

IMPLEMENTATION COMPLETION MEMORANDUM (ICM)

Revised Template version May 2007

A. BASIC TRUST FUND INFORMATION

Most basic information should be automatically linked to SAP TF Master Data and IBTF

TF Name: Vietnam Green Corridor Project

TF Number: TF052526 - GEF

Task Team Leader Name/TF Managing Unit: Douglas J. Graham, Sustainable Development, Hanoi, Vietnam

TF Amount (*as committed by donors*): US\$998,634

Recipient of TF funds (*Bank/Recipient, if Recipient state name of recipient government and implementing agency*): World Wide Fund for Nature – Indochina Programme

Type of TF (*Free-standing/ programmatic/ new TF for an ongoing program*): Free-standing

Single/Multi Donor: Single

Donor(s) Name(s): Global Environment Facility

TF Program Source Code:

Purpose of TF (*Co-financing/Investment financing/ Debt Service/ Advisory Activities-Bank/Advisory Activities-Recipient, etc*): Investment financing

TF Approval/IBTF Clearance Date: 23 May 2003 (GEF CEO approval)

TF Activation Date: 28 August 2003 (grant signing)

TF Closing Date(s): 30 December 2008

Date of ICM Submission to TFO: 28 August 2009

Cost and Financing Table:

Cofinancier	Original	Actual
GEF	\$998,634	\$998,634
IBRD/IDA		
Recipient		
Other		

Rating Summary

Category	Rating
Overall TF Outcome	Moderately Satisfactory
Overall Risk to Development Outcome	Moderately Satisfactory

Bank Performance	Satisfactory
Recipient Performance	Moderately Satisfactory

B. TRUST FUND DEVELOPMENT OBJECTIVES AND DESIGN

1. Original (and Revised) Trust Fund Development Objectives

The primary objective was “*to protect and maintain the high global conservation value of the productive landscape in the Green Corridor*”. The secondary objective was “*to establish a replicable model for protection, management and restoration of high global conservation values in multiple-use forest areas of strategic importance for biodiversity conservation.*”

2. Original (and Revised) Trust Fund Activities/Components

Component 1: Strengthen the management of the Green Corridor

Component 2: Improve incentives for maintaining forest cover

Component 3: Strengthen capacity and awareness to manage at the landscape level

Component 4: Establish a participatory monitoring and evaluation system

3. Outcome Indicators

Component 1: Strengthen the management of the Green Corridor: Number of community and provincial regulations aligned and strengthened increased. Number of skilled and motivated community and government staff committed and able to participate in effective conservation increased. Levels of natural forest cover and quality maintained or increased. Number of illegal hunters and illegal loggers reduced. Number of forest fires reduced. Number of community commitments to conservation increased. Extent of human settlements, agricultural land and roads does not increase in the high conservation priority sites within the Green Corridor. Inappropriate development interventions excluded from the Green Corridor.

Component 2: Improve incentives for maintaining forest cover: Fragmentation halted and connections increased. Habitat quality maintained and enhanced. Area of natural forest increased. Area of forest meeting conservation targets increased. Number of communities and State Forest Enterprises actively engaged in appropriate afforestation increased. Standard of living of local communities, especially ethnic minorities is maintained or enhanced.

Component 3: Strengthen capacity and awareness to manage at the landscape level: Number of effective regulatory mechanisms adopted by other institutions and agencies at

provincial, national and international level. Quality of information related to habitat quality and species increased.

Component 4: Establish a participatory monitoring and evaluation system: M&E system developed and functioning. Participatory monitoring groups identified and trained. Mechanism established and implemented for conflict resolution and community consultations. Long-term research and monitoring program developed and in place. Reports on the M&E process published and disseminated. Reports and other outputs of the project disseminated in accordance with communication plan. Key decision makers aware of project outputs and outcomes. Stakeholders actively participating in project meetings. Mid term and end of project workshops conducted and reports of proceedings and feedback documented. Reference to, or reports on Green Corridor project included in proceedings of workshops, meetings and conferences and in policy discussion papers.

4. Other Significant Changes in Trust Fund Design

There were no major design changes to the project design although the Mid-Term Review, undertaken in December 2006, agreed to an extension of the project by one year to September 30, 2008 and to qualifying component-level indicators to make these more realistic to the scale of the project. It was extended an additional three months in late 2008 to December 31 2008 to allow the completion of the last project activities.

C. OUTCOME

1. Relevance of TF Objectives, Design and Implementation

The objectives of the Trust Fund remained relevant throughout project implementation. The Green Corridor landscape remains of international, regional and national importance for its biodiversity – including some species of urgent conservation concern globally. Efforts to address the pressing and challenging issues facing the forests and biodiversity of the Green Corridor require a broader spatial – level (compared with more conventional protected areas management support) since remaining forest and biodiversity resources are under management of a broad range institutional stakeholders. These include State Forest Enterprises, protection forest management boards, community and household – managed forest areas – as well as two different protected areas management boards.

2. Achievement of TF Development Objective

In relation to the primary objectives – that the high global conservation values of the Green Corridor were to be maintained, the mid term review noted correctly that this was probably an over-ambitious design objective – given the scale and complexity of the landscape, the pressing conservation pressures and the small scale of the project in relation to this. As the August 2008 supervision mission noted:

“It would not be reasonable to hold the project accountable for any major loss or gain in the conservation value of hundreds of thousands of hectares of productive landscape in the Green Corridor. What has been accomplished seems to be serious advances at the

policy level, in capacity of counterparts, in awareness raising, and in production of some key tools (conservation zoning, forest fire strategy) that will be building blocks for the long-term achievement of this objective.”

Satellite image analysis of forest extent and quality, supported by ground-truthed data collected by the Forest Inventory and Planning Institute (FIPI) paints a mixed picture of impact at the objective level. Overall forest extent remained relatively unchanged – in part because of extensive *Acacia* reforestation efforts supported by a government reforestation program. There were some notable areas of forest loss, for example along the corridor of a new north-south highway that bisected the Green Corridor during the term of the project. However, analysis revealed a noticeable decline in forest quality between 2004 and 2007 – with forest categorized as ‘rich’ (broadly analogous to high conservation value forest) declining in extent by about 10% during this period. This category of forest quality now comprises only 7% of overall forest cover in the Green Corridor. This is a significant rate of decline and is a worrying trend in view of the dependence of several key mammal and bird species on unlogged or mature secondary forests. These changes are consistent with the prevalent trend in natural forest degradation throughout Vietnam - incremental degradation and fragmentation of natural forest and expansion of plantations with lesser environmental value.

Monitoring of the four flagship species appears to broadly confirm a gradual decline in biodiversity value in the corridor. Whilst White-cheeked Crested Gibbons *Nomascus leucogenysiki* and Red-shanked Douc Langur *Pygathrix nemaeus* are still found in the landscape, their populations appear to have declined since the baseline survey in 2006. Surveys also failed to locate gibbons in Bach Ma National Park during the 2008 dry season survey. The national park was previously a stronghold of this species. Gibbon numbers also appear to have declined significantly in Phong Dien Nature Reserve. Monitoring data for ungulates and wild pigs declined in all monitoring plots during the project period. Since pigs and wild ungulates are key prey species for tiger, the prospects for stabilisation or a recovery of tiger numbers in the Green Corridor landscape seem remote. Tiger *Panthera tigris* was also selected as a flagship species for this project, but data on this species is not presented in project documentation. There is one reference in a survey report dated 2006 to a previous survey of this species by Thua Thien Hue FPD - during which a paw print was identified and attributed to tiger. Without further evidence and documentation, this record must be regarded as unconfirmed. In the late 1990s, this species was recorded more frequently and a tiger cub was even confiscated from hunters in Phong Dien District in 1999. Sadly, this species may no longer be present in the landscape.

Whilst there is some justification for caution – as monitoring data is not comprehensive, the general trend seems clear. High levels of hunting is likely to be the main cause of these negative trends and analysis undertaken by the project indicates that, whilst hunting (and NTFP collection) remains broadly the same as compared with the baseline in 2006, hunting by ‘outsiders’ appeared to increase by over 50% (albeit, based on interview surveys).

3. Efficiency

The project covered a large target area, and as noted above, the Mid-Term Review identified the risk that a project as small as this could not be expected to successfully address the broad range of management challenges facing the Green Corridor. It is clear that the project has succeeded in developing a close working relationship with its institutional partner in the Green Corridor – the Thua Thien Hue Forest Protection Department, and so there are prospects for the project catalyzing changes and approaches in the mainstream working of FPD. It is also clear that the project has succeeded in developing capacity at various different levels within the landscape.

The project promoted a wide range of different activities, including biodiversity surveys, remote sensing of forest resources, ranger training, promotion of ecotourism, community forestry piloting, environment impact assessment and monitoring. This no doubt helped broaden awareness of the range of approaches that can be used at landscape level and the project has done very well to manage such a broad range of activities.

However, this type of ‘diffuse’ strategy risks diluting project impact such that the longer-term efficiency of investments is ultimately rather low. Only time (and post-project monitoring) will clarify whether the ‘diffuse’ approach adopted by this project will ultimately bear fruit by achieving sustained changes in approaches to corridor management but as a latter section of this memorandum makes clear, there is a significant risk to some long term conservation and development impacts.

Complexity and a risk of ‘overstretch’ is common to other landscape level approaches to conservation in which all face the challenge of addressing multiple issues in a complex biological, cultural, and institutional landscape.

4. Development Impacts, including those that are Unintended/Unrelated to TF Objectives

The diffuse nature of the project makes the assessment of development impacts difficult. Objective level impacts have been discussed above and indicate that high conservation value forests and key indicator species continued to decline during the project term. However, it is possible that the project helped slow the rate of loss, and may help future efforts to stem the progressive loss of remnant biodiversity within the landscape.

The preparation of a detailed forest cover map and conservation zoning plan should improve the capacity of the forest protection department to protect forests in the corridor forests. The project has also improved information on the biodiversity assets of the Green Corridor through surveys of some major taxa of biodiversity, including lepidoptera, herpetofauna, birds, mammals, trees and some key plant groups. Monitoring data also shows that management capacity of some key forest management units has also increased as a result of project support.

The project assisted in the preparation of an Investment Plan for the new Saola Nature Reserve – a part of the Green Corridor that is thought to retain important biodiversity and

possibly also a small population of the Annamese endemic Saola *Pseudoryx nghetinhensis* – one of the rarest and least known mammals in the world. The investment plan is an important step in the establishment of a new protected area and TT Hue Provincial Peoples Committee has agreed to formally approve the investment plan shortly. This will confer some level of protection for this forest area, although much will depend on the ability of Hue province to deploy resources for the management of this proposed new protected area.

A significant impact of the project may well prove to be the introduction of new ideas and approaches to engaging local stakeholders in resource management, for example through community forest management, homestay-based ecotourism and enrichment planting. However, these initiatives were piloted at very small scale and remain at early stages of development, so it remains too early to assess their longer-term impact.

Achieving progress in community forest management piloting was always critical to achieving scaled-up impacts on sustainable forest management across the Green Corridor. Project-supported CFM development has not sufficiently achieved the project objective relating to the establishment of a model for forest protection and regeneration. There were two reasons for the project falling short on this objective. Firstly, the development of a new model for forest protection and regeneration at landscape level proved to be an over-ambitious objective for a small project over only 4 years. Secondly, provincial policy on community forest management switched to a more conservative approach – with the provincial Department for Agriculture and Rural Development (DARD) resisting decentralization of decision-making and forest resources to local communities. This change was outside the scope of project influence, but served as a major impediment to efforts to develop CFM as a major tool for forest management in the corridor landscape. As a result, the project was only able to support two very small pilots in the buffer zone. These pilots appear to have been broadly successful and there was clearly strong local community support for this approach. Unfortunately, their small size and late start-up has meant that it is not possible to evaluate the impact, replicability and sustainability of these pilots – and there is unlikely to be scaling-up of this approach unless there is a change of policy at provincial level.

Small grant support for forest regeneration activities, for example of rattan enrichment planting, was also promoted on a small scale. Support included capacity building, an in-country study tour for farmers and technical and financial support for nursery development. Early experience was promising and local villagers expressed their support for rattan nursery management and enrichment planting. It will take several years before the results of enrichment planting yield returns for local people and the success of this much depends on a willingness by provincial authorities to support CFM.

Another important activity relating to demonstration model development was a review undertaken of the National Target Program on Forests (also known as the 661 Program), involving consultations with local communities and efforts to review experience of restoring natural forests in combination with short rotation *Acacia* development. The province has attempted to restore nearly 2000 hectares in such a manner with the aim of

providing short term economic benefits from *Acacia* with longer term environmental benefits natural forest regeneration. Unfortunately, the project did not prepare an evaluation of this work, and in any case, in all probability, it would have proved impossible to evaluate with any degree of accuracy the development and conservation impacts over such a short time frame. The end result is that the lessons for natural forest restoration elsewhere – a key issue throughout Vietnam, remain unclear.

Other developments show more promising trends – Bach Ma National Park was extended during the project to include new areas of high biodiversity value forests. Whilst this was not an outcome of project support, this does provide an indicator of provincial government commitment to forest protection and conservation. The project also noted increased management capacities of watershed management boards and BMNP – based on application of the Management Effectiveness Tracker Tool (METT).

For the broad range of very small-scale livelihood development activities, it is difficult to assess their development and conservation impacts – since the scale of these interventions are small and most were at an early stage of development when the project ended. For some of the alternative livelihood interventions piloted by the project (these included marketing support for handicrafts and development of homestay ecotourism) there was evidence that these had helped improve relationships between forest rangers and local communities (since forest rangers were used as extension agents for this work). However, direct conservation impacts of these investments on forest management and conservation are difficult to demonstrate.

5. Overall TF Outcome

The overall outcome of GEF support for this project was considered Moderately Satisfactory (MS).

D. Risk to Development Outcome

1. Follow-On Results and/or Investment Activities

Identify and provide a description of the role played by this TF that led to those follow-up activities or investments checked below. (Check all that are applicable):

There are no follow-on activities for this grant.

Activity/Investment:

_____ Recipient/Other Investment; _____ Grant Project/Program; _____ Bank Project;
_____ IFC Financial Project/Activity, Other (explain)

2. Replicability

The project has generated some lessons, although better analysis and documentation of lessons learned by the project would have greatly helped in sharing these lessons more widely in Vietnam. An important lesson is that the diverse challenges inherent in any landscape level approach require a serious commitment of official support and resources to address effectively. MSP support has been useful in terms of introducing a range of approaches, piloting these on a small scale and encouraging provincial partners to adopt a more integrated approach to resource management. However, the scale of resources available was not sufficient to create incentives to adopt more far reaching changes – CFM most prominent of these, nor to sufficiently scale-up new approaches to the extent of widespread adoption throughout the Green Corridor.

The stated objective of the project to develop a new model for landscape level forest protection and regeneration proved unrealistic and over-ambitious for such a short (4-year) project. With respect to that objective, the outcome can only be considered moderately satisfactory.

3. Overall Risk to Development Outcome

Outcome	Risk Rating	Comment
Area of natural forest is maintained or increased	Significant	Ongoing trend in natural forest loss and degradation looks set to continue given strong market demand for illegal timber, Acacia woodchips and forestland for cultivation.
Number of flagship species is maintained or increased	High	Strong market demand for illegal wildlife and weak political commitment to tackle illegal wildlife trade mean that ongoing population declines look set to continue.
Threat to forest from illegal activities is reduced.	Significant	As above, market demand for illegal wood, wildlife and forest land, combined with weaknesses in forest law enforcement and governance frameworks means that future risks remain high.
Capacity of stakeholders to manage forests for sustainable management and conservation increased	Moderate	Capacity and willingness to better manage forests by management boards is improving - as measured by tracker tools. CFM capacity is constrained by current DARD policies. Sector policy direction is moving in favor of greater decentralization of forest management decision-making.
Number of community and provincial regulations for conservation is increased	Low	Greater decentralization and growing recognition of the importance of local regulations translates into a low risk profile for this outcome.

Standard of living of local communities	Low	Overall, poverty incidence is decreasing in the landscape.
Attitude of local communities towards using forest resources in sustainable manner is enhanced.	Low	Attitude surveys show improved awareness of forest conservation issues and more constructive relationships developing with forest guards, partly as a result of project support. This trend is likely to continue given greater emphasis on extension provision accorded to forest rangers at commune level.

E. PERFORMANCE

1. Bank

Satisfactory: The project received regular and high-quality technical supervision, the WB waited with patience during a delayed and protracted start-up caused by slowness of approval on the side of Govt. of Vietnam, encouraged the project to adjust its approach at mid term stage, agreed to a revised log frame and then facilitated an extension to the project when requested. The World Bank also facilitated linkages to senior levels in the provincial government in tandem with ongoing IDA support in the province's forest sector.

2. Recipient (for Recipient-executed TFs only)

Moderately satisfactory: Performance of the project team in Hue province was satisfactory. Project resources were efficiently deployed, a strong working relationship was developed with the local partner and the project worked with impressive diligence and commitment at field level. However performance at the WWF country program office in Hanoi was less than satisfactory – particularly in relation to financial management systems, compliance with agreements reached during supervision missions on the use of these systems; and procurement issues. These issues were highlighted during the 2008 supervision mission.

F. LESSONS LEARNED / RECOMMENDATIONS

World Bank – most shortcomings of this project relate to project design issues – notably over-ambitious objectives for such a small project addressing such complex issues. More rigorous and critical assessment of project design will be needed to avoid this issue recurring in future. To some extent, this is a recurring problem specific to small GEF projects which are obliged to adopt over-ambitious targets as part of the review/approval process. As with other GEF projects, the World Bank needs to adopt a clear position regarding the construction of infrastructure on high biodiversity value forest areas receiving GEF support. Similar issues apply to the ongoing GEF project at Chu Yang Sin, and previous GEF supported interventions at Nahang Nature Reserve and Ba Be and

Yok Don National Parks. These issues need to be tackled at strategic and land use planning level, since they ultimately undermine the purpose for which global conservation funds have been awarded.

Recipient – in approving this project, GoV agreed to pilot CFM as per the project document. This agreement was respected in a rather minimalist way, with only a few small pilots allowed to start up. CFM remains an important element to future conservation strategies in Vietnam and it needs to be further promoted by the Government. A further lesson is raised by the construction of the Ho Chi Minh Highway through the Green Corridor landscape. This construction project has inflicted damage on the integrity of forest systems in the corridor and will make future management of these forest much more difficult in future. Infrastructure development in this manner, especially in areas receiving support from the international community, inflicts reputational damage on Vietnam's international credibility on matters relating to conservation and environmental management.

G. ICM PROCESSING AND COMMENTS

1. Preparation

TTL at Approval: Susan Shen

TTL at Closing: Douglas J. Graham

Comment of TTL at Closing:

Prepared by (if other than TTL):

Date Submitted to Approving Manager: August 28, 2009

2. Approval

Manager:

Date Approved by Manager:

Manager's Comment:

3. TFO Evaluation of ICM Quality

TFO Reviewer:

TFO Rating on the Quality of ICM (*Satisfactory or Unsatisfactory*):

Comment and Justification for Rating Given by TFO:

