

UN-REDD  
PROGRAMME



UN-REDD/VIET/EG3/2016/Report

# Report

---

VIET NAM PHASE II

THIRD EXECUTIVE GROUP MEETING

---

10 March 2016

Hanoi, Viet Nam

## Table of Contents

<b>Summary of Decisions.....</b>	<b>3</b>
<b>Introduction .....</b>	<b>6</b>
<b>Session 1 – Opening and approval of agenda .....</b>	<b>6</b>
Session 1a – Introduction of participants and approval of the agenda .....	6
Session 1b – Opening remarks .....	6
<b>Session 2 – Update on previous EG/PEB meetings.....</b>	<b>7</b>
Session 2a – Overview of status of EG2 decisions.....	7
Session 2b – Feedback.....	8
<b>Session 3 – Overview of progress .....</b>	<b>8</b>
Session 3a – Overview of progress and results .....	8
Session 3b – Financial status .....	8
Session 3c – In focus: Update to the EG on land tenure .....	9
<b>Independent reviews and management responses .....</b>	<b>12</b>
Session 4a – Presentation of findings and recommendations of the Annual Review.....	12
Session 4b – In focus: Revision of governance arrangements .....	12
<b>Session 5 – Results framework, 2016 AWP &amp; budget .....</b>	<b>16</b>
Session 5a – Presentation on programme extension and revised results framework.....	16
Session 5b – In focus: Revisions on outcome 6 .....	16
Session 5c – Presentation of AWP & Budget 2016.....	16
<b>Session 6 – Review of decisions and closing of meeting.....</b>	<b>19</b>
Annex I – EG3 Meeting Agenda.....	20
Annex II – List of Documents .....	21
Annex III – List of Participants .....	22

March 10, 2016

## Summary of Decisions

\*

### Session 2 – Update on previous EG meetings

EG 3.1 – The EG requests the Secretariat to provide a written report on the status of implementation of decisions of its previous meetings. This report is to be provided together with the report of the present meeting.

\*\*

### Session 3 – Overview of progress, results and challenges

EG 3.2 – The EG approves the annual report 2015 and congratulates the team on the progress marked in this last year. However noting that outcomes 5 and 6 continue to lag behind, the EG encourages the team to increase its focus on these two outcomes.

EG 3.3 – For future reports, the EG recommends reporting against annual targets at the outcome level, and enhancing the focus on results in the report.

EG 3.4 – The EG requests the MPTF-O and UN agencies to provide an assessment of financial needs in order to determine the need for, timing and amount of the next transfer to the MPTF-O. This assessment will take into account expenditures as well as commitments and clarify resources available for programming.

#### *On tenure*

EG 3.5 – The EG welcomes the update on tenure and embedding the piloting through the PRAPs. Recognizing the limitations of VNFOREST in addressing this vast agenda, the EG recommends that:

- (i) The programme builds on experiences and lessons from other programmes and in other provinces;
- (ii) The programme engages with state and non-state actors outside of the forest sector in order to advance the agenda of tenure as it relates to REDD+;
- (iii) As a contribution to enhancing forest management in Viet Nam, the programme considers assessing the impacts of community based management on forest carbon, biodiversity and livelihoods in comparison with other forest management regimes;
- (iv) The programme captures the lessons derived from the piloting of PRAPs to generate policy recommendations at a national level including through the NRAP revision process.

\*\*\*

### Session 4 – Independent reviews and management responses

EG 3.6 – The EG commends the updated management responses and the sober assessment of impacts. The EG requests that a report on the status and impact of the management responses of independent reviews be presented at the next EG meeting, noting that for the sake of simplicity only pending recommendations should be addressed.

March 10, 2016

EG 3.7 – Welcoming the complementarity and information provided by the Annual Review, the EG requests the continued practice of having the Annual Review report available ahead of its meetings.

EG 3.8 – Noting the repeated recommendations to expand the reach of the programme beyond the forestry sector and beyond VNFOREST, the EG requests a specific report at its next meeting on how this engagement beyond the forestry sector has been implemented, what activities were carried out and what are the results and impacts.

*On governance review*

EG 3.9 – In view of the role of the REDD+ National Steering Committee as the overarching coordination and policy setting body for the REDD+ agenda in Viet Nam,

Noting the need for increasing the efficiency in the decision-making structures of the programme,

Recognizing the attempt to merge EG and PEB at its current meeting and efforts undertaken so far to explore possible solutions, and

Acknowledging the legal requirements of the three partners in the programme,

The EG

- (i) recommends the reactivation of the working group, as per the decision of EG2 in March 2015, to explore feasible and rapidly implementable measures to enhance and streamline decision-making in support of programme implementation;
- (ii) requests the PMU and UN in Viet Nam to jointly facilitate the process to identify options, noting that any changes need to be effective prior to the next meetings; and
- (iii) requests that a first proposal be made available in June 2016 for consideration by partners between June and September 2016.

EG 3.10 – The EG agrees to (i) the transfer of Secretariat services of the EG to the Lead Facilitating Agency in Viet Nam (UNDP), and (ii) the continued ex-officio membership of the MPTF-O in the new decision-making structure.

\*\*\*\*

[Session 5 – Results framework, 2016 AWP and budget](#)

EG 3.11 – The EG welcomes the well-founded proposal for changes and provisionally approves it pending further clarification of targets and indicators to be communicated to the EG by April 2016. The approval will be sought by email on a no-objection basis.

EG 3.12 – Considering the accelerated pace of implementation, the EG requests that a “Sustainability and phase out plan” be presented at its Fourth meeting (EG4), focused on

- (i) the uptake of processes within national institutions;
- (ii) financing for continued implementation of PRAPs and of the NRAP; and
- (iii) maintaining the quality and quality assurance of products and processes supported by the programme.

March 10, 2016

EG 3.13 – The EG requests close monitoring of fluctuations in exchange rate to allow the programme to adapt and adjust quickly.

*On the annual workplan and budget*

EG 3.14 – The EG approves the Annual Workplan and Budget for 2016 submitted for its consideration, noting the level of ambition in comparison with previous year disbursements.

EG 3.15 – The EG approves the provision of support to the Forest Law revision process, as a contribution towards the inclusion of REDD+ considerations and in complementarity with other support availed for that process.

EG 3.16 – Welcoming the strong emphasis placed on the revision of the NRAP, the EG recommends that the NRAP revision process

- (i) accounts for direct and indirect drivers of deforestation and forest degradation;
- (ii) engages with state and non-state actors;
- (iii) broadens the scope of analysis and engagement beyond the forest sector; and
- (iv) captures lessons learned and outlooks in terms of tenure, regional cooperation, illegal logging and sustainable supply chains.

*On regional cooperation*

EG 3.17 – The EG reaffirms the importance of addressing outcome 6. Acknowledging the efforts of Viet Nam on its FLEGT process and recognizing the importance of regional collaboration on addressing the risk of displacement of deforestation and forest degradation, the EG requests the programme to explore the feasibility and further opportunities of addressing such displacement within and outside the scope of the programme.

\*\*\*\*\*

[Session 6 – Review of EG2 decisions and approval and closing remarks](#)

The EG approves the 17 decisions as discussed at its third meeting.

\*\*\*\*\*

## Introduction

1. The Viet Nam Phase II Programme was signed and initiated in June 2013, with a starting date for implementation of July 2013. Based on the Programme's governance arrangements, the Executive Group (EG) meets once a year or on further occasions as needed, as indicated in the Programme document. This constitutes the third face-to-face meeting of the EG since the Programme's inception. The present report aims to provide a record of the decisions and key discussions raised during the Third EG meeting.

2. The meeting was chaired by the Vice-Minister of Agriculture and Rural Development (MARD). EG members comprised of (i) a MARD representative; (ii) a representative of the Kingdom of Norway; (iii) a representative of the UN. The UN-REDD Programme Secretariat provided secretariat services to the EG.

3. The meeting was held in Hanoi on 10 March 2016 and consisted of six different sessions that are presented succinctly below, together with a record of the discussions that ensued. Decisions are presented at the outset of the document and referred to in the context of the sessions.

## Session 1 – Opening and approval of agenda

### Session 1a – Introduction of participants and approval of the agenda

*Documents: UN-REDD/VIET/EG2/2016/I/1a – Provisional Agenda*

4. The National Programme Director (NPD) of the Programme Management Unit (PMU) of the Viet Nam phase II programme, Mr Vũ Xuân Thôn, welcomed the EG members and provided an overview of the agenda. He then gave the floor to the EG members for their opening remarks.

### Session 1b – Opening remarks

5. Vice-Minister Hà Công Tuấn of MARD, Chair of the meeting and EG member, officially opened the meeting by welcoming participants and emphasizing the main purpose and outcomes expected from it. He then encouraged the EG to take appropriate decisions to further accelerate the implementation of the programme in and beyond 2016, and thanked the UN and Norway for constructive meetings, as well as the Secretariat for its support. He acknowledged the progress done within the past year, and mentioned his appreciation for the harmonization done by the UN agencies. Mr Tuấn then urged for further focus on the implementation of activities to deliver the programme's results.

6. Mr Mads Halfdan Lie, representing Norway, thanked Viet Nam and the UN for a constructive dialogue over the past few days leading up to the EG meeting, and underlined the importance of such meetings as the key to achieving desirable outcomes and decisions during EG3. Norway was glad to witness the renewed energy within the programme, as exemplified by the ambitious plan for implementation in 2016. As the 2015 Annual Review has shown, there is still progress to be made, as some obstacles are hindering the efficient implementation of the programme. Mr Lie flagged the importance for continued ambition and collaboration with all stakeholders that contribute to the REDD+ agenda, including the private sector, civil society and local communities and actors outside the forestry sector. He then stressed that limited progress had been made in 2013-2014, leaving all partners of the programme frustrated. Hence, the three-year extension gives the programme more time to succeed, but increased efforts are necessary to reach the intended goals. Mr Lie

March 10, 2016

congratulated Viet Nam on submitting its national contribution (INDC) to the UNFCCC in 2015, and encouraged Viet Nam to use the ongoing revision of the National REDD+ Action Programme to describe the strategies that will be employed to reach the forest goals as defined in the INDC, thus demonstrating Viet Nam's commitment to the REDD+ agenda. He acknowledged that Viet Nam is one of many tropical forest countries that are competing for access to a limited pool of international climate finance for REDD+. Whether Viet Nam succeeds in attracting results-based finance from international donors, including Norway, will largely depend on the country's ability to take decisive action to address the drivers of deforestation within and outside the forest sector.

7. Ms Tiina Vahanen, representative for the UN, thanked the Government of Viet Nam for their hospitality, and noted that the programme has come a long way since the last EG meeting in March 2015. The UN agencies have committed to delivery support to the country by harmonizing procedures, which has successfully been done in the past year and yielded expected improvements. The programme is now on track for delivering expected results as defined in the Programme Document, and the programme has provided valuable lessons learned to other REDD+ efforts in the region and beyond. She congratulated Viet Nam on the commitment to reducing emissions as indicated in the Vietnamese INDC submitted to the UNFCCC; and flagged that achieving such ambition requires collaboration with all sectors. Being directly involved in the implementation of the Sustainable Development Goals (SDGs) and the climate change agenda in Viet Nam, the UN agencies would gladly offer further support in achieving the goal of emission reductions. The UN representative looked forward to making some critical decisions at EG3 to set the programme on course to support ambitious, credible and viable REDD+ actions in Viet Nam.

## **Session 2 – Update on previous EG/PEB meetings**

*Documents: UN-REDD/VIET/EG2/2016/II/2a – Minutes from the PEB Co-Chairs meeting in September 2015*

*UN-REDD/VIET/EG2/2016/II/2a – Minutes from the PEB meeting in January 2016*

8. Due to time constraints, the update on the latest PEB meeting decisions was cancelled to allow more time for discussion on the items presented in other sessions of the meeting. Background information and minutes from the latest PEB meeting in January 2016 were made available for all meeting participants.

## **Session 2a – Overview of status of EG2 decisions**

### **Secretariat**

9. Ms Mirey Atallah, representing the Secretariat, provided an update on measures that have been taken since the last EG2 meeting, and highlighted that all seven decisions that were made by the EG at its last meeting have been implemented or followed up through different courses of action. A report will be circulated to the members of the EG on the status of implementation of the decisions from all previous EG meetings, providing follow-up information for this session of the EG3.

## Session 2b – Feedback

### Norway

10. Mr Lie thanked the Secretariat for the update, acknowledging the work that has been done to follow-up on the EG2 decisions. He noted that the timeliness of the implementation of decisions suffered some delays, highlighting the responsibility of the PEB that should follow-up on EG decisions but which has only met once since the last EG meeting in March 2015, in addition to the PEB Co-Chairs meeting in September 2015.

### Decisions

*EG 3.1 – The EG requests the Secretariat to provide a written report on the status of implementation of decisions of its previous meetings. This report is to be provided together with the report of the present meeting.*

## Session 3 – Overview of progress

### Session 3a – Overview of progress and results

*Documents: UN-REDD/VIET/EG3/2016/III/3a – Annual Progress Report 2015  
UN-REDD/VIET/EG3/2016/III/3a – Cumulative Progress Report: Original Logframe*

### NPD

11. The NPD presented an overview of progress against the 2015 Annual Work Plan and the UN-REDD Viet Nam phase II Programme's targets. He highlighted the overall achievement of the programme at outcome level, and provided specific information on achievements and rate of delivery under each outcome. The programme stands at an overall disbursement rate of 80%, despite delays at provincial level in liquidating allocated budget. Highlighting some of the key challenges in 2015, the NPD indicated that in order to proceed with an inter-sectoral approach for the programme it will be essential to gain the trust of other sectors beyond forestry and ensuring the future engagement of those in the next phase of the programme.

12. As requested by the EG at its second meeting for emphasizing reporting on outcome 6 on strengthening regional cooperation, the NPD provided details on regional agreements that have been signed with two provinces in Laos to further knowledge exchange and benefit from lessons learned in both countries.

### Session 3b – Financial status

*Documents: UN-REDD/VIET/EG3/2016/III/3b – Funding Framework*

### MPTF-O

13. The representative for the UNDP Multi-Partner Trust Fund Office (MPTF-O), Ms Mari Matsumoto, via audio connection, provided an overview of the funding framework and confirmed the total funds received to be US\$ 16,945,017 and available balance of funds in the account to be US\$ 38,686. She highlighted that the amount requested in the Annual Work Plan exceeds the 2016 installment indicated in the Standard Administrative Arrangement with the donor, and that the transfer planned for 2016 would need to be increased.

### **Session 3c – In focus: Update to the EG on land tenure**

*Documents: UN-REDD/VIET/EG3/2016/III/3c – Information document on tenure*

14. The National Project Coordinator, Mr Nguyen Huu Dzung, provided an overview on how tenure is being considered in the Viet Nam programme, and set focus on some of the key recommendations that have been generated by the Provincial REDD+ Action Plans (PRAPs). He introduced the next steps considered both for the current programme and in going forward related to potential PAMs. These include developing recommendations for Forest Land Allocation (FLA) interventions for the remaining provinces, formulating recommendations for a PRAP ‘intervention package’, and hosting a consultation workshop in mid-April, as well as formulating recommendations as part of the NRAP revision process.

#### **Discussion**

##### **Norway**

15. The representative of Norway expressed satisfaction to see that compared to 2014 the programme appeared to have overcome its most severe challenges. With an expenditure rate of about US\$ 6,6 M the programme is moving towards full implementation. He noted that activities implemented through UNEP have a remarkably lower delivery rate (26%) than FAO and UNDP, and hence requested that corrective actions be taken to increase the low delivery rate of UNEP going forward. He further noted the completion of several deliverables in 2015, but mentioned that implementation of activities under outcomes 5 and 6 has only shown limited progress so far.

16. He thanked the team for providing the 2015 Annual Review well in advance, as it has proven very useful to assess programme performance. The value of the review in providing complementary information to the annual report was highlighted, and the representative of Norway requested that future reviews be available in time for the EG meetings – in particular the 2016 review to be available as early as November. Noting that the 2015 Annual Review emphasized that institutions outside VNFOREST play a key role in the success of the UN-REDD Programme, especially on outputs 1.5, 2.5 and outcome 6, Norway looks forward to hearing at the next EG meeting how such institutions have been engaged concretely. Noting that reporting on outcomes is essential, as it describes how Viet Nam and MARD have used activities and deliverables produced by the Viet Nam phase II programme to advance on REDD+, he requested that future reporting should also include progress on outcomes against the baseline and annual targets. He indicated that Norway approves the 2015 Annual Progress Report and requested that future reports track progress against annual targets.

##### **UN**

17. The representative of the UN welcomed the substantial increase in programme delivery since the last EG meeting in March 2015 and noted the progress on substance, such as the submission of FRELs/FRLs to the UNFCCC, the finalization of the PRAPs, and progress on the Benefit Distribution System (BDS). Looking forward she emphasized the need for a more transparent NRAP revision process. While welcoming the reporting on outcomes, the UN representative agreed with Norway’s proposal on reporting against targets for future progress reports.

18. She stressed that land tenure is a critical global issue, as many countries struggle with land allocation. She also stressed that while the UN-REDD Programme will not be able to solve all tenure issues in the country, it can contribute to steering the process in the right direction, particularly

---

March 10, 2016

where tenure issues are critical for and conducive to REDD+. She welcomed the high relevance and strong interest by partners, but noted that currently progress is slow. Hence, she reaffirmed the importance and priority on land tenure and requested the programme to report back on progress for outcome 5 at the next EG meeting in November 2016. Indicating that robust decision-making by the EG is required, she called on the programme to engage more strongly with state and non-state actors outside of the forest sector, primarily because drivers for deforestation and forest degradation lie outside of the forest sector.

### **Norway**

19. Echoing the words of the UN, Norway welcomed the update on tenure, stressing that land tenure policies strongly affect REDD+ implementation and allocation of land rights to communities which can significantly strengthen sustainable forest management, if done in the right way. Recognizing that Viet Nam has long standing experience in dealing with these issues, the Norwegian representative encouraged the programme to continue to build on past experiences and lessons, and to engage with state and non-state actors outside of the forest sector in order to advance the REDD+ agenda. He further suggested that the programme could assess the impacts of different forest management regimes on forest carbon sequestration, biodiversity and livelihoods for different management regimes in comparison with community-based forest management. Finally, he requested the programme to report back at the next EG meeting on its progress made in addressing land tenure issues.

### **UN**

20. The representative for the UN recommended the approval of the 2015 Annual Work Plan and congratulated the team on the progress made. She noted that progress is still lagging behind on outcomes 5 and 6, and encouraged the team to place stronger focus on these outcomes in the future.

### **MARD**

21. The representative of MARD expressed his satisfaction with the progress made and congratulated the UN on efforts made responding to the request of the Government of Viet Nam in addressing differences in processes and procedures of the UN agencies. He emphasized that the progress accomplished would not have been possible without the harmonization and streamlining that has been done by all parties involved throughout the last year. The updated PIM has been issued publically, and many achievements have been made, such as the UN-REDD contribution to the emission reduction programme. Establishing the FCPF Carbon Fund and setting up programmes on promotion of land allocation in pilot sites, has helped design important policies and measures related to land tenure.

22. He noted that the delivery rate of the programme has increased, but better disbursement is required and pilots for results-based payments should be initialized. As a result, the next three years will be crucial for the programme, and it will be important to closely assess the impact the National REDD+ Action Programme has on the forest protection and development plan of Viet Nam. Furthermore, he indicated that the Government of Viet Nam has upgraded the forest protection and development plan into a National Programme until 2020, which could be a good conduit to facilitate relevant policies and measures and clarify land tenure. The MARD representative requested the PMU to provide a more detailed report to be circulated to all EG members. Together with tenure, the

March 10, 2016

programme will need to think of different mechanisms as to facilitate sustainable forest management in the country.

### **Norway**

23. With respect to the financial status of the programme and recalling the budget for 2014, it appeared that the MPTF-O transferred the full Annual Work Plan budget to the three UN agencies without further taking into account unspent funds. He stressed that future transfer requests to the donor should be based on the financial need of the UN agencies and fully account for any unspent balances. He further emphasized that there should be more clarity what sort of assessment of needs, that includes unspent balances, the MPTF-O makes before disbursing funds. The Norwegian representative furthermore inquired about the remaining balance of the UN agencies, and the overall amount remaining to support implementation of activities in the future. In addition, Norway clarified that the installment amounts in the Standard Administrative Arrangement are indicative only, and internal reviews of the resource requirements will be done to determine the disbursement for 2016.

### **MPTF-O**

24. Reminding the EG that financial figures on the MPTF gateway will only be available in May, the MPTF-O representative clarified the need to adjust the Annual Expenditure to reflect the need of the different agencies as an indication of what would be requested for the next period.

### **UNDP**

25. The representative for UNDP underlined the importance of the discrepancy between commitment and expenditure, the latter being made available on the MPTF portal. Therefore the financial figures would need to be reviewed taking this into account so the EG can make an informed decision.

### **Decisions**

*EG 3.2 – The EG approves the annual report 2015 and congratulates the team on the progress marked in this last year. However noting that outcomes 5 and 6 continue to lag behind, the EG encourages the team to increase its focus on these two outcomes.*

*EG 3.3 – For future reports, the EG recommends reporting against annual targets at the outcome level, and enhancing the focus on results in the report.*

*EG 3.4 – The EG requests the MPTF-O and UN agencies to provide an assessment of financial needs in order to determine the need for, timing and amount of the next transfer to the MPTF-O. This assessment will take into account expenditures as well as commitments and clarify resources available for programming.*

### **On tenure**

*EG 3.5 – The EG welcomes the update on tenure and embedding the piloting through the PRAPs. Recognizing the limitations of VNFOREST in addressing this vast agenda, the EG recommends that:*

- (i) The programme builds on experiences and lessons from other programmes and in other provinces;*

- (ii) *The programme engages with state and non-state actors outside of the forest sector in order to advance the agenda of tenure as it relates to REDD+;*
- (iii) *As a contribution to enhancing forest management in Viet Nam, the programme considers assessing the impacts of community based management on forest carbon, biodiversity and livelihoods in comparison with other forest management regimes;*
- (iv) *The programme captures the lessons derived from the piloting of PRAPs to generate policy recommendations at a national level including through the NRAP revision process.*

## **Session 4 – Independent reviews and management responses**

### **Session 4a – Presentation of findings and recommendations of the Annual Review and response to recommendations of the MTR and the Annual Review**

*Documents: UN-REDD/VIET/EG3/2016/IV/4a – Annual Review Report 2015  
UN-REDD/VIET/EG3/2016/IV/4a – Management Response to the Annual Review 2015  
UN-REDD/VIET/EG3/2016/IV/4a – Management Response to the MTR*

26. Mme Nguyễn Thị Thu Thủy, National Programme Deputy-Director (dNPD) of the PMU, provided an overview of the status of implementation of the management responses to the 2015 Annual Review and MTR, highlighting the issues that still required actions. Of the 19 cumulative recommendations, six have been completed, eight still require further monitoring and improvement, and nine are included in actions to be taken.

### **Session 4b – In focus: Revision of governance arrangements**

*Documents: UN-REDD/VIET/EG3/2016/IV/4b – Terms of Reference for PSC  
UN-REDD/VIET/EG3/2016/IV/4b – Information document on the UNDG Terms of Reference  
UN-REDD/VIET/EG3/2016/IV/4b – Information document on Rules of Procedure for the UN-REDD Programme*

27. The dNPD then presented the proposed changes of the governance arrangements for the programme, as proposed by the VNFOREST office and outlined in the Terms of Reference for a proposed Programme Steering Committee as the basis document for the discussion.

### **Discussion**

28. The Chair opened the discussion highlighting the fact that both independent annual reviews had stressed the need for a revision of the governance structure. He brought to the attention of the EG that the PEB had tasked the PMU with the preparation of a revised governance structure that would be more fitting for the programme and enable faster decision-making. He indicated that the Government of Viet Nam is willing and ready to adopt the proposed structure – termed Programme Steering Committee – as presented in the background document submitted for consideration of the EG. He invited the EG members to reflect on this, stressing the importance of reaching a decision as quickly as possible so that it becomes effective in time to generate positive impacts on the pace of decision-making and implementation.

**Norway**

29. The Norwegian representative thanked the programme for the opportunity to participate in the 2015 Annual Review process and the management responses presented, also appreciating the informative report produced on the status of implementation of the 2014 MTR management response, which complements the 2015 Annual Review. The Annual Reviews provide all partners with important information, and provide an opportunity to assess performance and address potential obstacles in the programme. The 2015 Annual Review demonstrates that the UN agencies have successfully harmonized their delivery frameworks, and displays that MARD, VNFOREST and the PMU have succeeded to some degree in clarifying roles and responsibilities.

30. Further observations by Norway have been made, including the following:

- (i) Took note of the two MARD decisions, and encouraged the programme to ensure smooth implementation through the CIPs.
- (ii) Encouraged MARD to make full use of the STWG platform for consultation in the NRAP revision process.
- (iii) Encouraged the programme to communicate to the EG how other institutions should be better involved in the overall implementation process.

31. The Norwegian representative furthermore encouraged the programme to report on the management responses to the 2015 Annual Review and the 2014 Mid-Term Review for the next EG meeting through a single document, including only recommendations that would be still pending at the time of reporting.

**MARD**

32. The representative of MARD reminded EG members that recommendations made in the 2014 Mid-Term Review are coupled to certain reforms from MARD side, such as delegation of power to authorities at lower level, etc. Concerning a potential merge of EG and PEB, a reform of procedures and formalities to harmonize with Vietnamese regulations and international standards would be needed. He furthermore expressed his support to the merger of these two governance bodies into a joint Programme Steering Committee, dealing with both the functions from the EG and the PEB. Each of the three main stakeholders should have one representative, additionally providing the opportunity to other members from UN agencies, governmental and/or international institutions, civil society and representatives of provinces to act as non-voting members to the meeting, if necessary. He stressed that the programme has only three years left to fulfill its activities, and there should be no more delays in the decision-making process. MARD would be able to make a decision on a changing governance structure during EG3, should both Norway and the UN agree.

**UN**

33. The UN representative commended the updated management responses and the impact assessment, and requested that the status and impact reports be presented at the next EG meeting, in a simplified way. She further noted that the 2015 Annual Review has repeatedly called for the programme to reach beyond the forest sector, and to be more inter-sectoral in its collaboration efforts with other institutions. She recommended the EG to request a specific report on how future engagement of additional sector will take place.

---

March 10, 2016

34. Requesting that the discussion covers the review and management response first and then in a second round focuses on the governance structure, she flagged the importance of differentiating roles of decision-making versus consultation and inquired about the role of the National REDD+ platform in facilitating broad-based consultations.

**MARD**

35. The representative of MARD mentioned the existence of a National REDD+ Steering Committee and National Committee on Climate Change, and furthermore emphasized the willingness of the Vietnamese Government to support REDD+ implementation not only by MARD but also by a large number of additional actors, including local communities and local implementation partners.

**UN**

36. The UN agencies are interested in streamlining the governance structure towards efficiency and cost-effectiveness that support the implementation of the programme. The way the EG is currently in effect, having three members, is a good way of conducting business and making decisions for the UN-REDD Programme in Viet Nam. Although it would have been ideal to make a decision on the adjustment of the governance arrangements at this present meeting, the issue has not been sufficiently assessed and discussion will need to be continued beyond the meeting. She recognized that the three EG entities have different legal provisions that are guiding them through the decision-making process and that any reform would have to accommodate principles that all three partners agree on, while taking into account the legal requirements.

**Norway**

37. The representative of Norway agreed with the principles of simplification and effectiveness and indicated that Official Development Assistance (ODA) grant management binds Norway to certain regulations, and hence, the governance body should be an effective decision-making body, rather than a consultative body. In addition, the new governance body should have the same mandate as the current EG as these represent the required decisions that Norway as a donor needs to be involved in. The proposal by the PMU will need to be legally reviewed by the UN agencies and the MPTF-O, and needs additional approval by the legal department of NORAD. In concluding, he indicated that, with only three remaining EG meetings within the lifetime of the programme, maintaining the current governance structure might be an option to be kept in mind.

**MARD**

38. The MARD representative added that a decision on how to revise the programme's governance arrangements will need to be made within the next six months, and be done in the most efficient way as hiring additional consultants or expertise to review arrangements would take a lot of time.

**UN**

39. The representative of the UN agreed that an adjusted governance structure to advance more efficient decision-making processes is needed. Such an adjustment should include provisions to undertake consultations without burdening the decision-making process further. She supported a short process where a working group of representatives of all three EG members will develop a proposal within a set timeframe to propose an adjusted governance structure, and explore the feasibility of such measures that would be rapidly implementable. From the UN side, she indicated

that when setting up a new governance structure, two issues will need to be ensured: (i) in line with the UNDG guidelines, and the MPTF-O will need to remain an ex-officio member of the structure, and (ii) Secretariat functions should be transferred to the Lead Facilitating Agency at country level – she requested this be effective immediately, irrespective of the future governance structures.

### **Norway**

40. The Norwegian representative expressed his support for the proposal by the UN for setting up a working group to consider options for streamlining the existing governance structure. Any proposal from the working group would need to be approved by each partner according to their internal procedures and could then be forwarded to the EG for adoption through a non-objection procedure.

### **MARD**

41. Urging for a decision on a revised governance structure at EG3, the Chair indicated this would shorten the future process of decision-making, as recommended by the independent review. He stressed that additional delays in implementation might surface, should the decision to merge the PEB and EG take a long time.

42. The VNFOREST representative (an observer to the EG) then suggested that an alternative approach is needed to maintain the current structure, also given the fact that the EG only has two to three meetings left within the lifetime of the programme. The conduct of the meetings should be improved, for instance, future PEB meetings could be held right before an EG meeting, so that decisions having a bearing on implementation can move forward more rapidly.

### **Decisions**

*EG 3.6 – The EG commends the updated management responses and the sober assessment of impacts. The EG requests that a report on the status and impact of the management responses of independent reviews be presented at the next EG meeting, noting that for the sake of simplicity only pending recommendations should be addressed.*

*EG 3.7 – Welcoming the complementarity and information provided by the Annual Review, the EG requests the continued practice of having the Annual Review report available ahead of its meetings.*

*EG 3.8 – Noting the repeated recommendations to expand the reach of the programme beyond the forestry sector and beyond VNFOREST, the EG requests a specific report at its next meeting on how this engagement beyond the forestry sector has been implemented, what activities were carried out and what are the results and impacts.*

#### **On governance review**

*EG 3.9 – In view of the role of the National REDD+ Steering Committee as the overarching coordination and policy setting body for the REDD+ agenda in Viet Nam,*

*Noting the need for increasing the efficiency in the decision-making structures of the programme,*

*Recognizing the attempt to merge EG and PEB at its current meeting and efforts undertaken so far to explore possible solutions, and*

*Acknowledging the legal requirements of the three partners in the programme,*

*The EG*

March 10, 2016

- (i) *recommends the reactivation of the working group, as per the decision of EG2 in March 2015, to explore feasible and rapidly implementable measures to enhance and streamline decision-making in support of programme implementation;*
- (ii) *requests the PMU and UN in Viet Nam to jointly facilitate the process to identify options, noting that any changes need to be effective prior to the next meetings; and*
- (iii) *requests that a first proposal be made available in June 2016 for consideration by partners between June and September 2016.*

*EG 3.10 – The EG agrees to (i) the transfer of Secretariat services of the EG to the Lead Facilitating Agency in Viet Nam (UNDP), and (ii) the continued ex-officio membership of the MPTF-O in the new decision-making structure.*

## **Session 5 – Results framework, 2016 AWP & budget**

43. The session included the presentation of the Annual Work Plan (AWP) and budget for 2016, as well as an update on the revised results framework of the programme.

### **Session 5a – Presentation on programme extension and revised results framework**

*Documents: UN-REDD/VIET/EG3/2016/V/5a – Overview of Programme milestones  
UN-REDD/VIET/EG3/2016/V/5a – Revised Log frame Narrative*

44. The Chief Technical Advisor (CTA) for the programme, Mr Fabien Monteils, presented the EG with an overview of the revised log frame, and highlighted key targets of the programme. He then introduced a sequential approach to 2016-2018, and how to best report on programme targets in the future.

### **Session 5b – In focus: Revisions on outcome 6**

*Documents: UN-REDD/VIET/EG2/2015/V/5b – Information document on Outcome 6*

45. The CTA updated EG members that there has only been limited progress in implementation of activities in regard to outcome 6. He then presented existing challenges, and how the programme is planning on addressing those in the upcoming next phase of the programme.

### **Session 5c – Presentation of AWP & Budget 2016**

*Documents: UN-REDD/VIET/EG3/2016/V/5c – Annual Work Plan 2016*

46. The CTA presented the EG with the approach for developing the 2016 work Plan and highlighted key activities envisaged for the coming year. Referring to the impact of fluctuation in exchange rates, he reported that the majority of budget cuts have been reflected on the technical readiness work under outcomes 3, 4 and 5. He flagged that, in order to cope with the change, the programme anticipates acceleration in the pace of implementation, focusing on meeting the requirements of the Warsaw Framework in 2016, and boosting implementation of PAMs in 2016 and 2017. In addition, reallocated budget from UNEP to UNDP in 2016 is US\$ 1,170,605 (7% indirect support costs included).

## **Discussion**

March 10, 2016

**Norway**

47. The representative of Norway mentioned that Norway will support a preliminary approval of the revised results framework on the condition that the targets and indicators for 2016-2018 are clarified and made fully consistent, and requested that a revised version be shared within one month for an approval on a no-objection basis. He then encouraged the Government of Viet Nam to explore how additional readiness activities and continued implementation of PRAPs can be financed from other programmes or through self-financing, stressing the importance of realistic budgeting and maintaining the quality of programme outputs going forward. As the pace of implementation speeds up, he indicated the importance of ensuring sufficient capacity in national institutions to take over the functions that are currently being performed by the UN-REDD Viet Nam phase II Programme. Finally, he suggested that a plan should be presented at the next EG meeting that describes the next steps the programme intends to take to ensure sustainability of REDD+ implementation.

**UN**

48. The UN representative recommended for the proposed changes to the results framework to be preliminarily approved, and agreed with the comments made by Norway that further clarification on targets and indicators is needed before final approval. She further supported the comments made that sustainability is an important factor going forward, especially when phasing out the programme and supported the request for presenting a phase out and sustainability plan at the fourth meeting of the EG. She indicated that the UN agencies will approve the 2016 Annual Work Plan, recognizing the high level of ambition in comparison to the work plan of previous years.

49. Concerning the provision of support to the revision of the forest law in Viet Nam, she indicated that they should be able to contribute to that process, however as a complement to the work of other national/international institutions. She recommended that in implementing the 2016 AWP, the NRAP revision process should put stronger focus on the assessment of direct and indirect drivers of deforestation, and the overall scope and engagement should be broadened beyond the forest sector. She recommended that the NRAP revision process should place emphasis on capturing lessons learned from provincial level and other experiences and include an outlook for 2016-2018. Implementing activities on outcome 6 have been slow, and although the UN agencies understand that this is a complex process, additional work has to be done on that issue. She suggested that the programme explores the feasibility and further opportunities to address the displacement both within and outside the remit of the programme.

**MARD**

50. The MARD representative updated EG members that the Government of Viet Nam is going to review and conduct forestry law reforms to include more up-to-date targets, e.g. for climate change. Indicating that identifying issues for inclusion in the forest law will require extensive contributions from national/international experts, such as legal and forestry consultants, he stressed that a contribution of the UN-REDD Programme to ensure the new forest law includes all necessary provisions conducive for REDD+ would be critical.

**Norway**

51. The Government of Norway agreed to the approval of the 2016 Annual Work Plan and Budget, as it is well suited to respond to the programme's objective of achieving technical readiness for REDD+.

March 10, 2016

demonstrating REDD+ implementation at the provincial level, and displaying Viet Nam's commitment to the REDD+ agenda. Building on the intervention of the UN, he indicated that the work plan is ambitious compared to the performance of the programme in previous years. Hence, the programme will need to closely monitor progress, and might consider shifting some of the activities to 2017 in order to maintain quality.

52. He signaled that taking into account clarification on the financial status, Norway is prepared to make an additional disbursement to implement the 2016 Annual Work Plan once the MPTF-O provides a justification of financial needs that takes into account unspent funds. He agreed with the other EG members that revising the NRAP should be a key priority for the programme in 2016, and it should (i) take a broad scope of analysis and (ii) address both direct and indirect drivers of deforestation as well as (iii) engage with a broad set of state and non-state actors outside the forest sector. Regarding the outcome on safeguards, it is important that activities fully reflect recent UNFCCC decisions and that relevant policies and regulations are revised to ensure that all Cancun safeguards are addressed and respected. He acknowledged that the participatory governance assessment process has already come a long way in the Lam Dong province, and provides an important model for local community participation in the safeguards process.

53. With respect to activities on outcome 6, the Norwegian representative echoed earlier interventions by the UN, and noted that progress in this area has been limited. EG members were encouraged to see that the 2016 Annual Work Plan seeks to reduce imports of illegal timber trading through support to the development of a Timber Legality Assurance System (VNTLAS) under EU-FLEGT. This is a key development that can help ensure that the Vietnamese wood processing industry does not contribute to illegal or unsustainable logging in neighboring countries. He insisted that only by enlisting the collaboration of a wide range of actors including businesses, civil society and governments at different levels the programme will be able to begin addressing this complex set of issues. He also encouraged the programme to work with the private sector to reduce the environmental impact of Vietnamese investments in neighboring countries, particularly in the agricultural sector. He recognized that such transboundary investments are complex, but encouraged the programme to explore the different actors, processes, entry points and impacts related to this issue and present to the next EG an assessment of opportunities to advance this agenda.

## Decisions

*EG 3.11 – The EG welcomes the well-founded proposal for changes and provisionally approves it pending further clarification of targets and indicators to be communicated to the EG by April 2016. The approval will be sought by email on a no-objection basis.*

*EG 3.12 – Considering the accelerated pace of implementation, the EG requests that a “Sustainability and phase out plan” be presented at its fourth meeting (EG4), focused on*

- (iv) the uptake of processes within national institutions;*
- (v) financing for continued implementation of PRAPs and of the NRAP; and*
- (vi) maintaining the quality and quality assurance of products and processes supported by the programme.*

*EG 3.13 – The EG requests close monitoring of fluctuations in exchange rate to allow the programme to adapt and adjust quickly.*

March 10, 2016

**On the annual workplan and budget**

*EG 3.14 – The EG approves the Annual Workplan and Budget for 2016 submitted for its consideration, noting the level of ambition in comparison with previous year disbursements.*

*EG 3.15 – The EG approves the provision of support to the Forest Law revision process, as a contribution towards the inclusion of REDD+ considerations and in complementarity with other support availed for that process.*

*EG 3.16 – Welcoming the strong emphasis placed on the revision of the NRAP, the EG recommends that the NRAP revision process*

- (v) accounts for direct and indirect drivers of deforestation and forest degradation;*
- (vi) engages with state and non-state actors;*
- (vii) broadens the scope of analysis and engagement beyond the forest sector; and*
- (viii) captures lessons learned and outlooks in terms of tenure, regional cooperation, illegal logging and sustainable supply chains.*

**On regional cooperation**

*EG 3.17 – The EG reaffirms the importance of addressing outcome 6. Acknowledging the efforts of Viet Nam on its FLEGT process and recognizing the importance of regional collaboration on addressing the risk of displacement of deforestation and forest degradation, the EG requests the programme to explore the feasibility and further opportunities of addressing such displacement within and outside the scope of the programme.*

**Session 6 – Review of decisions and closing of meeting**

54. Ms Mirey Atallah of the Secretariat summarized the decisions of the Third EG meeting, and all members formally approved them.

55. In closing, the EG provided general feedback and closing remarks, thanking the government of Viet Nam for hosting the meeting, recognizing the progress made and encouraging the team to maintain the momentum. In addition, the EG Chair invited the CSO and IP observers to comment on the progress the programme has made in the country.

**CSO Representative**

56. The CSO participant, representative for more than 50 CSOs working on climate change in Viet Nam, updated EG members on the fact that the CSO community in the country has produced a number of research analysis and policy briefs that are of interest for all stakeholders of the programme. The CSO representative noted that they request stronger involvement of CSOs in regard to the process of developing and editing the PRAPs, NRAP and the Participatory Governance Assessment (PGA). The CSOs want to be closely involved in the Independent Monitoring Board (IMB) of the UN-REDD Viet Nam phase II Programme, which is supposed to comprise of CSOs, NGOs and research organizations from the Viet Nam REDD+ network, as members of the CSO network are present in many different localities of the country to assure that the voice of civil society and local communities is being heard.

57. The meeting was adjourned with congratulations to all and sincere thanks to the support teams.

\*\*\*\*\*

March 10, 2016

**Annex I – EG3 Meeting Agenda**

Session			Documents
<b>Session 1: Opening and Approval of Agenda – [no decision]</b>			
13:00 – 13:10	1a. Introduction of participants and approval of the agenda	NPD	EG meeting agenda/ participant list
13:10 – 13:30	1b. Opening remarks	Chair of EG & members	
<b>Session 2: Update on previous EG/PEB meeting – [No decision anticipated unless EG recommends action]</b>			
13:30 – 13:35	2a. Overview of status of EG2 decision	Secretariat	Status of EG2 decisions
13:35 – 13:40	2.b Feedback		
<b>Session 3: Overview of progress</b>			<b>[decision for approval of annual report 2015]</b>
13:40 – 13:45	3a. Overview of progress, results and challenges in 2015	NPD	Annual Progress Report
13:45 – 13:50	3b. Financial status	MPTF-O	Funding Framework
13:50 – 13:55	3c. In focus - update to EG on land tenure	PMU	Report on tenure
13:55 – 14:10	3d. Discussions		
<b>Session 4: Independent reviews and management responses</b>			<b>[decision on acknowledgement of independent review ] [approval of and recommendations to the management response]</b>
14:10 – 14:20	4a. Management responses to the 2015 Annual Review and MTR (2014)	dNPD	Review report 2015 & management responses
14:20 – 14:30	4b. In focus - revision of governance arrangements	dNPD	Draft proposal PSC ToR
14:30 – 14:45	4c. Discussion		
<b>Session 5: Results framework, 2016 AWP &amp; budget</b>			<b>[decision on approval of revised RF and fund allocation] [recommendations on adjustments]</b>
14:45 – 15:00	5a. Presentation on programme extension and revised results framework	CTA	Extension narrative document
	5b. In focus - revisions on outcome 6	CTA	Info document on outcome 6
	5c. Presentation of AWP & Budget 2016	CTA	2016 AWP and budget
15:00 – 15:20	5d. Discussions		
<b>Session 6: Review of decisions and closing of meeting</b>			<b>[decision for approval of EG3 decisions]</b>
15:20 – 15:30	6a. Comments from CSOs/EM	CSOs/EM	
15:30 – 15:45	6b. Review of EG2 decisions and approval	Secretariat	Draft decisions
15:45 – 16:00	6c. Closing remarks – meeting adjourns	Chair and representatives from UN and Norway	

March 10, 2016

**Annex II – List of Documents**

Session title	Document name
1 - Opening and Approval of Agenda	Agenda
2 - Update on previous EG / PEB meetings	PEB meeting report PEB Co/chairs decisions Overview of EG decisions
3 – Overview of progress	Annual Progress report Cumulative Progress report against original logframe Funding Framework Report on tenure
4 – Independent reviews and management responses	Review report 2015 Update management response to MTR Initial management response to Annual Review 2015 PSC TOR UNDG Standard TORs (for info) UNREDD PB Rules of Procedure (for info)
5 – Results framework 2016 AWP & Budget	Extension narrative Info document outcome 6 2016 AWP and budget
6 – Review of decisions & closing of meeting	Draft decisions (to be prepare on site)

March 10, 2016

**Annex III – List of Participants**

#	Full name	Agency
1	H.E. Ha Cong Tuan	MARD Vice Minister
2	Mr. Mads Halfdan Lie	EG Member / NORAD
3	Mrs. Tiina Vähänen	EG Member / UN-REDD Strategy Group
4	Mr. Leif John Fosse	Norwegian Ministry of Climate and Environment
5	Mr. Tore Langhelle	NORAD
6	Ms. Kari Eken Wollebæk	Deputy Head of Mission, Embassy of Norway
7	Mr. Eirik Sorlie	Counsellor, Embassy of Norway
8	Ms. Tone Slenes	First Secretary, Embassy of Norway
9	Mr. Vu Minh Duc	Program Officer, Embassy of Norway
10	Ms. Louise Chamberlain	UNDP Country Director
11	Mr. Tim Boyle	UN-REDD/UNDP
12	Mr. JongHa Bae	FAO
13	Ms. Akiko Inoguchi	UN-REDD/FAO
14	Mr. Nguyen Trung Thong	UN-REDD/FAO/National Program Coordinator
15	Mr. Thomas Enters	UN-REDD/UNEP
16	Mr. Nguyen Thanh Phuong	UNEP
17	Ms. Mirey Atallah	Secretariat
18	Mr. Nguyen Van Ha	VNFOREST Deputy Director General
19	Mr. Vu Xuan Thon	National Programme Director
20	Ms. Nguyen Thi Thu Thuy	Deputy National Programme Director (dNPD)
21	Mr. Nguyen Huu Dung	National Programme Coordinator (NPD)
22	Mr. Fabien Monteils	UN-REDD/Chief Technical Advisor
23	Ms. Vu Thi Bich Hop	CSO Representative
24	Mr. Duong Hoang Cong	EM Representative
25	Mr. Tran Kim Long	ICD Director / MARD
26	Ms. Pham Thanh Huyen	Finance Department / MARD
27	Ms. Ha Thi Thu	Finance Department / MARD
28	Mr. Hoang Viet Dung	PMU Officer
29	Ms. Vuong Thi Thanh Lan	PMU Officer
30	Mr. Ngo Sy Hoai	Translator