

PROPOSAL FOR POVERTY AND ENVIRONMENT PROGRAM

A. BASIC DATA

1. **Activity Title:** Pilot Biodiversity Corridor (BC) Program for the Lam Dong Province of Viet Nam
2. **ADB Officer:** Herath Gunatilake, Environment Specialist, MKAE
3. **Request Date:** September 2004
4. **Implementing Organization:** Lam Dong Province Department of Agricultural and Rural Development (DARD), Ministry of Agricultural and Rural Development (MARD)
5. **Types of Interventions:** Institutional strengthening through capacity building and technical assistance, awareness building and information dissemination, conversion of habitats in BC to facilitate species movements, removal of constraints for poverty reduction in relation to BC interventions, engagement of communities through participatory resource and poverty mapping, and participatory resource planning and management, targeted interventions to change current resource use pattern for poverty reduction, legal and regulatory changes for implementation of BC programs, and scaling-up for national and regional BC programs.
6. **Amount of Request:** \$249,000
7. **Period this Funding Request Will Cover:** 18 months (June 2005 – November 2006)
8. **Region/Country:** Lam Dong Province, Viet Nam

B. DESCRIPTION OF IMPLEMENTING ORGANIZATION

The Department of Agricultural and Rural Development (DARD) of Lam Dong Province of the Ministry of Agricultural and Rural Development (MARD) will implement the proposed project. The MARD is responsible for forestry activities in Viet Nam and DARD undertakes the provincial level implementation responsibilities of MARD. The DARD has a project management unit (PMU) for the preparation of proposed ADB Forestry Sector Project. The PMU augmented by the local consultants will be responsible for the implementation of the project. Activities and possibly resources of World Wild Life Fund (WWF) and Fauna and Flora Institute (FFI) will complement implementation.

C. PROPOSED SUBPROJECT

1. Backgrounds and Rationale:

Environmental policy in Viet Nam identifies protection of biodiversity as a priority. The main response to biodiversity loss in Viet Nam is establishment of protected areas (PAs). Viet Nam has established 25 national parks, 60 nature conservation areas and 37 cultural, historic and environmental sites. These initiatives are significant initial steps towards protection of valuable biological diversity. Nevertheless, establishment of PAs does not necessarily ensure protection of biodiversity; proper design and management of PA systems is essential. There has been a series of initiatives aiming at proper management PAs in the past. So far the PA management performances have been mixed. PAs are small in size and not well distributed over the ecological landscape. The modern theories of ecology such as island biogeography, metapopulations and minimum viable populations suggest that natural populations, communities and ecological processes are more likely to be maintained in landscapes that comprise an interconnected system of PAs. Therefore, the PAs need to be connected through biodiversity corridors to achieve the goals of conservation. Terrestrial biodiversity corridors (BCs) are linear strips of vegetation that provide continuous or near

continuous pathways between protected areas. They constitute a strategy of biodiversity conservation to cope with the problem of habitat fragmentation arising out of economic activities such as commercial agriculture, tree plantations, urbanization, and infrastructure developments.

The problem of habitat fragmentation is serious in Viet Nam. Therefore, establishment and management of BCs to create a space for unhindered passage of animals and seeds within the connected PAs are crucial to avoid further loss of biodiversity. The main obstacle to providing this connectivity is the existing human activities such as commercial agriculture, industries, urban and infrastructure developments and human settlements in these potential corridors. Well thought-out interventions in BCs are necessary to change the current resource patterns to facilitate the free movement of animals and seeds. The proposed project has selected a BC for pilot interventions in the Lam Dong province of the central highland area of Viet Nam¹. While the proposed BC management enhances conservation of large number of species, its noticeable impact will be on Black-shanked Douc Langur, Yellow-cheeked Crested Gibbon, and Germain's Peacock Pheasant.

The selected BC for pilot interventions is located in poverty concentrated Central Highland area of Vietnam; about 46% of the rural households live in poverty. The majority of the population is ethnic minorities and 86.8% of the economically active population is unskilled. About 80% of the population depends on agriculture, which is characterized by shifting cultivation, tree crops like coffee and fruits, upland rice, cassava, and other cash crops. Gathering forest products supplements their livelihoods. Communities in the pilot intervention area heavily depend on natural resources for their livelihood. Changes in the current resource use patterns, aimed at enhancing biodiversity protection, should be designed while giving emphasis to the livelihood needs of the communities living in the corridors. Community support, which is essential for successful implementation of the BC concept, depends on the impacts of the interventions on their livelihood. Therefore, management of the selected BC to enhance biodiversity protection cannot be undertaken in isolation of the poverty reduction and livelihood issues. The proposed TA attempts to identify and pilot biodiversity corridor development and establish approaches and regimes that allow for integrating effective PA system functioning, rural livelihood improvement and poverty reduction and support eco-friendly resource use patterns in BCs.

2. Objectives

The objective is to develop approaches, generate necessary scientific and socioeconomic information and implement pilot biodiversity corridor program in the Lam Dong Province. The long-term objective of the proposed pilot project is to facilitate and enhance the implementation of the GMS BC program.² Since the BC is a new approach to biodiversity conservation in the GMS region, understanding the ground level constraints such as of capacity limitations, data gaps, and institutional weaknesses is very important for successful implementation of GMS BC program. Given this very strong link of the pilot activities to the forthcoming GMS BC program, the proposed pilot project benefits will not confine to the project area. Its benefits will flow to provincial, national, regional, and global levels because the project enhances the provision of a public good, benefits of which occur at all the above-mentioned levels.

At the local level the project provide direct user benefits of biodiversity such as NTFP, watershed values, climate moderations etc. Poverty interventions provide enhanced empowerment for local communities to participate in decision making on natural resource use and conservation, better technologies, increased access to markets through better infrastructure, and increased incomes. At the national, regional and global levels benefits

¹ A map of the biodiversity corridor is attached.

² MKAE has already initiated preparatory work for the GMS wide BC program. As one initial step, A TA project will be implement to develop GMS BC Action Plan. The Action Plan together with the road map for a next 10-year BC program will be proposed at the next Environmental Ministerial Meeting of the Working Group in Environment for the endorsement by Ministers.

include increased ,potential pharmaceutical values, non-consumptive values such as eco-tourism opportunities, indirect user values, existence and option values of species.

3. Scope of Work/ Description of Proposed Approaches

3.1. Project Activities:

- 1) Selection and recruitment of international and national consultants.
- 2) Review the international experience of BC programs focusing on the applicability of the concept to the selected BC in Viet Nam.
- 3) Conduct assessments on natural resource use patterns in selected BC to identify development threats to adjoining PAs.
- 4) Mapping poverty incidences in the BC using secondary information.
- 5) Selection of three communes for pilot interventions.
- 6) Identify remedial measures/changes in natural resource use patterns in the selected communes for better livelihoods using participatory approaches.
- 7) Conduct pre-feasibility studies for identified sustainable resource uses/livelihoods activities and identify institutional, economic and social constraints.
- 8) Identify investment and capacity building requirements and regulatory needs for the necessary interventions.
- 9) Provide support for selected interventions based on the funds availability.
- 10) Prepare a list of interventions for further support by Forest for Livelihood Improvement in the Central Highlands Project.
- 11) Undertake institutional gap analysis for successful implementation of BC program.

3.2. Proposed Approaches: The above activities will be implemented on pilot scale in three selected communes in the BC. The communes will be selected based on the high incidence of poverty and greater threats to biodiversity protection. The target groups are the households in the selected communes. The target communities will participate in the identification of threats and necessary interventions for biodiversity protection and poverty reduction. The selected households in the commune will be direct beneficiaries of the implementation of pilot interventions.

Participatory rural appraisal techniques will be used to characterize current resource use patterns in BCs, and threats arising from such patterns to the PAs system. Livelihood issues and necessary remedial measures for changing resource use patterns for poverty reduction/biodiversity protection such as eco-tourism, forestry activities, agro-forestry, ecological farming, bio-prospecting, ecological restoration and CDM activities will be identified based on the community needs and existing physical, economic, social and institutional conditions at the local levels. The selected activities will be subjected to benefit cost analysis to examine the economic viability. Special attention will be paid to minority groups and women in designing the necessary interventions for better management of BCs.

3.3. Links to Other ADB Activities: The proposed project is well within the strategies outlined in the CSP, RCSP, and PRS. For example, the project will qualify under the SCP and PR strategies of sustainable economic growth, inclusive social development (due to presence of ethnic minorities), and geographic focus on central highlands for regional development. Environmental and shared natural resource management strategy of the RCSP, particularly its emphasis on promotion of *RETA to set in place the building blocks needed to better understand and address, on continuing basis, the pressing issues of poverty incidence and reduction, environmental conservation and protection,* (Pg 20 of RCSP 2004-2208), clearly justifies the proposed project.

The proposed project is a new activity. However, it is linked to an ongoing PPTA and implementation of the Forestry for Livelihood Project. PPTA studies have identified the BC considering a number of reasons.³ The selected Corridor is a portion of a longer corridor, which connects the Chung Yang Sin and Ta Dung Special Use Forests in Lam Dong

³ The main criteria considered in selecting the BC are similarities in vegetation pattern in BC and the two PAs. This makes it easier to implement interventions in BC to facilitate the species movements.

Province. WWF and FFI are developing similar plans to implement BC program for the rest of the corridor, which lies in three other provinces. ADB project officer has initiated communications with the two NGOs to find synergies and to avoid repetition.⁴ The proposed TA will identify the necessary interventions and implement them on pilot scale while the Forestry for Livelihood Project will take over the major implementation part. This loan will be in operation by 2006 and the proposed TA will prepare the groundwork for implementing the BC interventions under its biodiversity conservation activities.

The EA, DARD of Lam Dong Province, and the commune council of the selected communes will be the major stakeholders. The EA will be requested to provide office space, computer facilities, vehicles and staff time for field study implementations. Other partners such as WWF and FFI may share their resources in implementation of the project.

4. Work Plan and Reporting

Activity	2005			2006		
	6	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3
Recruitment of consultants	X					
Inception workshop	X					
Field work		XXXX	XXXX			
Activities 1-5						
Activities 6-7			XX			
Midterm workshop			X			
Activity 8			X			
Field Implementations						
Activity 9				XXXX	XXXX	XXXX
Final workshop						X
Activity 10						XX
Activity 11						XX

5. Inputs and Expected Outputs⁵

Inputs: Inputs include 2 person months of international consultants, 13 person months of national consultants, field surveys, community consultations and stakeholder consultations (national and regional workshops). The actual inputs for pilot interventions will be identified during the project using participatory methods. A detailed account of inputs are presented in the Appendix 3.

Outputs: A report on poverty incidences overlaid on resource use patterns and threats to PAs with a set of target communes for pilot interventions (activities 1-5:), a report with set of interventions (activities 6-7), a report with recommendation for the Forestry for Livelihood Project⁶ to implement in the BC (activity 10), a set of recommendations for changing legal and institutional aspects necessary to implement BC program (activity 11). The output and targets of the activity 9 will be determined during the implementation.

Expected Outcomes: Enhanced knowledge on threats of BC on PAs and linkages of the threats to poverty, institutional and legal changes for establishing and managing BC system, a framework for integrated PA management in the GMS, better survival of threatened/endangered species, reduced poverty in the selected BC. The expected outcomes in poverty reduction will occur in the selected 3 communes. However, the biodiversity protection benefits occur at the provincial, national, regional and global levels. The Regional and global benefits are incremental to the on going biodiversity protection activities within the protected areas.

⁴ The proposed project is included under the future collaboration activities in the upcoming ADB-WWF review meeting

⁵ A detailed logical framework of the project with details on goal, purpose, outputs, activities and inputs is given in the Appendix 3

⁶ Implementation of this project will commence in 2006. Based on the findings of the proposed TA, this project can implement the recommendations under its forestry, community development, and forest related business development and participatory forest protection activities

6. Subproject Evaluations and Information Dissemination

The project officer will undertake two review missions; one inception and one midterm. The draft final reports will be subjected to interdepartmental reviews. In addition, the inputs of the other stakeholders will be obtained at the inception phase and draft report stage. The Project Management Unit will submit quarterly progress report with an evaluation of the project activities to the ADB project officer. Three national level workshops, inception, midterm, and final workshop, will be held. Wider national audience will be invited for these workshops in order to obtain their views and to develop a sense of ownership among the local stakeholders. One regional workshop will be held with the partnership of both local and international stakeholders. The details of the performance targets and monitoring mechanisms are given in the Appendix 3.

7. Scope for Replication/Use in other DMCs

The proposed activity is a pilot activity and the long-term objective is to initiate a series of investment and technical assistance programs for integrated BC management in the GMS. There is a growing interest amongst the donors and GMS governments to implements a BC program for the GMS. MKAE is undertaking preparatory work to develop a GMS wide BC program.

D. COST ESTIMATE

Item	Government Contribution \$	ADB Contribution \$	Total	Disbursement
Consultants				
International		40,000	40,000	
Local		39,000	39,000	
Travel				
International		5,000	5,000	
Local		10,000	10,000	
Pilot Interventions⁷		100,000	100,000	
Equipments		-	-	
Others				
Workshops		30,000	30,000	
Maps/reports		10,000	10,000	
Field-surveys		15,000	15,000	
Office space, personnel time, equipments and transport	83,000		83,000	
Total		249,000	332,000	

E. PROPOSED SUBPROJECT MANAGEMENT SYSTEM

The DARD office of Lam Dong Province will manage the proposed sub project. This office has established a project management unit to implement the PPTA of the ADB Forestry Sector Project. The Government will be requested to provide a project officer and two assistant staff for the implementation. The project will provide traveling allowance and subsistence allowance for project staff while the government will provide their salary. Available vehicles of the FSP project will be used for fieldwork. The project pays for the fuel. Consultant will be recruited by the ADB and will report to the local project officer. ADB project officer is responsible for overall monitoring and evaluation of the project progress.

⁷ These interventions will be selected based on the activities 1-6. Depending on the funds availability and priority some selected interventions will be implemented and the rest will be implemented under the forestry for livelihood project or forthcoming GMS program on BCs.

APPENDIX 1**Terms of References for Consultants**

The proposed research requires a country team consisting of an economist and an ecologist. A team leader with experience in protected area management will lead, guide, coordinate, and take the overall responsibility of the study. These consultants will be hired on an individual basis.

TEAM LEADER: (2 person-months; international)

Protected Area Management Specialist

Qualifications: Higher degree, preferably, a Ph.D. in Environmental Management/Forest Management with 5-10 years of experience in biodiversity conservation and protected area management required. Interdisciplinary background with emphasis on both ecology and social sciences required. Experience in protected area management/biodiversity conservation in Mekong region requires. Experience in poverty issues related to protected area management is desired. Proven leadership qualities required.

Roles:

1. Overall responsibility of TA implementation
2. Provide intellectual leadership to the team.
3. Review the international experience of BCs.
4. Train and coordinate the team.
5. Integrate various intermediate reports and produce final report.
6. Liaise and coordinate with the local focal points and international stakeholders such as GEF, UNEP, IUCN, FFI, and WWF.

Social Development & Poverty Specialist (6 person-months; domestic)

Qualifications Higher degree, preferably Ph.D. in social science, five years of experience on poverty issues related to biodiversity protection, especially poverty/livelihood issue related to protected areas. Exposure to institutional analyses is desired. Relevant country experience on biodiversity and poverty /livelihood issues in Viet Nam desired

Roles:

1. Responsible for poverty component of the study.
2. Assess the livelihood issues and resource use patterns in the identified corridors.
3. Map the incidence of poverty in identified BCs.
4. Identify the necessary intervention for sustainable management of resources in corridors.
5. Assess the institutional needs for a successful biological corridor program.
6. Provide inputs to the ecologist as and when needed.

Ecologist/Forester (6 person-months; domestic)

Qualifications: Higher degree, preferably Ph.D. ecology or forestry with five years of experience on biodiversity protection, especially natural science/ecological issue related to protected areas. Relevant country experience on protected area management issues desired.

Roles:

1. Ecologist/Forester is responsible for the natural science component of the study.
2. Assess the main threats of the corridor to the PA system
3. Assess the feasibility of linking the PAs through the biological corridors
4. Identify the vegetation pattern in the corridor that can facilitate species movements and map them
5. Identify priority areas for immediate intervention
6. Identify and describe necessary intervention for sustainable resource management in corridors.
7. Provide inputs to the economist and poverty specialist as and when needed.

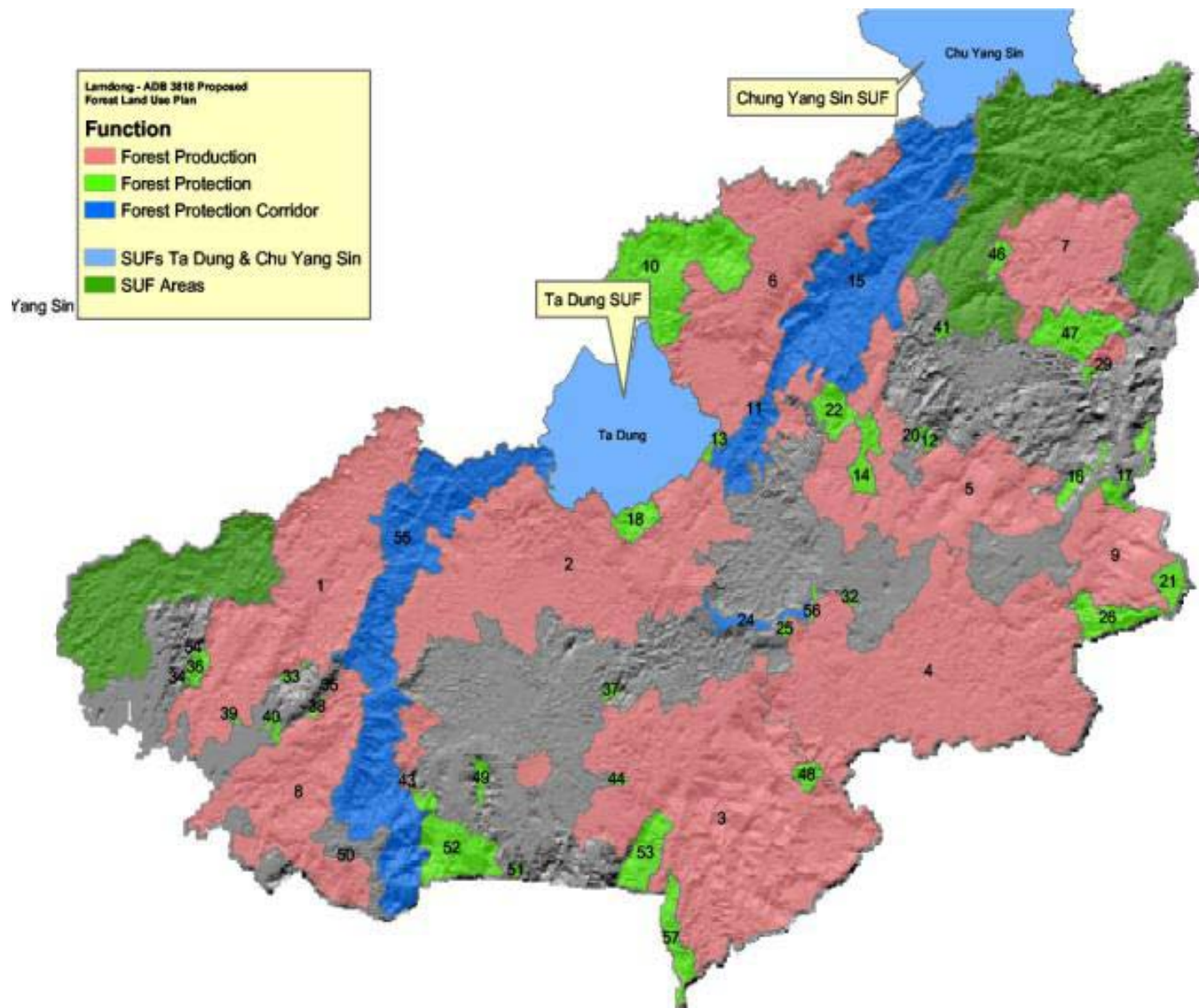
Economist (1 person-month)

Qualifications: A higher degree, preferably a Ph.D. in economics with five years of experience in project analysis, particularly in natural resource projects.

Roles:

1. Assess the economic feasibility of identified interventions for BC program.
2. Assess the poverty impact of the identified interventions

Fig. Selected BC in the Lam Dong Province together with Land Use Categories



LOGICAL FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Goal Enhanced biodiversity protection and poverty reduction in the GMS</p>	<p>By 2008, enabling framework for integrating poverty reduction in BCs established for biodiversity conservation in the GMS</p>	<p>Conservation and poverty assessment reports of GMS countries</p> <p>SEF II project environmental performance assessment reports</p> <p>Progress review reports of Forestry for Livelihood Improvement Project</p>	
<p>Purpose Enhanced knowledge on BC management for biodiversity protection and poverty reduction</p>	<p>By May 2007, a framework for establishing and managing BC in the Lam Dong Province</p> <p>By May 2007, lessons learned from pilot interventions, ready to be incorporated to GMS BC Action Plan</p>	<p>Mid term and final review reports of the project.</p> <p>Interdepartmental review comments</p> <p>Progress review reports of Forestry for Livelihood Improvement Project.</p>	<p>GMS countries' sustain their interest and commitment for establishing and managing BC for biodiversity protection and poverty reduction</p>
<p>Outputs</p> <p>i) Poverty incidence and its relation to natural resource use pattern in the BC identified</p> <p>ii) Results of threat analysis, feasibility of pilot interventions examined and target communes identified</p> <p>iii) Investment needs for capacity building, and regulatory need for implementing BC program in the Lam dong Province Identified</p> <p>iv) Resource use patterns changed to facilitate species movement and poverty reduction</p> <p>v) Lessons learned incorporated into long-term BC intervention in Lam Dong Province</p>	<p>By February 2006, poverty map overlaid with resource use pattern prepared</p> <p>By February 2006, Major threats to biodiversity protection from current resource use together with feasible remedial measures documented</p> <p>By February 2006, investment plan for BC interventions including the resource requirements prepared</p> <p>By May 2007, 25% of the unsustainable natural resource practices in the 3 selected commune converted to eco-friendly practices and by May 2008 poverty incidence in three communes reduced by 15%</p> <p>By April 2007, lessons in five major areas i.e., physical and natural, institutional, legal, economic and cultural identified and documented</p>	<p>National workshop report Project progress reports Review mission reports</p> <p>National workshop report Project progress reports Review mission reports</p> <p>Midterm workshop report Project progress reports Review mission reports</p> <p>Conservation and poverty assessment reports of Vietnam Final review mission report</p> <p>Conservation and poverty assessment reports of Vietnam Final review mission report</p>	

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Activities</p> <p>1) Selection and recruitment of International and Local consultant 2) Inception workshop 3) Review the international experience of BC programs 4) Assessment of resource use patterns in BC, threat analysis 5) Mapping poverty incidence in the BC 6) Commune selection, livelihood opportunities identification 7) Pre-feasibility studies 8) Midterm workshop 9) Identification of pilot intervention activities 10) Implementation of pilot interventions 11) Preparation of draft final reports 12) Final workshop 13) Regional workshop 14) Preparation of final report</p>	<p>June 2005</p> <p>June 2005 July – August, 2005</p> <p>August-September, 2005</p> <p>September-November, 2005</p> <p>September-November, 2005</p> <p>November 2005-February 2006 February, 2006 February, 2006</p> <p>March-November 2006</p> <p>September 2006</p> <p>October 2006 October 2006 November 2006</p>	<p>Consultant reports</p> <p>Consultant reports</p> <p>Consultant reports</p> <p>Consultant reports</p> <p>Consultant reports Workshop report</p> <p>Review missions and budget utilization</p> <p>Workshop report</p> <p>Workshop report</p> <p>Review mission</p>	<p>No major natural disasters occur in the project area</p> <p>Easy and unhindered access to PAs and BC is provided by Vietnam authorities for national and international consultants</p> <p>Capable and hardworking project staff will be provided by the Vietnam Government</p> <p>Secondary scientific and socio economic information is available</p>
<p>Inputs</p> <p>1) International constant level efforts 2) Domestic consultant level efforts 3) International consultant (remuneration and podium) 4) Domestic consultants (remuneration and premium) 5) Travel (international) 6) Travel (local) 7) Community consultations/surveys 8) Pilot interventions 9) Publications 10) National workshops 11) Regional workshop Total</p>	<p>2 person months</p> <p>13 person months</p> <p>\$ 40,000</p> <p>\$ 39,000</p> <p>\$ 10,000</p> <p>\$ 15,000</p> <p>\$ 15,000</p> <p>\$ 75,000</p> <p>\$ 10,000</p> <p>\$ 30,000</p> <p>\$ 15,000</p> <p>\$ 249,000</p>	<p>Consultant procurement & mobilization schedules</p> <p>Consultant reports and work plans</p> <p>TA expenditure and disbursement schedules</p>	<p>Continuous stakeholder commitment to the recruitment and deployment of consultant.</p> <p>High quality domestic consultants available for the required fields</p>