



FAO-EU FLEGT PROGRAMME SUCCESS STORY

Viet Nam: business learns to engage with work in legal timber production and trade

KEY FACTS

Viet Nam, a major timber importing and processing country, has seen exponential growth of its forest-based industries over the past decade. Besides importing timber from some 80 countries across Asia, Africa and South America, Viet Nam exports timber products worth USD 7 billion (*all figures 2016*) to major markets worldwide. That includes trade in timber products with the European Union (EU) worth USD 736 million. To expand trade and ensure access to the EU market, Viet Nam and the EU have developed a Voluntary Partnership Agreement (VPA). This legally binding bilateral trade agreement centers on implementation of Viet Nam's Timber Legality Assurance System (TLAS) which defines and verifies legal timber and leads to Forest Law Enforcement, Governance and Trade (FLEGT) licenses that expedite access to the EU market. The broader objective of the VPA is to improve forest governance in Viet Nam, combat illegal logging, and promote trade in verified legal timber products.

WORKED FOR

Businesses, big and small;
private-sector associations;
civil society organizations;
the Viet Nam government.

WORKED TO

Increase understanding
and acceptance within
the private sector of
requirements and benefits
of legal timber products.

WORKED WITH

Center for Education
and Development (CED),
Binh Duong Furniture
Association (BIFA), Viet Nam
Administration of Forestry
(VNForest), Viet Nam
Chamber of Commerce and
Industry (VCCI), Viet Nam
Timber and Forest Product
Association (VIFORES),
Handicraft and Wood
Industry Association of
Ho Chi Minh City (HAWA)
and the Forest Products
Association of Binh Dinh.

AT A GLANCE

Education sessions prepare private sector for legal timber

Forestry is a critically important sector in the Viet Nam economy, creating business opportunities and tens of thousands of jobs. To support continued trade and to further economic opportunities, the Voluntary Partnership Agreement (VPA) and Viet Nam's Timber Legality Assurance System (TLAS) aim to ensure that timber and timber products imported into the 28 EU member countries comply with Viet Nam's laws. Success requires a shared understanding and acceptance among industry participants, particularly the private sector, of the necessity and value of legal timber. To achieve this, the FAO-EU FLEGT Programme provided funding and support for education and training workshops and forums for businesses, non-governmental organizations, the media and government. The 18-month project Promoting Private Sector Engagement in the VPA Process has helped to strengthen knowledge and understanding of the legal and regulatory requirements for timber legality in Viet Nam.

WORKED THANKS TO

Department for International Development United Kingdom (DFID), European Union (EU), FAO, Swedish International Development Cooperation Agency (SIDA).

FAO-EU FLEGT Programme

The FAO-EU FLEGT Programme works with many partners to help implement the European Union's FLEGT Action Plan to combat illegal logging and associated trade. Since 2008, the FAO-EU FLEGT Programme has supported over 200 projects in 40 countries throughout Africa, Latin America and Asia to improve forest governance and promote legal timber trade.



Related links

Viet Nam Administration of Forestry (VNFOREST)

www.tongcuclamnghep.gov.vn

Center for Education and Development (CED)

<http://ced.edu.vn>

VPA Compliance Guide for Businesses:

<https://en.flegtupa.com/vpa-compliance>

In collaboration with



Sweden
Sverige



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#FLEGT

The Center for Education and Development (CED), in partnership with the Viet Nam Chamber of Commerce and Industry (VCCI), five business associations plus the Viet Nam Administration of Forestry (VNFOREST), implemented this project which promoted legal production and best management practices throughout the timber value chain. Project partners say the project enhanced understanding of the legal framework in Viet Nam and the VPA requirements, in preparation for future compliance.

"Since the training, I know very well how the VPA is going to impact our business in the future," said Sy Dau Xiem of Thao Van Limited Company. "We now know that the timber legality definition also covers labour and environment issues that we have not paid much attention to before," she said. "Lessons learned will be shared among companies along the value chain and we will pass on the information and knowledge that we have from this training to our suppliers and clients and other peers."

A key resource developed by this project was the *VPA Compliance Guide for Businesses*. The guide includes an overview of Viet Nam's legal framework, making it easier for local operators to prepare for VPA implementation. It also helps businesses that source wood products from Viet Nam to conduct due diligence as required by the EU Timber Regulation before full VPA implementation. That will also help them deal with similar regulatory requirements from other consumer countries, including the United States and Australia. "The VPA compliance guide is a great document to provide information on the VPA for businesses and associations," said Huynh Van Hanh, Vice Chairman of the Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA). "It's useful for us to communicate (about) the VPA. The training guide is also very convenient to use."

Conveying information using 'business-friendly' terminology has been important to the project's success. "It helped to explain the VPA in an easy-to-understand language for businesses, and provided discussions and information through the lens of government, businesses and communities alike, to help (us) better understand the impacts of VPA on different groups," said Nguyen Dien, Deputy Director of VCCI.

Media must understand VPA to communicate benefits of legal timber

"Ensuring the news media understand the VPA is essential, so that journalists will disseminate accurate information concerning legal timber and its requirements," added Nguyen Tuong Van, Deputy Director, Department of Science and Technology and International Cooperation at VNFOREST, who praised the project and opportunities it provided. "Networking among media agencies, NGOs, communication companies, business associations, and small- and medium-sized enterprises was also enhanced, laying the groundwork for effective communications in future."

Further information on the project and the VPA process in Viet Nam can be found at <http://en.flegtupa.com>