstances in Vietnam, the procurement of curative malarial medicines has taken a considerable amount of time, especially to identify the key stakeholder contacts. Procurement of these medicines and organization of awareness training on malaria symptoms, diagnosis and prevention, has been handed over to each provincial Xe Sap NPA office to arrange, as it is felt that government to government communications/correspondence is a more effective means to achieve the outcomes. CarBi will monitor progress in this regard and also apply the necessary quality assurance.

**Intermediate result 2.16 (revised)**

*By project end, the status of four priority species/groups of large mammals and birds improved, in comparison with monitoring baselines. The definitions of improvement will be developed for different species groups, but likely to differ due to natural history traits i.e. intrinsic rate of population increase which is greater for ungulates than primates.*

**Progress**

A rapid assessment of the camera trapping results to date ((i.e. completion of 19 of 39 (49%) monitoring plots)), confirms the biodiversity survey findings that most large mammal species (wild cattle/large carnivores/bears) are extremely rare, if not extinct, within the study area. However, medium-sized ungulates and small carnivores remain present, with the most significant findings being multiple records of the IUCN Vulnerable Owston’s Civet *Chrotogale owstoni.* Naieve occupancy estimates, which indicate the proportion of sites with recorded selected species, based on data from 19 monitoring plots, are given below. This technique is based on MacKenzie et al. 2002\*.

|  |  |
| --- | --- |
| **Species** | **Naïve Occupancy Estimate** |
| Wild Pig *Sus scrofa* | 0.37 |
| Muntjac *Muntiacus* spp. | 0.42 |
| Serrow *Capricornis* spp*.* | 0.37 |
| Stump-tailed Macaque [VU] *Macaca arctoides* | 0.58 |
| Owston’s civet [VU] *Chrotogale owstoni* | 0.32 |

\* Darryl l. MacKenzie, James D. Nichols, Gideon B. Lachman, Sam Droege, J. Andrew Royle, and Cathryn A. Langtimm**:** Estimating site occupancy rates when detection probabilities are less than one. Ecology, 83(8), 2002, pp. 2248-2255

**Intermediate result 2.17**

*By 18 months after project start: A management plan for the Xe Sap NPA has been developed and appraised.*

**Progress**

After significant delays, the translation of the Draft Management Plan from English to Laotian was completed, and the document distributed to counterparts and stakeholders for review. A plan has been formulated to collate comments and revise the document before submission to provincial authorities by the end of August ’13.

**Challenges and solutions**

Over the course of the last six months, two Laos translators failed to complete translation of the Management Plan and withdrew from their service provider contracts. It was not until we engaged a third translator that we were able to complete the document to a satisfactory level. With a clear plan and timeframe in place, we are confident that the document is now back on track.

**Specific result 3 – Forest restoration component**

|  |
| --- |
| Natural forests are restored and fragmentation reduced in the A Luoi corridor in ThuaThien Hue Province and the Tay Giang corridor in Quang Nam province |

**Summary**

The primary focus in this reporting period was to ensure that the preparatory steps would be appropriately applied to ensure full readiness for the first planting season in September 2013. Site mapping has been completed in three communes, and is now also being implemented in one other commune. The plan (design) for planting and regeneration (including maps, list of household with specific areas, and agreed upon indigenous seedling in sufficient numbers, has been prepared for the two communes in Quangnam. The consultant contract for drafting the planting and regeneration plan for the two communes in Hue, is being processed. Indigenous seedlings in the existing nurseries have been surveyed, and three species were confirmed compatible with CarBi’s restoration areas. The seedling numbers are sufficient for planned afforestation and regeneration in the selected CarBi areas for this year, and the first contract with the nursery owner in Quangnam is being processed. The opening process of saving accounts for participating farmers was discussed in detail with relevant staff and partners, including KFW in Hanoi and Germany, and the procurement process for an appropriate bank is currently being finalised.

The field staff who will be working on CarBi’s restoration activities on a regular bases, have provided relevant functional training on restoration techniques to participating farmers. The supervision and monitoring of farmers' activities at the restoration sites, were also extensively dealt with to ensure appropriate levels of quality assurance. The Hue and Quang Nam PMUs also approved the signing of an agreement with District DARD or FPD, or the District Management Board of Plantation Project (661 project) to appoint district staff to work as project field staff at the restoration sites, which will address the capacity challenges to ensure effective and efficient implementation. A ToR for an agreement between CarBi and the relevant District Agencies, has already been developed.

Land measurement for selected CarBi forest establishment areas, has been completed in two communes. 106.17ha of forest land in Ta Lu commune, Dong giang district, and 179.38 ha in A Nong commune, Taygiang district, Quangnam, were allocated with certificates for land -use rights (Red books) to 155 households, funded by WWF.  The allocated period is 50 years (from June 2013 to June 2063).

The VLUP process, which is following the KfW framework and the approved guideline for VLUP, was completed and approved by district authorities for five communes. VLUP is currently also being implemented in another four communes, and also being carried out in additional areas of the Huong Phong commune, TT-Hue in cooperation with the WWF Rattan project to maximize synergy and project impact.

Forest Protection Contracts were signed with 6 groups of farmers to protect 603ha of natural forest in Lang commune, Quangnam. Training on patrol techniques and recording methods for farmers was also conducted. The forest areas protected under the forest protection contracts for 1,156ha with 8 groups of farmers in Huong Lam and Huong Phong communes have been inspected, and the first payments (for the first six month period) have been settled. The new areas for protection contracts (900ha) in Quangnam, agreed with the Quangnam PMU and DARD, belong to PFES planning areas, which is well aligned with CarBi’s sustainability strategy. Due to insufficient funding for longer term Forest Protection Contracts, CarBi has now proposed to support forest protection contracts until the end of 2014, and PFES will continue to provide sustainable payments beyond this date.

Quangnam DARD and FPDF also requested CarBi’s support to get the PFES process established after their planning has been done (forest allocation to farmers for protection) for additional PFES areas. CarBi would like to propose to use the 33 000 EUR savings, which will be generated due to the reduction of the Quang Nam Protection Contracts confirmed above, for supporting a 29 000 ha preparation process towards community based PFES in the CarBi area, which will contribute significantly to our sustainability strategy.

Training on Community Forest Management (CFM) was organised for the staff of implementing agencies and related partners at provincial/district/commune level in Quangnam and Hue in April 2013. The ToR for drafting the CFM Plan in Ta Lu commune has been completed and discussed with the CFM expert of KfW6&7 projects and relevant partners in line with CarBi’s best practice approach.

**Intermediate result 3.1 (revised based on approved new cost norms)**

*At least 450 ha corridor area is reforested by individuals, 3400 ha of natural regeneration (also individuals) and 3000 ha of natural forest are under a formal community forest management system by end of the project.*

**Progress**

Site mapping has been completed in three communes (Thuongnhat commune in Hue; Talu and A Nong communes in Quangnam), and being implemented in one other commune (Huong Phong commune in Hue).

The plan (design) for planting and regeneration (including maps, list of households with specific areas and planting species) and acquisition of seedlings, has been prepared for the Ta Lu and A Nong communes, Quangnam. The consultant contract for drafting the planting and regeneration plan for the two communes in Hue (Thuong Nhat and Hong Ha communes), is being processed.

Indigenous seedlings were surveyed in the existing nurseries in Quangnam, and three species were confirmed compatible with CarBi areas. The seedling numbers (eg. Hopea odorata and Erythrophloeum seedlings) are sufficient for the planned afforestation and regeneration in CarBi areas for this year, and contracts with nurseries’ owners will be concluded as soon as we could confirm the final numbers of seedlings required based on the results of site mapping and land measurement. The first contract with a nursery owner in Quangnam is currently being processed.

The opening process of saving accounts for participating farmers was discussed in detail with relevant staff and partners, including KFW in Hanoi and Germany, and the procurement process for an appropriate bank is currently being finalised.

Training on CFM was conducted for the staff of implementing agencies and related partners at provincial, district and commune level in Quangnam and TT-Hue in April 2013. The ToR for drafting a CFM Plan in Ta Lu commune has been completed and discussed with CFM expert of KfW6&7 projects and relevant partners in line with CarBi’s best practice approach.

**Challenges and solutions**

The progress of site mapping conducted by consultants is slow due to: (1) For Quangnam's case: the consultants have to work for two projects at the same time (for the case of two communes in Quangnam, the staff of MB of KfW6, Quangnam FD who has experience in implementing site mapping for KfW projects); (2) For TT-Hue's case: quality of work was not up to CarBi’s standard. The site mapping results were rejected by CarBi need to be re-done/revised where appropriate by the implementing consultant. Farmers also preferred to plant Acacia species rather than indigenous species, which is not compatible with CarBi’s restoration objectives. Negotiation meetings to convince farmers to plant indigenous species, were quite time consuming.We were able to convince partners and farmers to plant Hopea odorata/Chukrasia tabularis instead of Acacia. Hopea odorata/Chukrasia tabularis seedlings are available at existing nurseries at sufficient numbers for this year’s planned planting, and CarBi access to these seedlings has already been negotiated successfully.

The field staff working as long-term consultants will now be considered for employment in order to carry out and supervise the VLUP, site mapping and other project activities at the restoration site level. The field staff’s function is quite similar to the field staff of other KfW co-financed projects, but the number of field staff for CarBi will be less. The field staff who will be working on CarBi’s restoration activities on a regular bases, have provided relevant functional training on restoration techniques to participating farmers. The supervision and monitoring of farmers' activities at the restoration sites were also extensively dealt with to ensure appropriate levels of quality assurance.  The Hue and Quang Nam PMUs also approved the signing of an agreement with District DARD or FPD, or the District Management Board of Plantation Project (661 project) to appoint district staff to work as project field staff at the restoration sites, which will address the capacity challenges to ensure effective and efficient implementation. A ToR for an agreement between CarBi and the relevant District Agencies, has already been developed.  
  
The issue of maintaining individual savings accounts after project end has also been discussed and researched extensively, and will be finalized in August 2013. CarBi also discussed the saving accounts matter in detail with the Vietnam Bank for Agriculture & Rural Development (Agribank, Quangnam, and the Hue Branches), as well as with the Bank for Social Policies (BSP) of Quangnam province and Hue city to ensure compliance with WWF policies. Further discussions will also be conducted with KFW to ensure alignment with policy.

It also took a long time to reach consensus with related agencies in Quangnam for the issuing of Red books for community (natural) forest. Once Ta Lu Commune has been completed as a pilot, we will expand this process to other communes which will be confirmed after the completion of the VLUP process.

**Intermediate result 3.2**

*Additionally 3000 ha are under performance based protection contracts in the buffer zones in both provinces by 12 months after project start.*

**Progress**

The FPC planning was completed in Lang commune in Quangnam. The result was approved by Taygiang District’s People Committee, and the ceremony for the signing of FPC’s with 6 groups of farmers to protect 603ha of natural forest, was conducted in Lang commune. Training was also conducted. The contract with implementing agency (Management Board for Plantation project of Taygiang district - MBFP) for conducting FPC planning in A Vuong commune, was cancelled and it was suggested by Quangnam DARD and Management Board of Forest Protection and Development Fund (FPDF), to move to Song Kon commune instead. The new suggested areas also belong to PFES planning areas, which we agreed with in line with our sustainability strategy. The fund for paying farmers for forest protection is not sufficient yet. CarBi will support the fund for forest protection contracts until the end of 2014, and PFES will continue to sustainably fund forest protection in the relevant areas after that.  
Quangnam DARD and FPDF also request CarBi support to get the PFES process established after their planning has been done (forest allocation to beneficiaries) for other PFES areas. We may have some surplus funding under Protection contracts which can be used to support QN in this regard. The forest areas protected under forest protection contracts for 1,156ha with 8 groups of farmers in Huong Lam and Huong Phong communes, have been inspected and the first payment (for first six month period) has been settled.

**Challenges and solutions**

The contract for conducting FPC planning in A Vuong commune has been cancelled due to the PFES programme of the province being conducted in the same areas.in A Vuong commune, and the fund from PFES (getting from hydro power plants) is sufficient for paying farmers for forest protection in this commune. The FPC planning was delayed due to very slow implementation by the Management Board for the Plantation project of Taygiang district, due to their lack of capacity.  
CarBi discussed this challenge with the PMU and it was agreed that staff from FPD will be dispatched to support the Management Board for Plantation project of Taygiang district when implementing FPC activities in the Lang commune.

**Intermediate result 3.3**

*By end of the project, the forest fragmentation index for the project areas with direct rehabilitation interventions has been reduced by 50 % (based on an analysis of the fragmentation and the monitoring of the forest carbon in those areas).*

**Progress**

Discussions with the German Air and Space Agency regarding cooperating on forest cover mapping and fragmentation analysis are ongoing. A short-term service provider has also been appointed to assist with the planning of an optimal way forward regarding the spectrum of technologies available to provide a base line against which project progress can be measured. We have also embarked on some research on change detection over time on the basis of LANDSAT imagery, starting in the 1980s. The fragmentation index itself will be calculated based upon the most recent remote sensing imagery from Rapideye or SPOT images. Preliminary analysis has demonstrated that ground-truthing needs to be deployed in order to achieve accurate figures.

**Intermediate result 3.4**

*The participatory land use planning of the forest areas to be restored has been completed for the first areas by 18 months after project start, including the development of maps and the red-book allocation.*

**Progress**

The VLUP process, which is following the KfW framework and the guideline for VLUP, was completed and approved by district authorities for five communes (Thuongnhat, Huong Lam, Huong Phong communes in TT-Hue and Ta Lu, and A Nong communes in Quangnam). VLUP is currently implemented in another four communes: Hong Ha commune in TT-Hue and three communes in Quangnam: Bhalee, A Tieng and A Vuong. In A Tieng commune, field work, including meetings with district and commune levels, was completed. The VLUP results of A Tieng and Hong Ha communes are now being reviewed by relevant authorities. In Bhalee and A Vuong communes, the first meetings at district, commune and village levels, were conducted. VLUP is also being carried out in additional areas of Huong Phong commune in cooperation with the Rattan project to maximize synergy and project impact.

**Challenges and solutions**

The implementation of VLUP done by consultants, especially the staff of the Management Board of KfW6, Quangnam FD (who has experience in implementing VLUP for KfW projects) is so slow due to their staff having to work for two projects at the same time. Most of the VLUP contracts were amended to extend the contract periods. The contract for implementing VLUP in Ta Lu commune was extended three times, but is now on track. A specific risk which must be mentioned, is the fact that Rubber Companies fund the planting of rubber trees in the project areas with very attractive benefits to farmers and local authorities (farmer can get more than 60 million VND/ha in total for 8 years, for land preparation, digging holes, fertilizing, planting, tending… + 40% of products harvested). The areas for CarBi forest restoration are also very difficult to determine as originally planned, and they are thus becoming smaller, and may now also be quite far from villages. Besides, it seems that the quality of VLUP in some areas was not good as the site mapping rejected the big areas for CarBi planned by the VLUP process (e.g. Site mapping rejected 180ha of 400ha planned for regeneration, and 20ha of 86ha planned for afforestation by VLUP in Thuong Nhat commune). The field staff working as long-term consultants will now be considered for CarBi employment in order to carry out and supervise the VLUP, site mapping and other project activities at the site level. The field staff’s function is quite similar to the field staff of other KfW co-financed projects, but the number of field staff for CarBi will be less. The recruitment processes and approvals will be completed by the end of July, 2013.

**Intermediate result 3.5 (revised based on approved new cost norms)**

*At least 6850 ha of forest land (e.g. natural forests and afforestation) areas are formally allocated to households and communities by the end of the project.*

**Progress**

Please refer to 3.4 for information on progress with VLUP.

Land measurement for forest establishment areas for CarBi has been completed in the planned areas of Ta Lu and A Nong communes (Quangnam). Dong giang district PC has issued Decision No 985/QD-UBND to allocate 106.17ha of forest land with certificates for land -use rights (Red book) to 91 households in Ta Lu commune, and Taygiang district PC has issued Decision No. 728/QD-UBND to allocate 179.38 ha of forest land with certificates for land -use rights (Red book) to 64 households in A Nong commune. The allocated period is 50 years (from June 2013 to June 2063).

**Challenges and solutions**

The implementation of the activities under this Intermediate Result must be evaluated in the same context as those under 3.4, experiencing the same challenges. The implementation of land measurement and allocation is very slow due to the capacity of the implementing agency (district DONRE), which was recommended by the District PC. There was also a challenge regarding the issue of land allocation size limitation for households that took time for discussions and agreement from relevant agencies and CarBi. CarBi will not apply the conventional area limitations for forest establishment per household in order to increase the opportunities for willing households after approval from the relevant authorities, to join CarBi and increase the areas for forest restoration in biodiversity corridors to achieve the project targets.  Please refer to Annex 6 for a more detailed motivation in this regard. More intensified discussions will also be conducted (with the support of other government agencies), with the district PCs regarding improved land measurement implementation rates in the remaining communes.

**Intermediate result 3.6**

*By 30 months after project start, first land titles with red book certificates of natural forests of good quality (at least 2c or 3a) have formally been issued to communities for sustainable forest management.*

Please refer to 3.1 above.

**Intermediate result 3.7**

*By 36 months after project start: Restoration measures are completed on 50% of the designated areas for reforestation, enrichment planting and natural regeneration as well as all forest protection agreements have been signed.*

Please refer to the status of site mapping and preparation steps for restoration in 3.1, and forest protection contracts in 3.2 above.

# Specific result 4 – Timber trade component

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| The Provinces of Xekong and Salavan consistently apply transparent and efficient timber tracking systems for logging quotas and effectively cooperate with relevant Vietnamese agencies. |

**Summary**

Extensive field surveys, which primarily focused on areas with a high risk of large-scale unauthorized logging under cover of approved infrastructure projects (construction of hydropower dams, roads and mining concessions), resulted in the identification of associated illegal trans-boundary timber trade within the CarBi leakage area. The primary destinations of wood products originating from the Xekong province in Laos were also mapped out.

Based on data collected from different sources, CarBi was able to estimate the volume of timber from unauthorized sources at two levels: for Xekong province in the 2010-2011 logging season, and for the “CarBi monitoring area” (Champassak, Attapeu, Xekong, Saravanh provinces in Laos), from 2011-2012. These estimations indicate that the outflow of timber products (in round wood equivalent) from Xekong, has exceeded the officially recorded harvest volume by more than 3 times.

The actual volume of timber moved from the CarBi monitoring area, has also exceeded officially confirmed logging volumes within this area by at least 53 %. The latter estimation is considered to be a significant underestimation due to the fact that the total volume of timber exported via the largest border gate in the leakage area (Phou Kua-Bo Y in Attapeu province), was calculated as unprocessed wood (due to the lack of accurate available data on specific types of exported products), despite the fact that a significant volume of processed planks/wood products would normally be part of the consignments

The process to conclude the estimation of international leakage and the elaboration of the quantitative baseline timber trade scenario, was delayed due to the consultancy’s (GFS) inability to produce these important deliverables according to specification. In response to the challenges with the consultancy, CarBi’s staff continued the collection of the required data to finalize the development of the quantitative scenarios for cross border leakage.

Logging quotas for piloting an improved traceability system, were finally selected and approved by the Laos government: logging under construction of road “101 km” in Xekong Province, and forest clearance under limestone mining in Saravanh Province.

As a result of field surveys conducted by CarBi’s Timber Trade staff in Laos and Vietnam, additional significant gaps in the current tracking system have been revealed. It was confirmed that Vietnamese custom authorities do not require timber importers to present documents from the Lao side which would prove legality of timber origin. CarBi’s preliminary assumption of a high probability of the inflow of illegal timber to log landing 2, with subsequent legalization, was supported by on-site collected factual data.

Draft Timber and Wildlife Trade Action Plans for Thua Thien Hue and Quang Nam Provinces in Vietnam, have been developed as intermediate steps towards a joint inter-provincial action plan. The Draft Action plan for Thua Thien Hue province was presented to relevant agencies in a consultation workshop in Hue, and consultants were requested to revise the draft action plan in such a way as to address revealed gaps and weaknesses, and also to set measurable objectives based on specific data/targets, supported by some well-grounded achievable and verifiable activities. The same process is being pursued in Quang Nam, followed by Saravanh and Xekong Provinces in Laos.

Any number of action plans will unfortunately not have the desired outcomes without some acknowledgement from the relevant authorities of the existence of trans-boundary trade in wildlife and illegal timber trade, as well as the fact that existing procedures/controls for imported wood products cannot guarantee the legality of harvested and traded timber. CarBi will thus have to devise a strategic communication plan to relay the findings of the leakage study in a palatable and non-confrontational way to ensure appropriate buy-in and ownership from the relevant authorities, especially against the backdrop of the FLEGT/ Voluntary Partnership Agreement process.

**Intermediate result 4.1**

*By end of the project, reduction of illegal timber harvesting and trade by 80 % in the selected logging quotas in the two provinces of Xekong and Salavan provinces compared to other logging quotas outside the project region assessed in the baseline study.*

**Progress**

Field research has been conducted in both Laos and Vietnam (February-March’13, May-June’13) to define weaknesses and improve the system for traceability and inspection for logging quotas and associated timber trade under infrastructure projects. Key regulations on control of timber harvesting and transportation were collected in Lao and Vietnam. Two of the five infrastructure projects tentatively selected as candidates for piloting the traceability system, have been visited for on-site evaluation of on-going logging activities and enforcement of inspection procedures: Xe Kong 4 dam construction and road construction Ban Panon-Thongsa (road “101 km”). The construction of the road along the Mekong river within Phou Xiang Thong NPA with associated logging activities, was also visited **as a possible option for use as a reference area.**

Based on all the field observation, it was concluded that the system for tracing log production to a planned (approved) infrastructure project, is not adequately implemented.

The most significant gaps revealed were a lack of marking of trees, demarcation of logging areas prior to harvest, numbering and signing of logs in log landing I, and traceability of timber transportation from log landing I to log landing II. A lack of accurate forest inventory of timber resources prior to approval of logging quotas also establishes favourable conditions for following legalization of illegal timber. Preliminary assumptions of a high probability of inflow of illegal timber to log landing II, with subsequent legalization, were supported with on-site collected facts. There was also a lack of evidence of monitoring harvesting activities within infrastructure projects by relevant government agencies to ensure that harvesting is limited to defined project areas, and complies with forestry regulations.

It was found that at least 50% of annual wood transportation in the CarBi monitoring area occur from June-October, which is officially considered as low season for logging operations, and requirements for control or timber transportation (incl. at border posts), are subsequently reduced. It was also confirmed that Vietnamese custom authorities do not require timber importers to present documents from the Lao side, which would prove legality of timber origin (export permit, transport permit, balance sheet, etc.). This finding contradicts the assumption of intact documentation made in the scoping study. Key elements which are capable of improving the system in the shortest possible time are: demarcation of harvest areas, identification and registration of logs at log landing I and capturing this information at log landing II, monthly reporting progress of areas worked and associated volume of logs extracted to calculate volume / ha extracted from the project area, etc.

The logging quota under construction of road “101 km” in Xekong province was finally selected for piloting an improved traceability system, approved at a meeting in Xekong PAFO under chairmanship of the Head of the Provincial Governor’s Office on 21 of May’13.

Forest clearance for limestone mining seemed to be the best option for piloting the traceability system in Saravan. Official permissions on the construction of road “101 km” and associated logging quota were collected and translated into English. Based on a preliminary review, data on forest inventory seems to be unreliable, because the list of trees to be logged includes only commercially valuable species. The location of the road was also mapped into GIS format. Information on the activation of logging operations under this quota was also gathered as a result of CarBi field surveys at the eastern end of the road near the Lao-Vietnamese border. Field surveys have proved a high probability of the use of this logging quota to disguise unauthorized logging and export of illegal timber. For example, employees of a sub-contracted logging company have been found with heavy equipment when they searched for wood in the south-east corner of Xe Sap NPA – more than 20 km from the nearest location of the constructed road. PONRE Xekong has subsequently notified surveyors regarding the illegality of their intentions.

CarBi TT component leader and TT coordinator in Vietnam also visited the newly-opened border gate Tay Giang on the Vietnamese side on 25 of April 2013, which can potentially be used for export of timber harvested under road “101 km” construction. They also met with the command of Vietnamese border guard post.

The CarBi TT team started to design a timber tracking system, in consultation with relevant counterparts, based on field findings. Preliminary arrangements to use high-resolution satellite images for remote sensing monitoring of pilot quotas and reference areas, was made under the framework of the Open Landscape project. It was agreed that draft of this timber tracking system would be presented to PAFO for approval in September’13.

**Challenge and solution**

The piloting process was delayed because the consultancy did not perform the assignment in line with the specifications. The operational assessment of the five logging quotas could also not be completed, again due to the consultancy’s inadequate and fragmented information for only two of the 5 concessions. A detailed analysis of the current forest inspection system’s weaknesses, based on specific evidence as per the TOR, was also not conducted by the consultancy.

CarBi thus had to take appropriate initiative to fulfill the remaining gaps through its own efforts:

* analysis of weaknesses of current system was finalized based on data collected on both sides of the border;
* selection of pilot quotas was completed in cooperation with counterparts;
* design of timber tracking system was started.

Vietnamese border authorities do not recognize the existence of trans-boundary illegal timber trade and have thus little motivation to validate legality of imported timber origin. Based on collected evidences of illegal timber trade between Xekong and Saravan provinces and Vietnam, CarBi will argue the necessity to deploy solid measures against the importation of unverified timber in the provincial action plans for Thua Thien Hue and Quang Nam. There is also still a lack of background information on the current status of logging operations under selected quotas. It was agreed that CarBi focal points in POFI would assist in the collection of the required information.

Piloting of the traceability system is also challenged by ongoing changes of regulations (for example closure of permanent roadside checkpoints). CarBi TT will closely look at lessons learned from projects with similar objectives (for example logging monitoring in NT2 project). For example, remote sensing data can be applied to compensate for the lack of on-site observations for the monitoring of infrastructure projects.

POFI in Saravanh and Xekong has little motivation to inspect special logging quotas, and there is also resistance from authorities at provincial level to inspect sawmills and log landings. CarBi will need political support at national level to implement planned inspection activities, and have already started to establish a formal working relationship in this regard.

**Intermediate result 4.2**

*At regular meetings between Salavan and Xekong Provinces (Lao PDR) and ThuaThien Hue and Quang Nam Provinces (Vietnam), both at technical and political level, include results from baseline assessments of timber trade and jointly set reduction targets to be monitored. The first cross-border meeting takes place latest two years after the project start at provincial level, involving governors’ offices (Laos) and representatives from People’s Committees (PPC) in Vietnam, to agree on tangible measures to address illegal timber harvesting and to control illegal wood trade.*

**Progress**

The Draft Timber and Wildlife Trade Action Plans for Thua Thien Hue and Quang Nam have been developed as an intermediate step towards a joint inter-provincial action plan. The Draft Action Plan for Thua Thien Hue province was presented to relevant agencies in a consultation workshop in Hue on 18th of April 2013. Comments and feedback from participants have been received. It was agreed that after the final revision, the action plan will be sent to the PMU for endorsement and then to be submitted to the Department of Agriculture and Rural Development for approval.

The Draft Action Plan for Quang Nam will be discussed with relevant agencies in a workshop on 2 July 2013. The final drafts for ThuaThien Hue and Quang Nam provinces will be finalized and agreed upon with interested parties, and endorsed in August’13. Lessons learned from the drafting of the action plans on the Vietnamese side were taken into account in the detailed ToR for the consultancy on the development of the Xekong and Saravan provinces in Laos’ action plans, which will must start in the first half of July’13 after approval of ToR by Director General of Department of Forest Inspection.

At the end of May to beginning of June’13, WWF CarBi TT component leader and TT coordinator in Vietnam have conducted field work in 3 border districts of Thua Thien Hue and Quang Nam provinces, aimed at updating information on forest law enforcement status and control on transportation of forest products within border areas. Findings of fieldwork will be used to demonstrate the need for an integrated trans-boundary action plan.

An Interagency Cooperation Strategy for forest law enforcement, signed by POFI, PONRE, Army, Police, Customs and Provincial Anti-corruption Officer in Saravahn and Xekong provinces, includes interactions with relevant agencies in Thua Thien Hue and Quang Nam province to combat illegal trade of forest and wildlife products.

**Challenges and solutions**

The first draft of the action plan for Thua Thien Hue province was too general, covers too many objectives, does not provide substantiated analysis of weaknesses and strengths of current law enforcement, does not set measurable objectives based on specific figures, and also does not refer to lessons learned from the elaboration and implementation of other similar action plans in the past. After a meeting with the consultant, it was agreed that the action plan will be redone to be focused on achievement of measurable short- and long-term results, with a few well-grounded (based on analysis of previous experience and research), doable and verifiable activities. The first contract on the elaboration of the action plan for Quang Nam province was finally cancelled in March’13 due to a lack of progress. The new consultant was contracted on 1 April’13, and accepted the requirements that the plan must be practical, feasible and result-oriented, but his 1st draft had the same gaps and weaknesses as the action plan for Thua Thien Hue Province. He was similarly requested to revise the draft action plan to meet CarBi’s specifications.

Extensive discussions with representatives of law enforcement agencies in Thua Thien Hue and Quang Nam provinces proved once again that the relevant Vietnamese officials do not recognize the existence of illegal timber in trans-boundary timber trade as well as wildlife trafficking. Custom officers and border guards have not been recording any wood smuggling (including under-declaration of volume and grades), or wildlife trafficking, not even one single case,

during last few years (they could not confirm the exact number of years). To address this situation, CarBi plans to start discussions with officials in the Ministry of Agriculture and Rural Development of Vietnam who are in charge of the FLEGT/ Voluntary Partnership Agreement process, and to share the data/information collected through the Leakage Study regarding timber trade between Laos and Vietnam.

**Intermediate result 4.3**

*By 12 months after project start: The scope of the cross-border timber trade between Laos and Vietnam has been analyzed in a comprehensive study that will provide the baseline for project monitoring.*

**Progress**

Extensive field surveys in Laos and Vietnam has resulted in obtaining additional valuable information on timber flows, which provides solid background for elaborating baselines for cross-border leakage. Areas with a high risk of large-scale unauthorized logging under cover of infrastructure projects (construction of hydropower dams, roads and mining concessions), and associated trans-boundary timber trade, were identified within CarBi’s leakage area. The location of potential unauthorized logging (“hot spot”) within the south-eastern corner of Xe Sap NPA, identified through the analysis of high resolution satellite images (report on "Forest Cover change detection and logging road assessment in Xe Sap NPA"), was validated on the ground. Facts of timber harvesting in this area in 2004-2012 (at least until August of 2012) were proved by collecting custom records on timber import which passed two gates situated on the border with Xe Sap NPA.

Two newly-established Vietnamese border economic zones (A Dot and Nam Giang) on the border with Xekong province, were visited by the CarBi TT team to gather information on its current development and possible impact on trans-boundary timber trade. Other potential leakage areas with a high probability of unauthorized logging under cover of infrastructure projects (roads Ban Panon-Thongsa, Dekcheung-Ban Panon, new Kaleum-Ta Vang), were also identified. The main destinations of wood products transported from Sekong province were mapped out. Based on data collected from different sources, CarBi roughly estimated the volume of timber from unauthorized sources at two levels: for Sekong province in logging season 2010-2011 and for “CarBi monitoring area” (Champassak, Attapeu, Xekong, Saravan) in 201-2012. These estimations indicate that the outflow of timber products from Xekong in round wood equivalent has exceeded the officially recorded harvest by more than 3 times. The actual amount of timber removed from the CarBi monitoring area, has exceeded the official logging within this area by at least 53 %. The latter estimation is considered as very underestimated because total wood export via the largest border gate in the leakage area (Phou Kua-Bo Y in Attapeu province), was counted as unprocessed wood due to the lack of data on specific types of exported products. Information on logging activities in suitable reference areas with similar environmental and economical conditions (Phou Xiang Thong NPA, Don Amphan NPA) has also been collected.

**Challenges and solutions**

The estimation of international leakage and elaboration of quantitative baseline timber trade scenario were delayed because the consultancy was unfortunately not able to estimate the scope of illegal timber trade and develop a quantitative baseline scenario for international leakage according to specification. They did not explore alternatives to offset the deficit of reliable data. CarBi provided GFS with extensive comments on their draft mid-term report, fully substantiating its shortcomings against the original TOR. Given the disagreement of GFS with this assessment, CarBi offered them the opportunity of an independent review, which will be conducted once we are able to procure a mutually acceptable service provider to conduct the review. In response to the challenge with the consultancy, CarBi TT staff continued the collection of necessary data/information to finalize the development of quantitative scenarios for cross border leakage.

Fieldwork in Xekong province was temporarily frozen after a decision of PAFO Sekong to confine CarBi activities to Xe Sap NPA only. This problem resulted from a misunderstanding of the goals of CarBi’s TT component and shortcomings in the Lao version of the MoU. It was resolved at a specially organized meeting in Xekong PAFO under chairmanship of the Head of the Provincial Governor’s Office on 21 May’13. As a result, the mandate of CarBi TT to work in the entire territory of Xekong province was confirmed.

The biggest portion of the timber harvested in Xekong and Saravan provinces, enters Vietnam and Thailand through border gates situated outside CarBi provinces, and are destined also to other (“non-CarBi”) provinces. There thus emerged a need to expand CarBi’s planning domain based on lessons learned, and to discuss the possible expansion of the scope of CarBi with the governments of Laos and Vietnam, at least to negotiate a broader geographical scope for TT monitoring (include Attapeu and Champassak provinces on the Lao side, and Quang Tri on the Vietnam side).

**Intermediate result 4.4**

*By 12 months after project start: An analysis of trade routes of timber from special quotas in Xekong and Salavanh provinces has been conducted.*

**Progress**

Concluded.

**Intermediate result 4.5**

*By 12 months after project start: A training needs assessment for relevant national and local Government forest inspection staff has been conducted and a training concept has been developed.*

**Progress**

The consultancy has interviewed POFI and PONRE staff at the provincial offices and road checkpoints during two phases of field research. Based on data collected, the most critical deficiencies in current equipment and human capacity were identified. CarBi TT component leader and the TT coordinator Vietnam evaluated the current status and new requirements from Forest Protection Departments in four districts in Thua Thien Hue and Quang Nam provinces to combat illegal logging. These lessons learned will also be taken into account to draft the needs assessment for Xekong and Saravan provinces.

GPS’s, motorbikes, cars, and office equipment have been procured and delivered to the relevant government staff, and the procurement of additional patrolling equipment for POFI mobile enforcement teams, will be conducted upon completion of the needs assessment. Updated topographical maps (1:100.000) for Saravanh and Xekong provinces have also been purchased, as well as the geo-referenced version GPS application.

It was decided to procure the highest priority equipment for multi-agency patrolling in Xe Sap NPA as a first stage, and a list has been finalized in this regard.

Interagency Cooperation Strategies for forest law enforcement, were signed by POFI, PONRE, Army, Police, Customs and Provincial Anti-corruption Officer for both Saravahn and Xekong provinces, which is generally seen as quite a significant breakthrough in forest law enforcement cooperative governance.

**Challenges and solutions**

The consultancy did not finalize formal needs assessment. Its conclusions on weaknesses in the current performance of POFI and PONRE was also not justified with documented facts and their assessment was not based on any clear methodology. The evaluation of technical needs will thus be completed under the elaboration of the Timber and Wildlife Trade Action Plans for Xekong and Saravan, which is currently in the procurement phase.

**Intermediate result 4.6**

*By 36 months after project start: Lessons learned from the project on the control of timber trade have been fed into national forums and the development of legislation in Laos as well as into the voluntary FLEG-T processes at national level in Vietnam.*

**Progress**

CarBi’s TT staff continued to strengthen its presence in the voluntary FLEGT processes in Laos and Vietnam through participation in meetings dedicated towards the preparation to meet FLEGT requirements. CarBi also assisted the World Bank field mission to Saravan province aimed at evaluating the results of the 1st phase of the project on *Information and Communication Technologies for FLEGT,* and provided them with comments on the current weaknesses of the forest inspection system.

The CarBi TT component leader and TT coordinator in Vietnam have interviewed representatives of Vietnamese law enforcement agencies (custom office, border guards, forest protection department) in border districts of Thua Thien Hue and Quang Nam provinces on procedures and the practice of control of timber importation from Laos. Drafts of Timber and Timber Product Legality Definition and Timber Legality Assurance System for Vietnam Voluntary Partnership Agreement, were also critically re-examined based on information collected. It was concluded that the current drafts fail to assure that imported timber was legally harvested and traded. Moreover, current procedures can even contribute to legalization of imported timber from unknown sources.

**Challenge and solution**

Elaboration of recommendations to Timber and Timber Product Legality Definitions and Timber Legality Assurance Systems was postponed as a result of a delay with the implementation of the CarBi pilot timber traceability system. CarBi will present the first recommendations in this regard at a Regional workshop on the Identification of Timber Species and Origin on 20-21 August in Beijing. It was agreed that the coordinator of the WWF GFTN program in Vietnam will be the point person to provide CarBi with relevant information on the VPA preparation process. He will also assist CarBi to arrange a meeting with MARD to present the findings of the leakage study in September’13.

**Specific result 5 – REDD+ component**

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| Capacity Building for REDD+ and Development of a Project Design Document for the transboundary area in Xekong and Salavan Provinces in Lao PDR and Quang Nam and ThuaThien Hue Provinces of Vietnam |

**Summary**

Following the REDD feasibility study, the CarBi team worked closely with the consultants from Forest Carbon as well as the respective Government Counterparts and relevant WWF experts on several iterations of the report, until the final version was made available in April 2013. The report and its finding was also discussed with KFW in February’13 subsequent to its conclusion. As the study concluded that it was not economically feasible to develop the CarBi area as a REDD project for the voluntary carbon market, the CarBi team has been examining alternative opportunities to secure sustainable financing for conservation in the CarBi project area beyond the life of the project. Payment for Forest Ecosystem Services (PFES) has shown high potential in this regard, particularly in Vietnam. Extensive research and detailed planning, in consultation with relevant government counterparts, has been undertaken to develop PFES in Hue and Quang Nam in Vietnam, whereas initial scoping has been undertaken on the Laos side of the project. Opportunities for trans-boundary experience sharing have also been considered.

Following productive discussions and in-principle endorsement from KfW, a detailed PFES proposal was submitted to them in March 2013 in order to facilitate obtaining BMU approval. Implementation of further activities under this component have been delayed, pending formal approval from the BMU for this change in scope of the REDD component.

**Intermediate result 5.1**

*The methodology for the forest carbon inventory has been negotiated with all relevant Government partners by 6 months after project start.*

**Progress**

As the CarBi project will no longer be pursuing PDD development, there is no longer a need to develop a forest carbon methodology. The grant from Planet Action for free Spot-5 data may be used by other project components for their planning and analysis. The exact scenes to be requested under the grant have not yet been finalised, so there is some flexibility to meet the needs of other components.

**Challenges and solutions**

n/a

**Intermediate result 5.2**

*Representatives of local Government agencies in Vietnam and Laos are trained in REDD baseline and monitoring methods by 9 months after project start, in development of PDDs by 12 months after project start as well as in compensation and benefit mechanisms by 24 months after project start.*

**Progress**

The REDD Technical Trans-boundary workshop (FY12 Q3) included capacity building on REDD baseline and monitoring methods and PDD development. This training was then complemented by workshops in both Laos and Vietnam in December 2012 that focused on explaining the feasibility study process and implications for PDD development.

Training in compensation and benefit mechanisms will be included in the final REDD capacity building workshops planned in each province during the second half of the project. The relevance of well-designed compensation and benefit mechanisms to effective PFES implementation will also be highlighted.

**Challenges and solutions**

Resources for capacity building are limited, however, REDD capacity building remains a priority to ensure that local government counterparts are well-placed to take advantage of emerging REDD market opportunities in the future, even with the new focus on PFES. The new REDD capacity building plans include supporting local government counterparts to travel to Thailand for the TREEMAPS Regional REDD workshop, as well as supporting counterparts to travel to Vientiane / Hanoi to participate in National REDD workshops and meetings to not only build their technical knowledge, but also improve their integration into National REDD processes. Formal training workshops will also be held in each province to raise technical knowledge in REDD in the most cost-effective way, minimizing the travel expenses usually associated with such workshops.

**Intermediate result 5.3**

*By 11 months after project start: Carbon baseline for the project area is established.*

**Progress**

An initial carbon baseline was established as part of the REDD feasibility study. As PDD development will not be pursued, a more detailed carbon baseline using higher resolution satellite imagery will not be developed.

**Challenges and solutions**

n/a

**Intermediate result 5.4**

*By 12 months after project start: The framework and scope for a possible cross-border REDD project has been appraised with a feasibility study.*

**Progress**

The CarBi REDD feasibility study was concluded in December 2012, with the final report made available in April 2013.

**Challenge and solution**

The study concluded that developing the CarBi project area as a REDD project for the voluntary carbon market was not financially feasible, therefore the team has been exploring alternative opportunities for sustainable conservation financing, such as Payment for Forest Ecosystem Services (PFES).

**Intermediate result 5.5**

*By 18 months after project start: The framework and the terms of references for the development of the PDD have been developed.*

Given the results of the REDD feasibility study, development of the PDD will not be pursued, therefore this IR is no longer relevant.

**Intermediate result 5.6**

*By 23 months after project start: The ToR and tender for the development of the PDD has been published.*

Given the results of the REDD feasibility study, development of the PDD will not be pursued, therefore this IR is no longer relevant.

**Intermediate result 5.7**

*By end of project, the changes in forest carbon and degradation and deforestation in the project areas are assessed.*

Given the results of the REDD feasibility study, the resources necessary to conduct this monitoring (which would have been an important part of the PDD) will be reallocated to support the development of PFES in the project area.

**Progress with PFES planning**

Since developing the CarBi project area as a voluntary market REDD project was found not to be economically feasible, CarBi has been exploring alternative sustainable financing mechanisms for PA management in its planning domain, especially PFES. In Vietnam, a PFES action plan has been designed based on the results of research on PFES in Thua Thien Hue and Quang Nam. This proposed action plan was also presented to the PMU members for comments and approval before submitting it, with a draft work plan and budget, to KFW in March 2013. The proposed action plan was to focus on strengthening capacities of government staff on PFES in Quang Nam and Thua Thien Hue provinces, as well as the introduction of a PFES pilot project in one commune in Thua Thien Hue province.   
  
PFES has not been activated formally in Laos, so a slightly different approach will be required in this regard. An initial research report is being prepared which will inform the design of future PFES activities under CarBi in Laos. As part of this research, several meetings were held with relevant stakeholders including the Department of Forest Resource Management (DFRM) counterparts and Wildlife Conservation Society (WCS) at national level. The report unpacks legal and institutional frameworks required to support PFES activities in Laos. The initial findings confirmed that there are a number of legal/policy documents in place, however, these documents do not explicitly define and guide PFES and its implementation in Laos. The Government of Laos has expressed their strong interest in pursuing PES in sustainable forest management.

The World Bank has approved a US$19 million grant from the International Development Association (IDA) to support the Scaling-Up of Participatory Sustainable Forest Management (SUPSFM) project in Laos which will be coordinated through FIP. The government of Finland and other Development Partners also support this project by promoting Payment for Ecosystems Services (PES). The Ministry of Agriculture and Forestry (MAF) will implement the SUPSFM project in close relationship with the Ministry of Natural Resources and Environment (MoNRE). CarBi will ensure that its PFES development process synergies appropriately with this project.

Two significant proposals were also submitted to help secure additional co-funding for the revised REDD / PFES component. In Vietnam, after over a year of discussions and planning with the Asian Development Bank (ADB), the ADB finally made a formal invitation for WWF to submit a proposal to implement REDD+ capacity building, Participatory Forest Monitoring, Benefit sharing design and identification of REDD+ interventions in Hue, Quang Nam and Quang Tri provinces. The final proposal for US $240,000 was submitted to the ADB in June 2013, and the CarBi team is optimistic about a positive response, given the long-term engagement with the ADB on this initiative.

The second proposal was a Greater Mekong Regional proposal submitted to APFNet in May 2013 for US $337,722. The proposed project was designed to directly build upon the experiences of the CarBi project and aims to provide capacity building and other REDD-readiness support to relevant officials in Xekong and Salavane provinces in Laos, and Hue and Quang Nam provinces in Vietnam, to ensure that local government counterparts are well-placed to take advantage of emerging REDD market opportunities, as well as capacity building to build on the CarBi project. The proposal included community-level awareness raising on REDD+ to lay the foundations for a future Free, Prior and Informed Consultation / Consent (FPIC) process, a study on REDD+ benefit sharing, and a study on environmental and social co-benefits and safeguards.

**Challenges and solution**

The Government of Laos has to learn from other countries, e.g. Vietnam to continue the development of its legal framework and build the necessary capacity to ensure readiness for PFES implementation. CarBi will be well placed to facilitate the necessary support in this regard. In Vietnam, the proposed action plan has been designed, but has not been formally approved by the donor yet. Although the delayed approval process continues to prevent further implementation of activities under this component, and some counterpart expectations are challenging to manage at this stage, CarBi is maintaining the necessary planning momentum to ensure readiness when the final approval is granted to ensure that further delays are avoided. We are also managing the current CarBi REDD staff uncertainty as best as possible.