

FAO/GOVERNMENT COOPERATIVE PROGRAM

Project of the Government of Vietnam

PROJECT DOCUMENT

Project Title and Symbol : Market-oriented Agroforestry to Reduce Poverty in Quang Nam Province, Vietnam (Phase II), GCP/VIE/035/ITA

Donor: Government of Italy

Government Implementing Agency: Department of Agriculture and Rural Development, Quang Nam Province

Duration: Three years

Estimated starting date: January 1, 2008

Donor contribution: US\$1,200,000

Brief description: (to be prepared later upon approval of draft)

Part I- Project Agreement

1. Within the framework of its agreement with the Government of Italy (the Donor Government) and upon request from the Government of the Socialist Republic of Vietnam (the Government), the Food and Agriculture Organization of the United Nations (FAO) will supply assistance for the execution of the following Project:

| | |
|---------------------------------|--|
| Project Title and Symbol | Market-oriented Agroforestry to Reduce Poverty in Quang Nam Province (Phase II), GCP/VIE/035/ITA |
|---------------------------------|--|

Estimated Costs:

| | |
|---------------------------------|------------------------|
| Donor contribution | US\$ 1,200,000 |
| Counterpart contribution | US\$ 134,500 (in kind) |

| | |
|-------------------------|-----------------|
| Planned duration | Three (3) years |
|-------------------------|-----------------|

A detailed description of project design, including background, purpose, budget and workplan, is provided in Part II of the present document and its annexes in Part III (attached).

FAO Obligations:

2. FAO shall be responsible for the recruitment, international travel, salaries and emoluments of international staff. Appointments of international staff shall be submitted to the Government for clearance. All international staff will work under the supervision of the Chief Technical Adviser (CTA), who is responsible for technical coordination of the Project.
3. FAO will provide the necessary equipment and supplies. The equipment will remain the property of FAO for the duration of the Project. Its ultimate destination shall be decided by FAO in consultation with the Government.
4. FAO will arrange for supervisory travel visits to the Project, to be financed from project costs as shown in the Donor Government Budget.
5. All FAO obligations arising under this Project Document shall be subject to the decision of its governing bodies and to its constitutional, financial and budgetary provisions, and (ii) the receipt of the necessary contribution from the Donor Government. Any obligations assumed by FAO may, at any time, be taken over by the Donor Government.

6. FAO may, in consultations with the Government, execute part or all project activities by suThe selection of subcontractors shall be made, after consultation with the Government, in accordance with FAO procedures.

GOVERNMENT OBLIGATIONS:

7. The Government shall take all necessary measures to facilitate the execution of the Project and to assist the FAO staff in obtaining such services and facilities as they may require to fulfill their tasks. The Government shall apply to FAO, its property, funds and assets, its officials and to the persons performing services on its behalf, in connection with the Project, the provisions of the Convention on Privileges and Immunities of the Specialized Agencies, and the currency exchange rate established with the United Nations.

8. The Government shall deal with any claims brought by third parties against FAO, its personnel other persons performing services on its behalf in connection with the Project, except when it is agreed by FAO and the Government that such claims arise from gross negligence or willful misconduct of such persons.

9. The Government shall be responsible for the recruitment, salaries and social security measures of the national staff. The Government shall also provide the facilities and supplies, as and when required for the Project.

10. The Government shall grant to the staff of FAO and of the Donor Government and to persons acting on their behalf, access to the project sites and to any material or documentation relating to the Project and shall provide any relevant information to such staff or persons.

11. The Government is responsible for the cost of import and customs clearances of project equipment, its transportation, handling, storage and related expenses within the country; its safe custody, maintenance, insurance and replacement, if necessary, after delivery to the project sites.

REPORTING

12. FAO will report on the Project to the Donor and recipient Government as detailed in Part II of this document.

13. The Government shall agree to the dissemination of information like descriptions of the Project and of its objectives and results, for the purpose of educating the public opinion.

AMENDMENTS AND TERMINATION

14. This Project Document may be amended or terminated by mutual consent. Termination shall take effect sixty days after receipt by either party of written notice from the other party. In the event of termination, the obligation already assumed by the Government shall remain enforce to the extent necessary to permit orderly withdrawal of the funds and assets of FAO and of personnel performing services on its behalf.

15. This Project Document shall enter into force upon signature by both parties.

For the Government of the Socialist
Republic of Vietnam

For the Food and Agriculture
Organization of the UN

Date _____

Date _____

Part II – Project Design

1. BACKGROUND

1.1 General Context

Vietnam is located in the eastern seaboard of the Indochina Peninsula sharing common borders with China in the north, and Laos and Cambodia in the west. To the east and south lies the South China Sea. It has a total land area of 33.12 million hectares. Three quarters of the land consists of mountains and hills with the Truong Son range stretching over 1,400 km. The highest peak is 3,142 m above sea level.

The climate is a humid monsoon with average annual temperature between 21 in the north and 31 °C in the south. Central and south Vietnam has two seasons: rainy from September to December in central region and from May to October in southern region, and dry the rest of the year. In the north, there are four distinct seasons: spring, summer, autumn and winter. Rainfall ranges from about 1500 mm per year in the lowland areas to up to 3000 mm or more in the mountainous regions.

Population in 2007 is about 86 million, and growing at about 1.4 % annually. Almost 88 % of the population belongs to the Viet (or Kinh) people, and the rest belongs to 53 other ethnic groups. About 80 % of the population is living in the rural areas, where most are dependent on agriculture, forestry and fishery for livelihood. Expectedly, people in the upland provinces are heavily dependent on forests for subsistence. Continuous migration from the lowlands account for most of the population growth in the uplands, putting increasing pressure on the fragile mountainous landscape and its forest resources.

Since 1987, the economy of Vietnam has undergone a radical transformation from central planning to market-orientation. This process, known as *Doi Moi*, has had considerable impacts on all sectors of the economy, fuelling high economic growth and reducing poverty. One of the main elements of the policy is the allocation of land, including portions of forestlands, to individual households and organizations. This policy has had tremendous positive results on the agricultural sector and has turned the country from a net importer into a major world exporter of rice. A “Hunger Eradication and Poverty Alleviation (HEPA) Program” with obvious objective was also launched. Under HEPA, cheap loans are provided to the rural poor and may be used for education of children, for employment, for agriculture and forestry production and for environmental protection.

The country has 64 provinces and 5 municipalities (Hanoi, Ho Chi Minh City, Haiphong, Can Tho and Danang). Vietnam is a member of ASEAN since 1995, and in November, 2006, the country joined the WTO.

1.2 Forestry Sector in Vietnam

Fifty-eight percent (58 %) or about 19 million hectares of the total land area of Vietnam, is classified by law as forest lands. However, actual forest cover in 1990 was only 9.2 million hectares (27 %), compared with 14.3 million hectares (43 %) in 1943. This decline in forest cover of about 106,000 hectares annually was attributed to slash and burn agriculture, settlements, conversion to commercial agricultural plantations, excessive logging and harvesting of fuelwood and to destruction caused by war. The overall impacts had been sharp reductions in supplies of wood and other non-wood products for industrial and domestic uses, increased soil erosion, impaired watershed protection, high frequency of destructive floods and loss of biodiversity. Equally important were the direct and indirect economic impacts especially to people dependent on forests for livelihood resulting to greater poverty in the rural areas.

The transformation of the country's economic structure from a centralized planning structure to a market-oriented economy or "doi moi" in 1986, brought about significant changes in land management policy, particularly for agriculture and forestry. Agricultural land management was transferred from collective to private households. The 1993 Land Law gave local communities extensive land use rights over agricultural and forest lands. Land use rights include permission to exchange, transfer, lease, mortgage and pass on land for inheritance. As stipulated in Decree 02/CP (January 15, 1994) forest lands can be allocated to households for a maximum of 50 years, with priority given to local people. By 1998, 1.4 million hectares of forestland had been allocated to about 500,000 households.

To address the increasingly serious problem of deforestation and its negative economic, social and environmental impacts, the government launched the Five Million Hectares National Reforestation Program (5MHRP) in 1998 to end in 2010. The program aims to

- Reforest 5 million hectares in 53 provinces and cities to increase forest cover to 14.3 million hectares, or 43 per cent of the country's total land area. These includes 3 million hectares of production forests by farmers on allocated forestlands, and 2 million hectares of special use and protection forest for watershed, biodiversity, and other ecological protection purposes.
- Restore the natural environment, reduce risks of natural calamities and protect biological diversity of Vietnam.

- Utilize barren lands and deforested hills, and contribute to hunger eradication, poverty alleviation, as well as to social and economic development.
- Greatly expand employment opportunities, especially in the rural communities;
- Improve the livelihoods of people in mountainous areas, particularly of ethnic minorities.
- Supply wood and non-wood products from forests for domestic consumption and for export.
- Produce raw materials for wood-based processing industries in Vietnam.

The program is socially and technically complex and covers nearly all land forms and barren sites where trees and forests can be grown. It is a top political priority, with government support channeled through projects 327, 556 and 661. Farmers are contracted to carry out much of the planting, forest maintenance and forest protection work required under the 5MHRP. State Forest enterprises and companies are also expected to contribute in its implementation.

In 1998, the government and the international community established a Partnership Support Program for the 5MHRP. After two years, the Forestry Support Programme (FSSP) was formulated by the Government and all the international partners, including FAO. The FSSP will support the forestry sector development programme including the 5MHRP.

Government initiatives in forest development, with support from the international community, yielded positive results. At the end of 2005, the area of forest nationwide increased to 12.61 million hectares (37 % of land area), comprising of 10.28 million hectares of natural forests and 2.33 million hectares of plantation forests. The volume of timber harvested from plantations increased to about 2 million cu m per year. However, there remains about 6.78 million hectares of unused land, including 6.16 million hectares devoid of forest over.

1.3 Vietnam's Forestry Development Strategy in 2006 -2020

Forestry Development Strategy in 2006 to 2020 is contained in Decision No. 18/2007 of the Prime Minister dated February 5, 2007. The objectives of this new strategy are the following:

- 1) To establish, manage, protect, develop and use 16.24 million ha of land planned for forestry;
- 2) To increase forest cover to 42-43 % (13.91 million ha - 14.24 million ha) by 2010 and 47 % (15.57 million ha) by 2020;
- 3) To ensure wide participation of all economic sectors and social organizations in forest development in order to make more

contributions to socio-economic development, eco-environmental protection, conservation of biodiversity and provision of environmental services, contributing to hunger eradication and poverty alleviation and raising of living standards for rural and mountainous inhabitants and preservation of security and defense.

Specific targets were set as follows:

- 1) 3.5 - 4 % annual growth in production value of the forestry sector to account for 2-3 % of GDP by 2020;
- 2) Establish, manage, protect, develop and use in sustainable manner the following forest types:
 - 8.4 million ha of production forests consisting of 4.15 million ha plantation forests, 3.63 million ha natural forests, and 0.62 million ha of regenerated natural forests for agro-forestry production.
 - 5.68 million ha of protection forests;
 - 2.16 million ha of special use forests.
- 3) Afforest 1.0 million ha by 2010 and 1.5 million ha afterwards.
- 4) Domestic timber output of 20 - 24 million cu m per year (including 10 million cu m of big timber) to meet raw material needs of wood processing industries and for export; and 25-26 million cu m for fuel wood.
- 5) Value of exported forest products to reach US\$ 7.8 billion (timber - USD 7 billion and non-wood - USD 0.8 billion).
- 6) Revenue from environmental values through the clean development, ecotourism, protection of water resources, etc. to USD 2 billion.
- 7) Complete land allocation by 2010.

The strategy is divided into 5 major programs as: a) sustainable forest management and development, b) protection and conservation of biodiversity and development of environmental services, c) forest product processing and trade, d) forestland planning, e) forestry research, education, training and extension, and e) policy and institutional development.

The total investment to carry out the program is estimated to be 33,885.34 billion VND of which about 24 % will come from state budget, 15.6 % from state credits, 13 % from ODA, 24.5 from FDI and from other sources. The Ministry of Agriculture and Rural Development has been assigned to coordinate the implementation of the Forestry Development Strategy.

1.1.4 Summary of characteristics of Quang Nam Province

Quang Nam Province is located in the central part of Vietnam. It borders with Thuan Thien Hue province and Danang City in the north, Quang Ngai and Kon Tum provinces in the south, Laos in the west and with the Eastern Sea in the east. The province is composed of 16 districts and 1 city (Tam Ky), 11 towns, 204 communes and 17 wards. As of December, 2006, the population totals 1,477,556, about 83 % of whom are living in the rural areas. Female slightly outnumber male population (51.6% to 48.4%). Average population growth over the last 10 years (1997 – 2006) is 1.02 %. The number of persons per household decreased from 4.86 persons in 1999 to 3.14 persons in 2004.

Quang Nam has a total land area of 1,040,878 ha, of which 677,765 ha or 65 % are forestlands and 110,958 ha or 11 % are classified agricultural lands. Forestlands are further sub classified into the following categories:

| Classification | Area (ha) | % |
|--------------------|-----------|-----|
| Special use forest | 104,607 | 15 |
| Protection | 358,171 | 53 |
| Production | 214,987 | 32 |
| Total forestland | 677,765 | 100 |

In recent years, considerable progress was made in land allocation. Most of agricultural lands have been allocated. In addition, in accordance with the Land Law of 2003, and the Forest Protection and Development Law of 2004, the Province earmarked 209,000 ha forestlands for allocation to communities/households and 177,358 ha to organizations including state enterprises. About 162,576 were already allocated to communities/households.

The climate is tropical monsoon, with heavy rains occurring from October to December, and a dry period from April to July. Average annual rainfall recorded in Tam Ky Weather Station over the last 6 years was 2525 mm. In Tra My district which borders the project areas, however, the average annual rainfall is 3700 mm (see below). Average annual temperature is 25.9 °C which goes down to an average 22 °C during the months of December and January, or up to 30 °C in the dry months. The province experiences an average of 3 typhoons a year, usually from August to October.

Average rainfall, Tra My District (1996 - 2005)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Tot |
|-----------------|-----|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| Rainfall (mm) | 106 | 73.2 | 61.3 | 93.1 | 218.0 | 153.6 | 130.5 | 191.0 | 433.2 | 866.0 | 827.8 | 547.1 | 3700.8 |
| Rain days (No.) | 9 | 6 | 4 | 5 | 11 | 7 | 8 | 8 | 15 | 18 | 17 | 20 | 129 |

Following the economic growth of the whole country, Quang Nam's economy is growing rapidly as indicated by GDP shown below.

GDP of Quang Nam at 2006 prices (million dong):

| Sector | 2001 | | 2006 | |
|---------------------------|-------------|---------|-------------|---------|
| | Amount | % | Amount | % |
| Agric., forestry, fishery | 1,876,475 | 40.10 | 3,072,535 | 29.00 |
| • Agriculture | (1,346,869) | (28.78) | (2,152,472) | (20.31) |
| • Forestry | (171,095) | (3.66) | (238,108) | (2.25) |
| • Fishery | (358,511) | (7.66) | (681,955) | (6.44) |
| Industrial & construction | 1,258,148 | 26.89 | 3,766,336 | 35.54 |
| Services | 1,544,869 | 33.01 | 3,757,694 | 35.46 |
| Total GDP | 4,679,492 | 100 | 10,596,565 | 100 |

It may be noted that the contribution of agriculture, forestry and fishery to GDP decreased whereas those of the other sectors increased, reflecting a change in the economic structure of the province, in particular and of the country, in general. Nevertheless, agriculture, forestry and fishery sector remains the biggest source of employment accounting for 70 % of the total employment of 763,766 persons in 2006. On the other hand, the industrial and construction sector employed 96,711 (13 %), while 131,369 persons or 17 %, were employed in the services sector. The main industrial zones are located in Chu Lai, Nui Thanh district, and in Hoi An, which is also an important tourist destination.

In agriculture, apart from rice, important economic crops in the province include corn, cassava, ginger, turmeric, coffee, cashew, black pepper, cinnamon and bamboo. Pomelo, orange and lansium (bon bon) are becoming important fruit crops, while the planting of do bau (*Aquilaria* sp.) for the production of agar is increasingly popular. A company in HCMC is marketing a kit to induce agarwood formation in *Aquilaria* trees.

Raising of cattle, buffalo, pigs, chicken and other livestock is an important economic activity for most households in the rural areas. Rabbit for meat is slowly gaining importance, with existing, though still limited markets in Hanoi, HCMC and Danang.

Small holder plantations including home gardens have been important sources of wood and other forest products. For instance, in 2006 the estimated gross output in forestry was valued at 299,499 million dong. Households accounted for about 73 % of this output or 218,289 million dong. Acacia mangium, Eucalyptus sp., and more recently, Acacia hybrids are the preferred plantation species, which are grown mostly for pulpwood production at 5-6 years rotation. Important timber species such as jackfruit (*Artocarpus heterophylla*), *Khaya senegalensis*, and *Acacia auriculiformis* are only planted in very limited scale.

In 2006, the total number of industries in the province was 11,583 of which 10 are foreign investments. Households own 11,369 of these establishments, compared with 7 for central government and 16 for the provincial government. Wood and wood products (sawmilling, logging, charcoal, etc.) had a share of 1,312 establishments, while furniture manufacturing had 1,004 establishments. Together, they accounted for 20 % of the total number of establishments.

Production of round wood in 2006 was reported to be 141,199 cu m of which 9340 cu m was from natural forests. Fuelwood production was 510,493 cu m. Other forest products included 4,870 million bamboo culms, 998 tons of bamboo shoots, 11,090 liters of honey and 16 tons of oil (from cinnamomum and Melaleuca sp.

Marketing of agroforestry products remains to be difficult for most farmers, particularly so in the project areas. Due to small scale operations and low volume of products, lack of capacity and knowledge of prices and market outlets, and lack of capital, middlemen continue to play a dominant but important role in marketing products including those processed by rural households. This is an area where the project should provide greater assistance that the farmers may be able to gain greater economic gains from their endeavors.

On wood products, a study commissioned by the World Bank in 2003 (Project Appraisal Document, Forest Sector Development Project) gave the following market scenarios underlying forest plantation program:

- Vietnam has strong competitive advantages in furniture and similar added value export oriented industries;
- Some 80 % of wood needs of the furniture industry needs are met through imports, which offers good opportunities to substitute plantation grown logs; market for large diameter logs is seen as secure;
- The clustering of sawmilling, furniture, wood-chip and wood-based panel industries in Qui Nhon and Danang offers a growing market for a range of products;
- Japan's demand for woodchips is expected to continue and probably expand for at least the next 20 years, and Vietnam as a low cost producer is well positioned in that market;
- Demand for pulpwood will increase because of new domestic investments into woodchips export (and possibly pulp mill); there is scope for the country to increase production and replace imported particle board with domestically produced board;
- International long-term prices for woodchips are predicted to be quite stable.
- There is need to support certification of plantation logs in order to increase market share and get higher prices for plantation wood.

The goal of Quang Nam's development plan for rural development and poverty alleviation is to reduce poverty to 18 % of households in 2010.

Pursuant to the National Forestry Development Strategy, the Province has set the following targets by 2010:

1. Protection of environment and biodiversity:
 - Forest cover to reach 45 % of land area.
 - Protect about 300,000 ha of natural special use forests including watersheds.
 - Apply low-impact exploitation technology in natural forest. Stop illegal gold mining.
 - Improve institutional and policies on community-based forest management.
2. Community-based forest development:
 - Finish land allocation to households, individuals and communities.
 - Ensure 80 % of forest workers getting business and have stable income.
3. Production forest development:
 - 30,000 ha will be planted and increase total production forest area to 62,000 ha;
 - Wood volume production to reach 230,000 to 250,000 cu m/year.
 - Value of exported wood and non-wood products to reach US \$ 60 million per year
4. Contribution to GDP
 - Average increase GDP for forestry, fisheries & agriculture is 5 %.

2. RATIONALE and JUSTIFICATION

2.1 Problems to be addressed

The Project will address the following problems and challenges:

2.1.1 Need to alleviate rural poverty and strengthen environmental values:

The results of the Project (Phase 1) strongly indicate an increased income from sales of wood, non-wood and agricultural products from forest and home gardens. The village nurseries have reported significant profit from sales of seedlings, and some have already started selling to other farmers and communities beyond project areas. Greater economic benefits can be further achieved from improved marketing of agro-forestry products, which the project would strengthen in the extension phase.

As shown in the Table below, the percentage of poor households in the project areas is very high, with average per capita income of 2 million dong or less per month. The project should give priority to these households for assistance in establishing and managing sustainable market-oriented agroforestry systems.

2.1.2 Need to strengthen market mechanisms and enhance linkages between enterprises and producers:

Initiatives on improved marketing of agro-forestry products have just been started, and there is a need to continue supporting these activities. In particular, there is a need to improve farmers' access to timely and reliable market information. The project must also continue its support to Cam Ha Cooperative in implementation of its business plan, develop rural enterprises, and enhance linkages between farmers and markets. The Project should also encourage other forms of associations such as a club or private limited, which are less formal structure as a cooperative, but may be more acceptable for farmers with no association experience.

2.1.3 Need to strengthen capacity on the management of sustainable market-oriented agroforestry systems and on participatory extension approaches.

Trainings conducted by the GCP/VIE/027/ITA increased capacities of government staff and farmers in the two communes on the management of sustainable agroforestry systems. However, there is need to further improve their knowledge and strengthen their capacity and capability in participatory extension approaches such as participatory technology development (PTD) and integrated pest management (IPM), as well as in improving enterprise

development/organizations and marketing systems. The awareness and capacity of farmers on market-oriented agroforestry systems in the expansion areas must also be strengthened.

2.1.4 Lack of capacity in agroforestry among women:

Women in the project area constitute more than 50 % of the population. More importantly, they form an important part of the family labor. However, many women lack knowledge and skills that will enable them to make greater contribution to sustainable agroforestry and to achieve the economic gains that greater knowledge could provide. The Project has initiated some activities that provide women with greater capacity and more opportunities to earn income and increase food production through effective and efficient agroforestry activities on lands allocated to their households. This will be given more impetus in the next Phase.

2.1.5 Support to agroforest garden establishment in allocated forestlands

The potential areas for forest production plantations in the project areas, as shown in the table below, exceed 3,000 hectares. The project could speed up this process, including land allocation to households, by providing assistance in forest garden establishment, and thus help significantly to the reforestation and poverty alleviation program of the government.

2.1.6 The need to develop credit mechanisms:

A sustainable credit system will need to develop along the lines of existing support mechanism for small farmers. Farmers should be encouraged and assisted to seek support for agroforestry activities from existing government credit programs. Only poor farmers should be given subsidies in the form of free seedlings and fertilizers.

2.2 Target Beneficiaries

2.2.1 Farmers, including women and their families, who decide to use agroforestry systems to develop their farmlands. It is estimated that not less than 50 % of the families will participate and directly benefit from project assistance. Benefits would include:

- 1) Higher farm productivity and better food security;
- 2) Increased income from sale of higher value products such as wood, and fruits, better marketing, and additional earnings from rural enterprises;
- 3) enhanced knowledge and skills in managing agroforest gardens, and marketing of agroforestry products;
- 4) Better quality of life.

2.2.2 Commune, district and provincial government staff, who will participate in project implementation and/or join some of the capacity building activities are expected to have greater understanding, of the principles and technical know how of managing sustainable, market-oriented agroforestry development for natural resources conservation and for poverty reduction.

2.2.3 Agro-forestry based enterprises would have more and stable supply of needed raw materials.

2.2.4 The whole community will be benefit from the expected environmental impacts of reforestation degraded lands such as reduced soil erosion, water conservation, and biodiversity protection.

2.3 Project Justification

Project GCP/VIE/027/ITA aimed to enhance rural livelihoods and promote sustainable management of natural resources in Quang Nam Province, through capacity building, extension, demonstration and support for the development of high-quality, market-oriented agroforestry systems. Funded by the Government of Italy, the Project was implemented in Tien Ha and Tien Cam, Tien Phuoc District from July 2004 to December, 2007. (Note: Phase 1 was extended for six months at no cost upon recommendation of the Evaluation Mission).

The Project was designed to support the government's reforestation program while at the same time bring economic benefits to participating farmers, particularly those given land use rights over denuded forestlands. It focused on two main agroforestry systems: forest gardens planted to fast growing species for mainly for pulpwood production, and home gardens planted to several species for home consumption and for the market, including fruit trees, Aquilaria species (agar wood production), betel nut palms, bamboo, bananas, cinnamomum, black pepper, ginger, turmeric and other cash crops and forage species. Most farmers also raised livestock, mainly cattle, pigs and chickens.

Participation in the project was purely voluntary, with the farmers selecting the species or mixture of species to plant in what parcel of land. The project provided technical assistance, seedlings and fertilizers inputs, while the farmers shouldered the labor and all other expenses associated with agroforestry development, including intercropping with agricultural crops. Farmers' capabilities were enhanced through trainings, orientations and study tours.

In accordance with the decision of the Second and Final Tripartite Review (TPR) on 28 November, 2006, a TPR Evaluation Mission was organized on 26 March to 6 April, 2007. It found that project implementation has been effective and that it has generated considerable interest in tree growing and agroforestry among the local farmers. In three years, 1,470 farmers, or about

94 % of total households in the two communes, participated in the project. They planted about 1,690 hectares of newly allocated lands to forest trees, and improved 565 hectares of home gardens. The farmers have expectations of higher earnings, compared to their previous farming systems. The Project helped established 16 village nurseries which were subsequently contracted and supplied the project with some of the seedlings required for planting in 2006 and 2007.

In marketing, the Project encouraged the organization of Cam Ha Cooperative. In cooperation with Quang Nam COOPSME, officers and members of the Cooperative were trained on various aspects of administrative and business management. However, mechanisms for better marketing of agroforestry products, extension training and credit models not relying directly on project subsidies still need to be developed.

The Mission recommended project extension for another three years, to complete at least one cycle of forest plantings, from establishment to harvesting, and to further develop models of market-oriented agroforestry in Vietnam, and to expand the project area to at least five (5) adjacent communes. The characteristics of the expansion areas are shown in the table below.

| | Tien Cam | Tien Ha | Tien Son | Tien Phong | Tien Tho | Tam Son | Tam Loc |
|---|-----------------|----------------|-----------------|-------------------|-----------------|----------------|----------------|
| 1. Total land area (ha) | 1,710 | 3,784 | 2,324 | 2,070 | 2,580 | 5,402 | 3,440 |
| 1.1 Agricultural land (ha) | 961 | 1,257 | 826.1 | 480 | 923 | 1544 | 1384.86 |
| 1.2 Forestland (ha) | 665.3 | 1,920 | 519.7 | 1,011 | 488 | 3090 | 753 |
| Natural forest (ha) | 208 | 518 | 191.0 | - | | 1578 | 177 |
| Plantations (ha) | 289 | 700 | 328.7 | 533 | 396 | 1512 | 576 |
| Others | | | 0 | | 92 | - | |
| 1.3. Unused land | 597 | 501 | 800.0 | 523 | 533 | 768 | 1206.88 |
| Potential for forest production (ha) | 487 | 300 | 650.0 | 400 | 530 | 714 | 1167.33 |
| Potential for agriculture | 109 | 201 | 150 | 123 | 3 | 54 | 39.55 |
| 1.4. Others | | 106 | 178.2 | 56 | 637 | - | 95.26 |
| 2.0 Land allocation (ha) | | | | | | | |
| 2.1 Agric land (ha) | 900 | 800 | 432.6 | 470 | 920.16 | 531 | 959.23 |
| 2.2 Forestland | 496 | 1300 | 96.0 | 533 | 180.2 | 0 | 20 |
| 3.0 Population | | | | | | | |
| 3.1 Population (no.) | 2,981 | 4210 | 4133 | 4290 | 6923 | 4690 | 7611 |
| 3.2 Women pop'n | 1,171 | 2191 | 2144 | 2205 | 3449 | 2369 | 3942 |
| 3.3 Men pop'n | 1,810 | 2019 | 1989 | 2015 | 3474 | 2321 | 3669 |
| 3.4 Labor | 1,141 | 1875 | 2148 | 2172 | 1887 | 2223 | 5147 |
| 3.5 No. households | 668 | 879 | 906 | 995 | 1448 | 1104 | 1804 |
| 3.6 Ave. annual income per capita (million dong) | 2.80 | 2.805 | 3.0 | 3.048 | 3.54 | 2.650 | 4.44 |
| 3.7 No. poor households | 152 (23 %) | 328 (37 %) | 589 (65 %) | 694 (70%) | 868 (60%) | 523 (47%) | 413 (23%) |
| 3.8 Ave. annual income/ capita poor hh (mil. Dong) | 2.18 | 2.15 | 2.0 | 1.944 | 1.92 | 1.80 | 1.404 |

All five communes reported significant areas of forest plantations indicating that the people are experienced and well aware of forest garden establishment and management. Tam Son commune, under Nui Thanh District has the largest forestland with 41 % still under natural forest cover, and another 40 % under plantations. Except for Tam Son, the unused lands in the other communes showed large potentials for forest garden development. There is also much to be done in terms of land allocation to individual households.

Poor households with annual per capita income of less than 2 million dong account for almost 50 % of all households in the expansion area.

2.4 Past and Related Work

In addition to GCP/VIE/027/ITA that preceded this Project, the following forestry development projects in Quang Nam Province would have linkages with this project.

In pursuit of the Five Million Hectare Reforestation Program, the Provincial Government has been implementing the 661 Project in 13 districts since 1999. This project aims to develop, protect and sustainably manage the protection forests and enhance livelihoods of local communities. The targets include protection of 133,840 hectares of protection forests, restore indigenous tree species in 37,513 hectares of denuded portions of watersheds, establish 12,580 hectares of protection plantations and provide support to 4,262 hectares of production plantations. The main strategy is to contract reforestation with local communities, to provide them with livelihoods.

Related to the 661 Project is the plantation project in reservoirs with loans from JBIC. It covers reforestation and protection of 4 reservoirs, namely, Vinh Trinh, Trach Ban, Viet An and Phu Loc.

The German Government supported Forest Rehabilitation Project (KfW 6) that started in 2005 and will end in 2013, is supporting communities and households to develop small holder plantations in Dai Loc, Hiep Duc and Queson districts. This is a grants-in-aid project that provides three (3) million VND/hectare for seedlings, fertilizers and labor in plantation establishment. The targets include 1,813 hectares of forest restoration using indigenous species, and 3,087 hectares of forest production plantation.

A Forestry Sector Development Project financed by the World Bank aims to achieve sustainable management of plantation forests and conservation of biodiversity to achieve improved livelihood of people in forest dependent areas, enhanced contribution of forestry to national economy, and environmental protection. One of the main components of this project is smallholder plantation forests covering four provinces: Quang Nam, Quang Ngai, Binh Dinh, and Thua Thien Hue. It involves providing assistance to

farmers in establishing small holder agro-forestry gardens, agro-forestry through credit, technical assistance. The Project's other components include Institutional Development, Special Use Forest conservation, and Project management, Monitoring & Evaluation.

In Quang Nam, this project is being implemented in 4 districts, namely, Tien Phuoc, Northern Tra My, Que Son and Hiep Duc. The targets include 10,600 hectares of production forest plantations, of which 8.800 hectares are reserved to households. It provides 10 million VND per hectare to rural households for the development of forest plantations. The money is managed by the Policy Bank.

The Japanese Government has provided financial and technical assistance to the Provincial Government under the Project of Afforestation on Coastal Sandy Areas (PACSA). Carried out from 2001 to 2005, this project supported the establishment of 3,709 hectares of plantations in Thang Binh, Tam Ky and Nui Thanh districts.

A recently commenced project is the Biodiversity Conservation Corridors Initiative Project supported by a loan from the Asian Development Bank (ADB). Started in 2007, this Project aims to establish biodiversity conservation landscape and corridors in the Greater Mekong Sub region, to maintain healthy ecosystems, ensure sustainable use of shared natural resources, and improve the livelihood of the people. Three districts in the province are included in the corridor: Nam Giang, Tay Giang, and Phuoc Son.

2.4 FAO's Comparative Advantage

FAO has wide international knowledge and experience in rural and forest development that is directly relevant to the development objective of this project, and on agroforestry and rural land use in developing countries. As Executing Agency of GCP/VIE/027/ITA, Phase 1, FAO has developed effective working relationships with local government officials in the province, district and communes, as well as farmers particularly from Tien Cam and Tien Ha communes. In three years, FAO has acquired deep understanding of the project areas, including the social, cultural and political nuances which are essential in planning and implementing project activities. In addition, the Organization is bringing into the Project, its experience and lessons learned from similar projects carried out in other areas of the country. This included the following:

- 1) The "Country Capacity strengthening for the National Forestry Action Plan Implementation in Vietnam Project" (GCP/VIE/020/ITA) which contributed directly towards the development of integrated community forestry in four provinces through activities that centered on land use

planning, land allocation, extension, training and practical demonstrations.

- 2) UNDP/FAO Project VIE/92/022 was a technical assistance module to WFP Project 4304, which supported smallholder reforestation in 13 provinces of central coastal Vietnam.
- 3) The “Participatory Watershed Management in the Hoanh Bo District, Quang Ninh Province” (GCP/VIE/019/BEL) Project which aimed to engage rural communities in the management of upland catchments with emphasis upon improving farmers incomes, provided lessons on effective institutional arrangements for project implementation.
- 4) The “Technical Support to the Five Million Hectare Reforestation Program” (TCP/VIE/066) helped improved methodology for evaluating forestlands for afforestation, including guidance for land use planning and monitoring of forest plantation establishment.

Vietnam was a founding member of the Asia Pacific Agroforestry Network (APAN), an initiative of FAO that encourages the sharing of information and development experience within the Asia-Pacific region.

3. PROJECT FRAMEWORK

3.1 Impact

3.3.1 Reduction of poverty

The number of poor households in the project areas will be significantly within the next five years when agroforestry products become harvestable and sold to the market.

3.3.2 Conservation of natural resources

Natural resources particularly forest, soil, water and biodiversity will be conserved with the afforestation of degraded and denuded forestlands through agroforestry systems.

3.2 Outcomes and Outputs

1. Forest and home gardens are developed using sustainable, market-oriented agroforestry systems that provide higher economic benefits to rural families and reforest degraded forestlands.
2. Higher income of farmers through increased production, alternative livelihoods and better marketing of agroforestry products.
3. Additional employment and income generated by agro-forestry based rural enterprises and the establishment and management of agroforestry gardens.
4. Enhanced capacity of local governments to provide participatory extension services to farmers.
5. Micro-finance approach to lending to poor farmers and rural enterprises established.
6. Women are actively engaged in agroforestry activities, particularly livestock production, home garden development, and marketing.

3.3 Sustainability

3.3.1 Enhanced capacity

Trainings and other capacity building activities conducted by the project will increase the farmers' ability to implement and manage high quality agroforestry systems, and the government's capability to support them with adequate technical, managerial, and extension services.

3.3.2 Land ownership

Ownership of the land through land use certificates or Red Book given to the farmers by the government provides incentive for agroforestry development over the long term.

3.3.3 Government support

Project's initiatives are expected to be sustained by the government as these are supportive of top priority programs of the government, particularly Hunger Eradication and Poverty Alleviation (HEPA), and the 5 Million Hectares Reforestation Program. Under the Forest Development strategy for 2006 to 2020, the government has committed to provide support mechanisms to households engaged in small production forests and agroforestry production, including preferential loans, supply of food, seedlings and fertilizers.

Project sustainability is further strengthened by integrating project plans and activities to the commune, district and provincial governments' development plans.

3.3.4 Availability of market for agroforestry products

Markets for important agroforestry products like pulpwood, timber, fruits and other non-wood products exist in Danang and nearby provinces.

3.4 Risks and Assumptions

1. Lack of foreign language ability - low to medium. English speaking staff will be recruited to provide translation to Vietnamese language whenever necessary.
2. Delays in land allocation - low. The Government of Vietnam is vigorously implementing land allocation to local households, pursuant to its laws.
3. Reduce income due to decrease in market prices of agroforestry products at the time of harvest - medium. The impact of possible reduction in prices of agro-forestry products may be reduced through diversification, marketing assistance and selection of products with high marketing potential.
4. Lower growth and yield of plantations due to non-application of recommend appropriate technologies on agroforest garden establishment and management. Low. Farmer's knowledge and capacity to adapt new and appropriate technologies will be enhanced through training, technical assistance and monitoring of field activities. Participatory approaches to technology development will help farmers improve traditional practices.

5. Lack of labor will constrain poor farmers to participate even if provided with free seedlings and fertilizer assistance- medium. This can be overcome with a low-interest, non-collateral loan from micro-finance and from other sources.

6. Farmers selling their products to middlemen and traders at low prices – medium. Market Information System will provide farmers with timely and accurate market information, which they can use to bargain for higher prices.

4. IMPLEMENTATION AND MANAGEMENT ARRANGEMENTS

4.1 Institutional Framework and Coordination

4.1.1 Linkages with MARD and other Ministries

The Project will Endeavour to establish and maintain strong linkages with the specialist departments of MARD in order that both policy and technical inputs from the Ministry can be introduced in a timely manner into project implementation. Specialist departments include international cooperation, forest protection, planning and projections, forest development, agriculture and rural development, agriculture and forestry extension, science technology and product quality, and agroforestry products, processing and rural industries, and other agencies involved in the implementation of the National Program for Reforestation of Five Million Hectares (5MHRP) and the National Forestry Development Strategy of 2006 to 2020. MARD will be responsible for achieving coordination with other government agencies that are involved with sustainable agroforestry development, for example, the Ministry of Science, Technology and Environment and the Ministry of Planning and Investment.

4.1.2 Roles of the CTA and the National Project Director

The CTA and the NPD will coordinate project implementation with other donor-assisted forestry sector projects, especially concerning information sharing, training and extension. The CTA will also be responsible for identifying and coordinating with relevant organizations and institutions outside Vietnam to acquire relevant information on technical innovations, participatory processes and marketing alternatives. The NPD will be primarily responsible for day-to-day coordination of project inputs and will monitor and report to the Project Steering Committee on implementation progress.

4.1.3 Linkages with Local Communities

The Project will establish strong linkages with local communities through a participatory process. The CTA and the NPD will oversee the development and

implementation of participatory processes, to ensure that each commune establishes effective mechanisms and roles for participatory planning, implementation and monitoring through the commune and involving the participating farmers. Orientations and information dissemination of the project should clearly emphasize that the project is a commune and smallholder project, and that it should be viewed and implemented as an integral component of the commune development plan.

The CTA and the NPD will work closely with the commune decision-making development committee. The commune should additionally identify a focal person to whom DARD and the commune committee will channel their guidance to all aspects of project implementation in the commune.

4.1.4 Linkages with Forest-Based Enterprises

Efforts will be made to form strategic linkages between farmers-producers and forest-based enterprises and other market outlets to ensure long-term reliable sources of wood and non-wood raw materials from agroforest gardens and stable and fair market prices for the farmers.

4.2 Strategy/Methodology

This Project takes off from the experiences and lessons learned in Phase 1. From two communes, this extension phase will expand to seven (7) neighboring communes: five (5) communes in Tien Phuoc District, one in Phu Ninh District and one in Nui Thanh District. It will have duration of three (3) years, which considering the 3 years in the 1st phase, would correspond to one cycle of forest trees planted for pulpwood production .

Market-oriented agroforestry system is a management system to produce wood and other non-wood products, other agricultural crops, fish and livestock for sale to the market, from lands and other resources owned or available to a farmer and his family. The crops may be combined in one parcel of land, or grown separately, or both, but are produced using the same labor, knowledge and skills, capital and other resources of the farmer and his family.

The two most common agroforestry models in the area are the forest gardens and the home gardens. The forest gardens are small forest plantations of households, usually for pulpwood production. The lands are generally located some distance from the farmer's house, and would include recently allocated forest lands. Farmers may intercrop some annuals such as ginger, turmeric, cassava, sweet potato, etc., usually in flat terrain and only during the first year. Home garden is the 'garden' around the farmer's house, including his livestock. The area is often limited but is highly productive and planted to a mixture of crops: commercial crops such as cinnamon and black pepper, fruit trees,

Aquilaria trees, betel nut palms, bananas, some forage species, ginger, turmeric and other valuable crops. Except for cinnamon and black pepper, most of the other crops are for domestic consumption. Most households raise cattle and/or pigs for income, and chicken, and occasionally, ducks or geese for domestic purposes.

Using participatory approaches, Agroforestry Development Framework Plan for each commune will be developed to provide direction especially priorities and strategies in project implementation. Each participating farmer will then prepare a farm plan that is consistent with the commune Agroforestry Framework Plan. This farm plan should reflect the household's objectives, agroforestry pattern to be used, species to plant/interplant in his land resource(s), assistance needed, etc.

The Project will support the establishment of village nurseries that will produce and supply the farmers' needs for high quality seedlings. Those that can not be raised by these nurseries will be sourced from other reliable sources. In any case, planting materials to be provided to the farmers must possess high genetic as well as physiological qualities.

The Project will support farmers with seedlings and fertilizer inputs, technical assistance, extension services and marketing support as needed and desired by the farmers. Farmers who received assistance will sign contracts with the District Government to establish, manage and protect forest gardens on lands owned by them. Specific provisions of the contract will be discussed and agreed upon by both parties.

Project support to marketing of agroforestry products will be strengthened. These would include continuing assistance to existing cooperatives, formation of new marketing groups, and development of a Market Information System that will provide timely and accurate marketing information to both producers and buyers. Rural enterprises including processing of some selected products, especially those that enhance the participation of women and other disadvantage groups, will be identified and supported.

The Project shall support small micro-finance activity to provide capital needs of farmers. This component hopes to help poor families, with low interest, no collateral, short term loan of up to six (6) months, undertake economic activities such as livestock raising, processing and trading of agro-forestry products.

4.3 Government Inputs

The inputs provided by the Government of Vietnam will be provided “in kind”. These will comprise the following items and services:

- Salaries and operating expenses of national staff working in, and with the project;
- Salaries of national staff participating in trainings and study tours;
- Costs of office space, furniture, facilities, electricity and communications;
- Operating costs of local transport;
- Local costs for the support of visiting overseas missions;
- Local costs for the operation of studies and agroforestry systems establishment and management.

The total costs of Government inputs are estimated as follows:

| Description | Costs (million VND) | |
|------------------------------|---------------------|-------|
| Personnel | | |
| National Project staff | - | 1,200 |
| Staff on trainings & studies | - | 38 |
| Sub-total | - | 1,238 |
| | | |
| English language training | - | 40 |
| Office expenses | | |
| General operating costs | - | 300 |
| Utilities | - | 72 |
| Communications | - | 72 |
| Subtotal | - | 444 |
| | | |
| Travel | | |
| In-country travel | - | 180 |
| Local transport | - | 144 |
| Subtotal | - | 324 |
| | | |
| Other costs | | |
| Hospitality | - | 36 |
| Miscellaneous | - | 70 |
| Subtotal | - | 106 |
| | | |
| Total | - | 2,152 |

USD = 134,500

4.4 Donor Inputs

The Donor will contribute funds for a Chief Technical Adviser (CTA), other project staff, consultants, travel, training, extension and office equipment, participatory rural appraisals and studies, establishment of agroforest gardens and village nurseries, and for services in conjunction with project implementation. A summary of Donor Inputs is given in the following table (please see annex 1 for details):

| Description | Costs (in US \$) |
|----------------------------|------------------|
| Personnel | |
| International expertise | 500,000 |
| Administrative staff | 100,000 |
| Consultants | 31,000 |
| Travel | 51,250 |
| Contracts | 250,000 |
| Training | 40,000 |
| Technical backstopping | 25,000 |
| Equipment | 20,000 |
| General operating expenses | 44,750 |
| Sub-total | 1,062,000 |
| Project Servicing Costs | 138,000 |
| Total | 1,200,000 |

4.5 Technical Support/Linkages

FAO will appoint a CTA and national specialists/consultants. The CTA will monitor and evaluate progress and provide detailed technical advice on all project activities, implementation schedules, consultancies, design and implementation of participatory mechanisms, training, equipment procurement and on any other aspects of project implementation that are appropriate and necessary to attain the project objectives.

FAO will provide administrative support staff, provide operational and technical backstopping services from its offices in Hanoi (FAO Representation Office in Vietnam), Bangkok (FAORAP) and Rome (FAO HQ) to ensure smooth project implementation of high technical quality. The CTA will visit the FAOR and FAORAP periodically for consultations and to facilitate information exchange that will contribute towards effective implementation of project activities. Technical officers from FAORAP (and FAO/HQ, if appropriate) will make regular backstopping and oversight missions to the project field site in Quang Nam to ensure high standards of technical implementation are maintained.

4.6 Management and Operational Support Arrangements

4.6.1 Implementing Agency

The implementing agency will be the Department of Agriculture and Rural Development (DARD) of Quang Nam Province. It will have overall responsibility for planning, management, coordination and supervision of project activities in selected districts and communes. It will also have responsibility for establishing and implementing participatory planning mechanisms and processes in districts and communes. The Forestry Department in MARD will maintain oversight and will monitor project implementation.

4.6.2 Project Steering Committee

A Project Steering Committee will be formed to oversee project implementation and administration. It will comprise representatives of Ministry of Agriculture and Rural Development (MARD), Ministry of Planning and Investments (MPI), Quang Nam People Committee (QN PC), DARD Quang Nam, FAO, and the Donor. The Steering Committee will meet once a year at the time of a Tri-Partite Review to consider and approve the annual work plan and to review progress in project implementation. At its discretion, it may recommend to MARD and to FAO that amendments be made to the content, location, timing and implementation arrangements of project activities. The Project Steering Committee may not amend the development or immediate objectives.

4.6.3 Provincial Project Management Board

A Provincial Project Management Board (PPMB) will be organized to review project plans and accomplishments on a quarterly basis, and to ensure participation and support of relevant provincial and district government agencies. It will consider possible changes in work plans including budget and needed specialists or support staff, for endorsement to the Project Steering Committee for approval.

The Provincial Project Management Board will be headed by a representative of Quang Nam People's Committee. It will be composed of representatives of DARD, Agricultural Extension Center, Forestry Sub-Department, Livestock Development Center, Department of Natural Resources and Environment, Department of Planning and Investments, and People's Committees of Districts having jurisdictions of project areas, as members. The Provincial Project Management Board may call on other agencies and individuals as necessary to attend its meetings.

The PPMB shall meet at least once a quarter.

4.6.4 Project Management and Implementation

The Project will be managed and implemented on a day to day basis by a team composed of a **National Project Director (NPD)** and other government personnel assigned to the project and by a **Chief Technical Adviser (CTA)** and other project- recruited staff.

4.6.5 National Project Director. A National Project Director, selected by DARD in consultation with MARD and FAO, will be assigned to the Project **full time**. He will be responsible for directing and supervising preparation of project plans and their implementation, for monitoring and preparing progress reports, for establishing linkages and cooperation with other relevant government agencies, private organizations and projects, and for ensuring implementation of participatory mechanisms.

4.6.6 Other government staff seconded to the Project. DARD will assign to the project **full time**, at least one (1) technical staff/specialist to support implementation of activities and to ensure continuity and sustainability of project initiatives after its termination.

4.6.6 Chief Technical Adviser. An internationally recruited Chief Technical Adviser (CTA) will work closely with and provide support to the National Project Director in all aspects of project implementation.

4.6.7 Other Project staff. The Project will be supported by other international and national advisers who may be recruited, other project personnel including an Administrative Assistant/Interpreter, Project Technical Assistants, Driver/Office Assistant, and other short term personnel.

4.6.8 District Project Manager. The District PC, in consultation with DARD, shall assign a qualified and experienced person to manage the implementation of the Project in the district. S/He shall be assisted by one (1) focal person in each commune who shall oversee implementation of activities in the commune in close coordination with commune officials.

5. OVERSIGHT, MONITORING, MANAGEMENT INFORMATION AND REPORTING

5.1 Oversight and Reviews

The progress of the project will be jointly examined by representatives of FAO, the Donor Government and the Government of Vietnam. Two such Tri-Partite Reviews are scheduled for the project. The first TPR will be held within 12 months of the start of full implementation. Towards the end of the project, a second and final TPR will be conducted to examine project achievements and decide on eventual follow-up. The organization, terms of reference and exact timing and place of the review will be decided in consultation between FAO, the Donor Government and the Government of Vietnam. The NPD and the CTA will prepare and submit a Project Performance Evaluation Report to FAO and to MARD at least one month in advance of each review.

5.2 Monitoring and Knowledge Sharing

FAO will monitor technical aspects of project implementation each year through visits by technical backstopping personnel. Experiences, lessons learned, and cost and benefits of different agroforestry models developed in the project will be fully documented, and shared to other projects within and outside the country.

5.3 Communication and Visibility

Experiences, lessons learned, and cost and benefits of different agroforestry models developed in the project will be fully documented, and shared to other projects within and outside the country. The Project shall post important documents including reports on existing websites of the government and FAO/Hanoi.

5.4 Reporting Schedule

5.4.1 Six-monthly Progress Reports

The NPD and the CTA will prepare six-monthly reports on project progress using standard FAO format and containing:

- Actual implementation of activities compared to that planned in the work plan;
- Identification of problems and constraints in implementation;
- Recommendations for corrective measures; and
- Detailed work plan for the following reporting period.

Progress reports will be submitted to both the Government Implementing Agency (DARD) and FAO Headquarters. FAO will

then forward the Progress Report to the Donor Government with its comments.

5.4.2 Project Performance Evaluation Report

Project Performance Evaluation Report (PPER) prepared by the National Project Director and the CTA will be submitted to each Tri-Partite Review Meeting and additional PPERs may be requested as necessary during project implementation.

5.4.3 Terminal Report

Towards the end of the project and not later than six months before the end of the project, the National Project Director and the CTA will prepare and send to FAO Headquarters a draft terminal report for technical clearance, finalization and submission to both the recipient and Donor Government at least 4 months in advance for consideration at the terminal Tripartite Review meeting. The report will assess in concise manner, the extent to which the project's scheduled activities have been carried out, its outputs produced, and progress towards achievement of immediate objectives and related development objective. It will also present recommendations for any future follow-up action arising out of the project.

Annex 1. Budget (in US Dollars)

| Description | Costs | Sub-total |
|-----------------------------------|---------|------------------|
| Personnel | | 631,000 |
| Chief Technical Adviser | 500,000 | |
| Consultants | 31,000 | |
| Administrative support staff | 100,000 | |
| Contracts | | 250,000 |
| Agroforest garden development | 200,000 | |
| Micro-finance | 50,000 | |
| Training | 40,000 | 40,000 |
| Non-expendable procurement | 20,000 | 20,000 |
| Technical support services | 25,000 | 25,000 |
| Travel costs | | 51,250 |
| CTA | 7,500 | |
| Consultants | 24,000 | |
| NPD | 3,000 | |
| Admin. Support staff | 2,750 | |
| Technical backstopping | 5,000 | |
| Project evaluation | 8,000 | |
| Unprogrammed travel | 1,000 | |
| General operating expenses | | 32,750 |
| Supplies & materials | 12,000 | |
| Operating expenses | 32,750 | |
| Support costs | 138,000 | 138,000 |
| Total | | 1,200,000 |

Note: This budget is subject to the UN-EU Guidelines for Financing of Local Costs in Development Cooperation with Vietnam.

Details of budget:

I. Chief Technical Adviser (CTA) - US\$500,000

A Chief Technical Adviser (P-5) will be assigned to provide advice on project implementation, including the preparation of a Project Implementation Plan, periodic budget revision, recruitment of consultants, equipment procurement, training, extension and research issues, monitoring and evaluation of project progress (refer to Annex 4 for the terms of reference for the CTA). Total: 30 person months (full-time); US\$ 500,000 excluding travel costs.

ii. Consultants – US\$31,000

The following national consultants will be hired (see Annex 4 for Terms of Reference):

Participatory Rural Appraisal Consultant to conduct training of local government staff, plan, and direct the conduct of PRA on project areas including analysis of data, preparation of PRA report and presentation of results to local authorities. Total: 2 person months; US\$3,200, excluding travel costs.

Agroforestry Product Marketing Consultant to provide technical advice and other necessary assistance to farmers including CAMHA cooperative and other farmers' groups in marketing selected agroforestry products. Total: 3 person months (1 months in year 1; 1 month in year 2, and 1 month in year 3); US\$4,800, excluding travel costs.

Market Research and Information System Consultant to provide advice in establishing a MRIS in the province. Total: 3 person months (2 months in year 1, 1 month in year 2); US\$ 4,800 excluding travel costs.

Rural Livelihood Consultant to provide technical advice on the development of rural enterprises including processing of selected agroforestry products. Total: 4 person months (2 months in year 1, 1 month in year 2, 1 month in year 3); US\$ 6,400, excluding travel costs.

Micro-finance Consultant to provide technical advice on developing a micro-finance program and assist in its initial implementation. Total: 4 person months (2 months in year 1, 1 month in year 2, 1 month in year 3); US\$6,400, excluding travel costs.

Unspecified Consultants to provide scope for the NPD/CTA to recommend additional consultants needed in the course of project implementation. Total: US\$5,400.

iii. Administrative Support Staff – US\$ 100,000

Administrative Assistant/Interpreter (G-4) and Driver/Office Assistant (G-2) to support the CTA and the NPD. Total: 72 person months (12 months x 2 persons x 3 years); US\$100,000 (including a cost of 4 % yearly salary increase; excluding travel costs).

iv. Travel cost – US \$ 51,250

- a) CTA (\$ 3000 per year x 2.5 years). Total: US \$ 7,500
- b) Consultants (\$ 1500 x 16 person months). Total: US \$ 24,000
- c) NPD (\$ 1000 per year x 3 years). Total: US \$ 3,000
- d) Administrative support staff (US\$ 1000 per year x 3 years): Total: US\$ 3,000
- e) Technical backstopping. Total: US\$ 5,000

f) Evaluation mission (1 mission): Total: US \$8,000

v. Training cost – US \$40,000

- a) Participation to international seminars & workshops on agroforestry, for 3 government staff – US \$ 10,000
- b) In country training of farmers and government staff
- . Total: US \$ 30,000.

v. Contracts- US\$ 250,000

- a) Agroforestry area development. For the purchase of seedlings and other inputs as support to poor farmers in establishing agroforest gardens, but not to exceed 5 hectares per farmer. Farmers/beneficiaries will bear the cost of labor and other requirements. Total: US\$ 200,000.
- b) Start-up capital to pilot/implement a micro-finance program to fund procurement of livestock, trading of agroforestry products, or other rural enterprise.. Total: US\$ 50,000.

vi. Technical support services – US \$ 25,000

- a) Evaluation – US \$ 20,500
The Project will be evaluated within 12 months of project implementation and again towards the end of the project (2 mission x 21 days; FAO mission member x 42 days; 1 government mission member x 42 days). Total: US\$ 20,500.
- b) Terminal Report – US \$ 4,500
After completion of the Project, FAO will submit a Terminal Report to the Donor Government. Total: US\$4,500.

vii. Equipment – US\$ 20,000

Motorbikes: US \$ 1,500 x 5 motorbikes = US \$ 7,500
Computers & extension and other office equipment = US \$ 12,500

viii. General operating expenses – US\$ 44,750

To facilitate smooth project implementation, including costs of supplies and materials, printing of manuals, reports and extension materials. (Year 1, \$ 16,000; Year 2, \$16,000, Year 3, US\$12,750). Total: US\$ 44,750

Annex 2 Logical Framework

| Narrative Summary | Measurable indicators | Means of verification | Assumptions |
|---|--|---|--|
| <p>Development Objective: Poverty in the project areas is reduced and natural resources, conserved.</p> | <p>Farmers' income; Denuded areas reforested through agroforestry systems.</p> | <p>Reports from communes on economic status of households; Project reports; Cost and benefit analysis of agroforestry systems.</p> | <p>Poor households are willing to participate in project; No serious infestations, no major natural calamities, nor drastic fall in market prices of major agroforest products.</p> |
| <p>Purpose: To develop sustainable, high quality market-oriented agroforestry systems in Quang Nam Province within 3 years.</p> | <p>Agroforest gardens established by farmers showed excellent growth and high economic returns.</p> | <p>Project reports including economic analyses of agroforestry gardens; Visits to established agroforest gardens.</p> | <p>Land use certificates are issued to the farmers. Farmers adopt better management technologies and marketing approaches.</p> |
| <p>Outputs: Farmers established and managed high quality, market-oriented agroforest gardens. Farmers get additional income from improved marketing and from rural enterprises.</p> | <p>No. of participating farmers, inputs provided, and area planted. Farmers are aware of current market information and are capable to negotiate for better prices for their agroforestry products.</p> | <p>Project reports; Database of participating farmers; Contracts signed with the District government. Project reports on Market Information System. Interviews with farmers.</p> | <p>Farmers prepare their farm plans; High quality seedlings and other inputs are available. Poor farmers are given priority in assistance. Market Information System is operational.</p> |

| | | | |
|---|---|--|--|
| | Some farmers join cooperatives or groups to market products. Rural enterprises established. | Report of business activities from cooperatives/ groups | Cooperative members pay membership fees and willing to take some risks associated with trading. |
| Activities: 1.1.Preparation of Project Work Implementation Plan 1.2. Preparation of Agroforestry Development Plans 1.3.Establishment of village nurseries 1.4. Development of agroforest gardens 1.5. Provision of other support to agroforestry development 2.1 Formation/strengthening of farmers' cooperative or groups | Inputs: 1.1.1Orientation materials and budget 1.2.1Meetings and workshops 1.2.2PRA consultant 1.3.1Training design & budget 1.4.1Technical, seedlings & fertilizers, and corresponding budget 1.5.1Budget 1.5.2 Extension materials 1.5.3 appropriate technologies 2.1.1 Trainings & orientation 2.1.2 Budget 2.1.3 Marketing consultant | Project Work Implementation Plan; reports PRA Report Agroforestry framework plan; Farm plans Training report; Contracts between nurserymen & local government; village nurseries established. Project reports; Contracts between farmers & local government Extension plan and materials; Reports Training reports Organizations formed Consultant's report | Series of orientations for provincial, district, commune and farmers about project. Agroforestry development Plan integrated into commune development plans. Nurserymen are selected by commune, trained and later contracted to supply seedlings to the project. Farmers submit farm plans; Land use certificates are issued to farmers. Priority for assistance to poor households. Government extension staff will spearhead this activity. To be carried out in cooperation with QN COOPSME, DARD and other agencies. |

| | | | |
|---|--|---|---|
| 2.2 Establishment of village enterprises/livelihood opportunities | 2.2.1 Enterprise Devt. Consultant; 2.2.2 Budget | Consultant's report | Rural enterprises are feasible. |
| 2.3 Development of Market Research and Information System | 2.3.1 Technical consultant 2.3.2 some equipment needed 2.3.3 Budget 2.3.4 Staff (from government) | Consultant's report; Market Information system | Initially for Quang Nam province. |
| 3.1 Development of a micro-finance program | 3.1.1 Consultant on micro-finance; 3.1.2 Initial capital for micro-finance; 3.1.3 Budget for trainings, etc. | Consultant's & project reports. | Initial capital of \$50,000. Priority will be poor farmers; To be developed in conjunction with existing rural credit facilities. |

Annex 3 Work Plan

Overall Development Objective

To reduce poverty in the rural areas and help promote conservation of natural resources through development of sustainable, high quality, market-oriented agroforestry systems.

a. Immediate Objectives, Outputs and Activities

Objective 1: To develop sustainable, market-oriented agroforestry systems for increased production and sale of wood and other agroforestry products.

Success Criteria:

- Clear project implementation work plan prepared and project progress reports submitted on time.
- Existing physical, socio-economic conditions, farmer's perceptions, aspirations and needs determined through participatory rural appraisals.
- Workable agroforestry development plan for each commune prepared.
- Farmers have clear agroforestry development plan for their respective farms.
- Village nurseries established and supplying quality seedlings needed by the project.
- Farmers developed 1500 hectares of productive agro-forestry gardens.
- Participatory extension services provided.
- More farmers are engaged in vermiculture and producing composts and earthworms.
- Costs and benefits of high quality agroforestry systems developed.

Activity 1.1 Preparation of Project Work Implementation Plan and Progress Reports

- 1.1.1 The CTA and the NPD shall organize a series of orientations in districts and communes covered by the project, to provide information about project objectives, expected outputs and activities, schedules, roles and responsibilities of project staff, local government counterparts and farmers/beneficiaries.

- 1.1.2 After six months, the CTA and the NPD shall prepare an Inception Report to be submitted to the Project Steering Committee for information and consideration. This Inception Report shall describe initial accomplishments, important observations, issues and opportunities that affect project implementation, recommendations, and a Project Work Implementation Plan
- 1.1.3 The CTA and NPD shall prepare and submit to FAO, project progress report every six months; to Project Steering Committee, an annual progress report.

Activity 1.2. Formulation of agroforestry development plans

- 1.2.1 Through a sub-contract with qualified service provider, Participatory Rural Appraisals (PRA) shall be carried out in the project areas, to define existing socio-economic conditions, identify “best” and common agro-forestry (including livestock) practices, processing and marketing of agro-forestry products, farmers’ perceptions, needs and priorities, issues and opportunities related to market-oriented agroforestry development.
- 1.2.2 Based on the findings in 1.2.1, the NPD and CTA shall organize a seminar-workshop to develop a framework for the development of market-oriented agroforestry systems in each of the communes covered by the project. The framework shall identify the agroforestry model(s) or pattern(s) for forest gardens, home gardens, integrated tree/crop/livestock production systems and suitable species for the production of wood, non-wood, fruits, food, forage and other agro-forestry products.
- 1.2.3 The Project shall conduct orientation seminars among the farmers in each commune to provide adequate information about the project, and to explain the agroforestry development framework formulated in Activity 1.2.2.
- 1.2.4 The Project shall conduct orientations on farm planning, and assist farmers prepare their farm plans.
- 1.2.5 The CTA and the NPD shall prepare a 3- year Agroforestry Development Plan, based on the results of activities described above. This Plan shall be reviewed annually, and shall be the basis for the preparation of annual AF Development Plan for the Project.

Activity 1.3. Establishment of village nurseries and production of high quality seedlings.

- 1.3.1 The NPD in consultation with DARD, Quang Nam and other concerned agencies, shall identify sources of quality seeds/planting materials of important agroforestry species identified in Activity 1.2.2. Standards of seedling quality for important agroforestry species shall be developed.
- 1.3.2 The District in consultation with the concerned commune officials, shall identify one (1) farmer/household in each village who is interested and capable of developing village nursery to supply seedlings and other planting materials for project-assisted agroforest garden development.
- 1.3.3 The CTA and NPD shall organize intensive training program on nursery management and plant propagation for selected village nurserymen.
- 1.3.4 Village nurserymen sign contracts with District Project Manager and the NPD for the supply of seedlings to project-assisted agroforest garden development.

Activity 1.4. Development of market-oriented agroforest gardens

- 1.4.1 Farmers sign contracts with District Project Manager for assistance in agroforestry garden development to be provided by the project. The NPD shall make sure that the provisions of the contract were thoroughly discussed with and agreed upon by the farmers.
- 1.4.2 Project provides inputs to farmers in developing agroforest gardens, as per contracts signed in Activity 1.4.1.
- 1.4.3 CTA and NPD shall implement an effective project monitoring and evaluation system to identify problems and opportunities and document experiences and lessons learned in implementing the project.

Activity 1.5 Provision of support to market-oriented agroforestry development

- 1.5.1 The Project shall provide support to provincial, district and commune extension agencies in preparing and implementing participatory extension services in support of market-oriented agroforestry development, such as but not limited to Farmers' Field School (FFS), Participatory Technology Development (PTD), and Integrated Pest Management (IPM).
- 1.5.2 The Project shall prepare and disseminate appropriate extension materials to farmers, extension agents and other persons that may need them.
- 1.5.3 The Project, in cooperation with the Farmers' and Gardeners' Associations, shall assist farmers in the production of high quality composts, and in the utilization of the same in agroforestry systems.
- 1.5.4 The CTA and NPD shall conduct a benefit and cost analyses of various agroforestry systems.
- 1.5.5 The NPD and the CTA will investigate the potential to secure formal recognition of agroforest gardens in project areas as sustainably managed, or eco-labeling of some of the agroforestry products, by recognized certification organization, and if positive, to facilitate the eventual review and certification of the agroforest gardens/products.

Objective 2. To help farmers develop agroforestry based enterprises and improve marketing of agroforestry products.

Success Criteria:

- Cam Ha Cooperative gainfully engaged in business and enlarging its membership.
- Other marketing groups organized.
- Feasible rural enterprises identified.
- Capacity of women to manage livestock , particularly of pigs, cattle and rabbits is improved.
- A Market Research and Information System is established in Quang Nam and is providing timely and necessary marketing information to produces and traders alike.

Activity 2.1 Organization and strengthening of farmers' cooperatives or groups.

- 2.1.1 In cooperation with Provincial, district and commune governments, and COOPSME, Quang Nam, the Project shall provide continuing support to Cam Ha Cooperative to strengthen its business, administrative and financial management capabilities.
- 2.1.2 The Project shall encourage and support the formation of other forms of associations or village self help groups among farmers to provide mutual support for improved agroforestry development and marketing of agroforestry products.
- 2.1.3 Through a contract with a qualified consultant, the project shall assist farmers in marketing of important agroforestry products.

Activity 2.2 Establishment of village enterprises

- 2.2.1 Through a contract with qualified consultant or service provider, the Project shall identify and conduct feasibility studies of processing of some agroforestry products., and other rural enterprises, including those for women and for disadvantaged groups.
- 2.2.2 The Project shall provide technical support to farmer groups interested to engage in feasible enterprise.
- 2.2.3 In cooperation with concerned government agencies, the NPD and the CTA shall provide support to existing livestock development program in order to provide incremental benefits including enhancing capacity of women to manage livestock.
- 2.2.4 The CTA and NPD shall identify other agroforestry based livelihood opportunities and provide support to interested farmers/groups.

Activity 2.3. Development of a Market Research and Information System (MRIS)

- 2.3.1 Through a contract with qualified consultant/service provider, the Project shall review existing MRIS programs and policies in Vietnam, and formulate MRIS program for Quang Nam.

- 2.3.2 Provide support to the establishment of a MRIS in the province, including training of staff, and acquisition of important equipment and facilities.
- 2.3.3 Collect and disseminate market information to farmers and traders alike.

Objective No. 3. To improve farmers' access to capital through micro-finance and other credit programs

Success criteria:

- Micro-finance program established and implemented.
- Local staff trained in implementing micro-finance program
- Farmers are able to access capital from micro-finance facility.

Activity 3.1. Planning and capacity building on micro-finance

- 3.1.1 With assistance from a consultant, Project shall conduct a comprehensive study on and formulate a plan of a micro-finance program as an approach to lending to poor farmers to develop their agroforest gardens, and to provide capital to rural enterprises.
- 3.1.2 Organize training program for local staff, preferably, members of the Women's Union, who will implement a Micro-finance pilot program in the project areas.

Activity 3.2 Implementation of a micro-finance program

- 3.2.1 Provide technical assistance to local group in implementing a micro-finance program, including developing systems and procedures.
- 3.2.2 Monitor and document experience and lessons learned.
- 3.2.3 Prepare plan of action for expansion of micro-finance program in other areas.
- 3.2.4 In cooperation with Policy and Agriculture Banks, compile and disseminate information on existing rural credit policies and procedures.

Annex 4 Terms of Reference for International and National Personnel

1. Chief Technical Adviser (CTA)

Duration of Assignment 30 months
Duty Station Tam Ky City, Quang Nam Province
Vietnam

Contract will be initially for one year and is renewable subject to satisfactory performance.

Qualifications:

An advance university degree in forestry, natural sciences, natural resources management or other disciplines having relevance to the development objective. Not less than 10 years experience in practical forestry or agroforestry management and at least 5 years experience in developmental forestry in Asia, preferably Vietnam. Previous experience in social forestry is essential. Previous experience in project management or as adviser in donor-funded forestry sector development programs. A working knowledge of rural economic and social development, and extension systems related to forestry and agricultural sectors in Vietnam. Good working knowledge of English language. A demonstrated ability to provide high quality advice and leadership to Vietnamese project personnel.

Tasks

In close collaboration with the National Project Director, the CTA shall perform the following tasks:

1. Provide technical and managerial supervision of all aspects of project implementation, with special reference to project planning, participatory processes, capacity building, extension, contract arrangements, equipment procurement, agroforestry development, agro-forestry products marketing, rural enterprise development, micro-finance development, monitoring and reporting.
- 2) Provide advice on the recruitment of consultants to be hired by the project, and on procurement of equipment, seedlings and other inputs required to support the farmers in developing agroforestry gardens;
- 3) Provide technical advice to local governments particularly the communes, in preparing their respective Agroforestry Development Framework Plan.
- 4) In cooperation with the NPD, prepare and update Project Implementation Work Plans including budget to support the plans.

- 5) Supervise all project personnel, including consultants.
- 6) Prepare periodic reports on project progress, and supervise reports prepared by consultants or contractors;
- 7) Liaise and establish linkages with relevant government offices and personnel, similar projects in and outside Vietnam and other non-government organizations.
- 8) Document lessons learned from project implementation.

Recruitment. Consultant recruitment will be arranged by FAO.

2. National Project Director

Duration of assignment **3 years**
Duty station **Tam Ky City, Quang Nam Province**

Qualifications:

A university degree holder, preferably post graduate level, in forestry, agriculture or related sciences. At least 10 years practical experience in Vietnam in forest management, agroforestry, agriculture, social forestry and rural development or combinations of these subjects. Must have extensive knowledge of forestry and rural development management and administration in Vietnam, preferably in Quang Nam Province. Proficient in English language.

Responsibilities

1. Promote, liaise and maintain close working cooperation with the People's Committees and other agencies at the provincial, district and commune levels, and with MARD and FAO to ensure smooth implementation of all aspects of the project.
2. In collaboration with the CTA, prepare and update detailed work plans for project implementation. Detailed work plans will be prepared at least annually and more often, if required by FAO, MARD or the Donor.
3. Implement project work plans in accordance with work plan requirements. In close coordination with the CTA and FAO/Hanoi, ensure the timely delivery of equipment, recruitment of consultants and reporting by them, selection of personnel and farmers for training.
4. In coordination with concerned government agencies, plan and supervise delivery of timely and adequate extension services and technical assistance to farmers participating in the project.

5. Supervise, guide and monitor all personnel, including consultants, and ensure that all reports, manuals and other documentation prepared by the consultants are of high quality.
6. Plan and supervise the effective establishment and implementation of community participatory planning, implementation and monitoring processes.
7. Ensure that all Government inputs into the project, office accommodation and administrative assistance, equipment, training and personnel are available when required and used by the project.
8. Arrange internal travel in Vietnam for consultants and visiting missions to project sites as required.
9. Assist in the drafting of contract documents and arrange the negotiations of contracts with parties as specified in the project document.
10. Assist the CTA in liaising with other projects that are active in the implementation of the national forestry and rural development programs.
11. Arrange and supervise all workshops, training courses, seminars, study tours and other capacity building activities that are required for project implementation.
12. Assume responsibility for the timely submission of project reports to local governments and to MARD.
13. Prepare required reports to the Project Steering Committee, Tri-Partite Review Missions.
14. Assume the duties of the CTA when the CTA is absent from the Project.

3. PRA Consultant

| | |
|-------------------------------|-----------------------------------|
| Duration of assignment | 2 person months |
| Duty station | Tam Ky, Quang Nam, Vietnam |

Qualifications:

A university degree holder in forestry, agriculture, natural sciences, social sciences or related fields, with extensive experience in conducting participatory rural appraisal. A working knowledge in rural economic development and extension systems related to forest conservation, agroforestry and agricultural development in Vietnam, preferably in Quang Nam province. Previous experience in donor funded projects is desirable. Proficient in both Vietnamese and English languages.

Responsibilities:

1. Design and conduct a training course for provincial, district and commune staff and selected farmer representatives on PRA.
2. Organize and direct the actual conduct of PRA on the 7 communes with the active participation of the PRA trainees. The PRA should be able to define existing socio-economic conditions, identify “best” and common agro-forestry (including livestock) practices, processing and marketing of agro-forestry products, farmers’ perceptions, needs and priorities, issues and opportunities related to market-oriented agroforestry development.
3. Prepare concise report on findings of the PRA to the Project.
4. Make a presentation of the important findings to a seminar to be organized by the project.

4. Agroforestry Product Marketing Consultant

Duration of assignment **3 person months**
Duty station **Tam Ky, Quang Nam, Vietnam**

Qualifications:

University degree holder in economics, marketing or related fields with extensive experience in helping rural communities, cooperatives and other enterprises in marketing agricultural and/or forestry products. A working knowledge in rural economic development and extension systems related to forest conservation, agroforestry and agricultural development in Vietnam, preferably in Quang Nam province. Previous experience in donor funded projects is desirable. Proficient in both Vietnamese and English languages.

Tasks:

1. In consultation with Cam Ha Cooperative, farmers and local officials in the project areas, identify priority products for marketing.
2. Conduct a market study of each priority product including volume of production, market chain survey, market outlets, prices, and demand for the product including quality specifications, and other related but important information.
3. On the basis of findings, prepare a marketing plan for the priority products.
4. Assist farmers/groups in the initial implementation of the marketing plan.

5. Market Research and Information System Consultant

Duration of assignment **3 person months**
Duty station **Tam Ky, Quang Nam, Vietnam**

Qualifications:

Holder of a university degree in marketing, economics, business management and related fields, with good knowledge and skills in computer programming. A working knowledge in rural economic development and extension systems related to forest conservation, agroforestry and agricultural development in Vietnam, preferably in Quang Nam province. Previous experience in donor funded projects is desirable. Proficient in both Vietnamese and English languages.

Tasks:

1. Review existing Market Research and Information systems (MRIS) in Vietnam, and market information needs of farmers/producers, as well as of traders in Quang Nam.
2. Design and establish a Market Research Information System (MRIS) for agro-forestry products in the province.
3. Train selected government staff in the operation of the MRIS.
4. Provide technical assistance in the initial operation of the MRIS.

6. Rural Livelihood Consultant

Duration of assignment **4 person months**
Duty station **Tam Ky, Quang Nam, Vietnam**

Qualifications:

Holder of a university degree in agriculture, forestry, economics, business management and related fields. A working knowledge in rural economic development especially rural enterprises development. Previous experience in donor funded projects is desirable. Proficient in both Vietnamese and English languages.

Tasks:

1. In consultations with farmers, local government officials, business enterprises and other groups, identify and conduct feasibility studies of possible rural enterprises in the project areas, including those for women and other disadvantage groups.

2. Present significant findings and recommendations in a seminar to be organized by the project.
3. Submit concise report of findings and recommendations.

7. Micro-finance Consultant

Duration of assignment **4 person months**
Duty station **Tam Ky, Quang Nam, Vietnam**

Qualifications:

Holder of a university degree in agricultural economics, business management or related fields, with at least 10 years in rural credit financing programs in Vietnam. Proficiency in Vietnamese and English languages is referred.

Tasks:

1. Review current programs on micro-financing programs in the country as well as in neighboring countries.
2. Formulate a Micro-Finance Program for the project areas, to provide sustainable source of credit to poor farmers.
3. Organize and train local staff including selected farmers on micro-financing.
4. Provide technical support to the initial implementation of the micro-finance program.

