PENDING FINANCE

1. General Description:

ID:CN-25037

Project resulting from this CN: N/A

Note: CNs are developed into project proposals following consultation with donor(s).

1.1 Project Title:

Enhancing Sustainable Community-Based Forestry Enterprises for Climate Resilience in the Northern Mountainous Region of Vietnam

1.2 Submitting Country/ies:

Viet Nam

1.3 Specific Location & Country/ies/regions/areas benefitting from the project:

Xuan Van and Trung Son communes of Tuyen Quang province and An Lac and Van Son Communes of Bac Ninh provinces

1.4 Endorsement from ITTO Focal Point:

Endorsement from ITTO Focal Point_Vietnam_Feb2025.pdf

1.5 Intended Project Duration (in months):

36

1.6 Indicative Budget (in US\$):

| ІТТО | 588,000 |
|-------------|---------|
| Counterpart | 35,000 |
| Total | 623,000 |

1.7 Programme Line Focus

Forest Landscape Restoration and Resilient Livelihoods

1.8 Project Type

Capacity Building/Training, Community/field-based project implementation, Pilot/demonstration project

1.9 Proposal Summary:

The project "Enhancing Sustainable Community-Based Forestry Enterprises for Climate Resilience in the Northern Mountainous Region of Vietnam" aims to build inclusive, market-oriented, and climate-resilient community forestry enterprises (CBFEs) in Bac Ninh and Tuyen Quang provinces. It addresses challenges of weak forest governance, poor processing efficiency, limited access to finance, and vulnerability to climate impacts. Key interventions include: (i) assessing and formalizing two CBFE models linking enterprises with households and/or cooperatives; (ii) delivering intensive training on governance, financial management, and enterprise development for at least 500 local members; (iii) improving timber recovery and product quality through optimized sawing, drying, and finishing methods; (iv) introducing digital traceability via the iTwood platform and establishing Chain of Custody systems to meet PEFC-CoC-EUDR standards; (v) piloting 30 hectares of NbS demonstration plantations combining Acacia and native species; and (vi) promoting blended finance by proposing co-investment policies, piloting microcredit schemes, and supporting equitable enterprise contracts. Expected outcomes include improved community forest governance, 15% income increase for participants, 60% traceable timber transactions, and at least two CBFE groups certified. The project aligns with ITTO-AFoCO priorities by integrating SFM, NbS, digital innovation, and public-private partnerships to build sustainable and inclusive forest-based economies.

2. Proponent Information:

2.1 Executing Agency Information:

Name of Agency/Organization/Institution:

RESEARCH INSTITUTE OF FOREST INDUSTRY (RIFI), under Vietnamese Academy of Forest Sciences (VAFS)

Bao Ngoc NGUYEN Email: ngocnb247@gmail.com Phone: +84 (0) 968 240785 2.2 Type of Organization: Governmental Agency, University/Research Institute 2.4 Relevant experience of EA: This concept note was developed for submission under the ITTO-AFoCO Joint Programme call for CNs. For more information on how the CN fulfills this section of the template, please click on the following link to download the PDF file of the submitted CN. [File link] https://www.itto.int/files/user/Concept%20Note/(Vietnam)CN ITTO AFoCO%20J oint%20Programme Revised%20version%2027Jun2025.pdf Please see section 2.4. 3. Relevance: 3.1 Conformity with ITTO objectives (ITTA, 2006) and priorities (current SAP):

3.2 Relevance to the ITTO Programme Lines:

Please see section 3.2.

Please see section 3.1.

Name of main Contact Person:

| 3.3 Relevance to the Sustainable Development Goals (SDGs) and the Global Forest Goals (GFGs) and other forest related global agenda: | | | | | |
|--|--|--|--|--|--|
| Please see section 3.2. | | | | | |
| 3.4 Relevance to submitting country's policies: | | | | | |
| Please see section 3.2. | | | | | |
| 4. Project synopsis: | | | | | |
| 4.1 Objectives (reflecting reference to elements within all ITTO Guidelines as applicable): | | | | | |
| Please see section 4.1. | | | | | |
| 4.2 Key problem(s) to be addressed: | | | | | |
| Please see section 4.2. | | | | | |
| 4.3 Main stakeholders and beneficiaries: | | | | | |
| Please see section 4.3. | | | | | |
| 4.4 Key activities: | | | | | |
| Please see section 4.4. | | | | | |
| 4.5 Expected outcomes and impacts, including innovation/transformation: | | | | | |
| Please see section 4.5. | | | | | |

| ease see section 4. | 3. | | | |
|---------------------|-------------|-------|--|--|
| . Indicative Bu | ıdget (in U | S\$): | | |
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Indicative Budget (in US\$):

| Description | ITTO | Counterpart | Total |
|-----------------------------|---------|-------------|---------|
| Personnel | 167,000 | 14,000 | 181,000 |
| Sub-contracts | 0 | 0 | 0 |
| Travel and DSA | 80,000 | 5,000 | 85,000 |
| Capital Items | 20,000 | 0 | 20,000 |
| Consumables | 48,000 | 2,000 | 50,000 |
| Publication / Dissemination | 30,000 | 5,000 | 35,000 |
| Miscellaneous | 150,000 | 9,000 | 159,000 |
| Total | 495,000 | 35,000 | 530,000 |

| ITTO Project Monitoring & Review | 15,000 | - | 15,000 |
|----------------------------------|---------|--------|---------|
| Annual/Final Audit | 15,000 | - | 15,000 |
| ITTO Programme Support | 63,000 | - | 63,000 |
| ITTO Ex-post Evaluation | 0 | - | 0 |
| GRAND TOTAL | 588,000 | 35,000 | 623,000 |