

## Social Assessment for the project

### *Developing a model for the sustainable wild collection of medicinal plants through the implementation of FairWild in Vietnam*

Prepared by TRAFFIC International to comply with the safeguard policy on Indigenous People, January 2011

Given the dominance of what are considered nationally ethnic minorities at the project location, the following Social Assessment has been prepared; to assess all impacts to the affected communities and provide mitigation mechanisms.

### **Indigenous Peoples**

The South Xuan Lac Species and Habitat Conservation Area (SXLSHCA) was established in 2004 in Bac Kan province. At present there are seven villages in three communes (Xuan Lac, Ban Thi and Dong Lac communes) within the reserve buffer zone (7,508 ha), in close proximity to the core protected area (1,788 ha). The majority of people living in the area are from the Tay, Nung, Dao, and H'Mong ethnic minority groups (approx. 720 households), groups that traditionally inhabit Viet Nam's northern poor mountainous provinces. The Kinh ethnic group, which is generally the majority in Viet Nam, represent a small minority of the population in the project area. Nearly all communities close to the project site have a significant reliance on forest based natural resources for their livelihood, which typically include timber harvesting, hunting for bush meat, forest clearance for agriculture, and collection of non-timber forest products (NTFPs).

Tay are the majority in the northern limestone highlands and hold a significant percentage of government positions. They have long established practices of rice cultivation but still depend on local forests. Culturally and linguistically, Nung are closely related to the Tay and may also occupy similar positions. The second largest group are the Dao, who mainly live in the lowland areas of Ban Thi and Xuan Lac communes. Their knowledge and use of advanced agricultural technologies is relatively good, however, insufficient land allocation for wet rice production has led to an increase in illegal logging by this group, especially among poor households (PRCF 2009). There are only a few H'mong households living in SXLSHCA and most are residing in the villages of Pu Lung and Ta Han in Xuan Lac commune, and Bo Man village in Ban Thi commune. Their livelihoods depend on forest-based activities, such as hunting, collecting NTFPs, slash and burn cultivation, etc.

Only a few households live inside the core protected area itself (6 households with 32 people in total): 4 Dao households in Ban Thi commune; and 2 Dao households in Xuan Lac. These in-reserve sites are reported to serve primarily as hunting camps and hunting staging areas, with wildlife gathered for sale to Cho Don restaurants. Households living in the buffer zone and nearby communes are generally poor. In Xuan Lac and Ban Thi communes, 45% of all 986 households are poor, meaning they earn VND200.000/person/month, or around USD10/person/month (VCF 2009).

Food security is an issue for some poor households from February to April and before the June/July harvest. Wet and dry rice and other cultivation are practiced, but rice productivity is low and land has been deforested and degraded by local shifting cultivation practices (VCF

2009). Agricultural land is limited to a small proportion of land in the buffer zone, which has led to encroachment into the core protected area, as households look for additional land to cultivate.

Fuelwood is the main energy and fuel source among the ethnic minorities in the protected area. As an estimate, each household within the core protected area uses about 300-350 kg of dry wood/month (with significantly more used during the winter) (VCF 2009). Additional fuel needs from households in the buffer zone and beyond, especially with population growth, will put pressure on timber resources in the protected forests. Recently, illegal logging of large trees for timber has increased inside the protected area and in the watershed protection areas in the buffer zone for housing, furniture, and other commercial purposes. Important tree species such as *Nghien*, *Trai* and *Dau Rung* are among the most popular and are often processed in the forest itself. Traffickers are reported to mobilize local people during financially hard periods between crop cycles, paying locals to harvest and traffic wood.

The ethnic groups often collect NTFPs, including MAP species, such as herbal plants for medicinal purposes. At small levels, this activity is believed to be sustainable; however valuable herbal plants such as *Ba kích*, *Sâm cau*, *Sâm trâu*, *khúc khắc*, and *Hoàng đằng* are bought by outside middlemen and traders in large volumes and then sold to Chinese merchants and other places (VCF 2009). Other commonly collected NTFPs are bamboo shoots, mushrooms, and “cat’s ear” (tree fungus). Fuelwood and NTFPs are traditionally collected by the women in communities, while men are mostly responsible for timber extraction.

Communities in and around the protected area also practice hunting and trapping of wild animals. The most popular species sought include civet, squirrel, deer, snake, turtle and various bird species. Hunting inside the protected area is illegal but continues for personal use or for sale in Cho Don District where there is a big market for wildlife. In addition, hunting is a longstanding traditional activity by the H’mong and Dao people, who use homemade weapons to hunt for food and status (VCF 2009). Other socio-economic activities include small-scale mineral exploitation in the buffer zone and animal husbandry. With regards to the latter, buffalo grazing is limited but seen as a threat to the protected area as free-grazing cattle from the buffer zone and nearby communes can wander into the protected forests.

## **Impacts and prior consultation**

The establishment of SXLSHCA imposed regulations to conserve biodiversity that have resulted in loss of tenure and rights by local people to use natural resources, creating conflict between local people and the SXLSHCA Management Board (PRCF 2010). Local people continue to harvest these resources, in many cases using unsustainable harvesting techniques and excessive rates of harvesting. If resources continue to be utilised at present unsustainable rates, the impacts on local biodiversity and indigenous groups that rely on the resources will be severe. To address this issue, the activity proposes to use research and local knowledge of NTFP collection to promote sustainable community MAP harvest in the buffer zone, and create a long-term management plan for those species.

Project activities will be based on FairWild principles, which provide a framework for implementing a sustainable, fair and value-added management and trading system for wild-collected natural ingredients and their products. A central component of this is the active engagement and participation of local stakeholders. Meetings will be held to establish species

selection criteria and best harvesting techniques, which will draw heavily on local forest knowledge and traditional NTFP collection and consumption practises. Members of the Cho Don FPD, SXLSHCA Management Board, local harvesters and traders, and the seven local buffer zone villages will be approached to form a working group to assist with creating a management plan (or adapting current management plans) that covers managerial structure, role and responsibility; collection regulation; and benefit sharing.

The approach is strengthened by the present inclusion of local leaders from the seven villages in the SXLSHCA Management Board. Furthermore, the MAP management planning will synergise with other community planning conducted under the PRCF CEPF-supported project, providing a unique opportunity to develop a collaborative management approach for forest resources, whereby the local community becomes jointly responsible with the support of the Cho Don FPD and SXLSHCA Management Board, for the sustainable management of local MAP resources.

While it has not yet been possible to conduct a comprehensive assessment of impacts on the project area, it is unlikely that this project will adversely impact local livelihoods as activities encourage additional livelihood generation through community management and sustainable collection of marketable MAP species. The project site will be in the SXLSHCA Buffer Zone, linking with plans already being implemented by the Management Board (and supported by PRCF through CEPF) for the development of 'multiple use' areas, and should therefore not conflict with regulations on resource extraction in the Protected Area nor agricultural land use.

Positive impacts will include increased income for community members involved in the project from the sale of MAP species/products. This will help supplement household incomes, and therefore increase food security during hard times such as crop failures or natural disasters. Depending on which species are selected, the MAP products themselves could be a positive impact of the project, in the form of traditional medicine to improve health within the community. Steps will be taken to maximize financial gains through the implementation of value-addition mechanisms, such as *in situ* processing and packaging of raw materials. To aid this, meetings will be held with MAP traders to gauge interest in trading the species, help create market links, and improve processing techniques. Depending on the final species selected, the project is anticipated to increase financial income through sustainable harvest and trade of approximately 50 households within the SXLSHCA, and thereby enhance food security for these households.

There may be a small negative impact to the few households who have relied on the unsustainable collection of certain MAP species for income, especially illegal collection from within the protected area. However, it is believed the number of households that benefit from this type of high volume harvest is low, with most of the profit going to traders and medicinal plant sellers outside the community. It is hoped that the long term positive impacts of income generation to a larger section of the community, and at a level of harvest that can be sustained for future generations, will outweigh the immediate benefits of the current over-harvest. As most of the work of the project will be on-site and conducted with the community in close collaboration with the Forest Trade Officer, further understanding of potential impacts will be refined and addressed throughout the duration of the project.

Free, prior and informed consultations shall be held with selected communities as part of the implementation process. Local communities will be involved at each stage of the project,

through decision making and active implementation, in order to confer ownership and ensure the equitable sharing of benefits. Prior to the commencement of each activity e.g. initial species selection workshop, resource assessment training, etc., TRAFFIC will conduct an introductory session in local languages where the project and activity will be explained. Should potential participants have any questions or concerns, they will be invited to seek clarification and will receive either immediate verbal replies or written information (if requested) from TRAFFIC staff addressing these concerns. Following these introductory sessions, potential participants will be able to make an informed decision whether they would like to pursue further involvement in project activities and thereafter grant their consent.

Consent by stakeholder participants will be documented for each activity. Participants who offer their consent and wish to continue participation will be requested to sign a consent form that clearly outlines the activity they will be participating in and states that they understand and willingly participate from an informed position. This document will also include information on the communication channels they should follow if they are dissatisfied with the project for any reason. Should a potential participant decline to give consent, project staff will make efforts to ensure the project, its activities and impacts have been clearly relayed and are fully understood. If the potential participant is declining based on a specific concern, project staff will try to address the concern immediately. The final decision to consent or decline will be made freely by the potential participant his/herself. Anyone who declines will be entitled to join future project activities (as appropriate), should circumstances change.

Local participants will be encouraged to freely discuss how the project can or is affecting their livelihoods throughout the implementation, so that mitigation strategies can be developed and implemented in close collaboration with the appropriate community members. Should potential participants have any questions or concerns, they will be invited to seek clarification and will receive either immediate verbal replies or written information (if requested) from TRAFFIC staff addressing these concerns.

A working group of local stakeholders and project partners will be established during the workshop to draft the MAP management plan and once drafted it will be circulated among community representatives. Following feedback and revisions the management plan will be presented to the seven stakeholder buffer zone villages for final comments and feedback. Once this process has been completed, results will be compiled and presented in a stakeholder action planning workshop at the next appropriate government level, which is likely to be the district. This stakeholder workshop will include representatives from villages, communes, the district, protected areas with technical support from TRAFFIC and other partners/stakeholders as appropriate.

## **Mitigation**

It is envisaged that the proposed project may lead to a more equitable balance between local livelihood development and biodiversity conservation, rather than the current situation of NTFP harvesting, which often uses unsustainable harvesting techniques to collect unlimited quantities of common resources, or illegal collection within the reserve. Moreover, this project supports PRCF's approach to promote "opportunities within the Vietnamese context, where local communities, who have mostly been locked out of protected areas and excluded from natural resource management and planning, may obtain a significant stake in sustainably managing their local resources" (PRCF 2010).

Activities included in project implementation, such as improved harvesting techniques and benefit sharing, among others, will generate higher value for target species. This will help offset potential negative impacts to community members who choose to participate in the project and forego profits from unsustainable and illegal harvest.

Local community members will receive *in-kind* benefits through a series of trainings. A resource assessment training will be conducted for an estimated 50 community members on the basic concept and approaches of resource assessment and monitoring of MAP harvest, while community harvesters will be trained on the best techniques for harvesting and processing the MAP species. Through these trainings, the community will be able to independently conduct assessments, monitor species health, sustainably harvest target species, and produce a quality product with market value. A further workshop on access and benefit sharing (ABS), and value-addition mechanisms such as *in situ* traditional medicine production, will help maximize the potential financial benefits to the local community.

Community members who are found to be negatively impacted by the project, namely through loss of revenue from the cessation of unsustainable harvesting of NTFPs, will be prioritized to receive *in-kind* benefits, as described above. The effects of project implementation on the income of these community members will be closely monitored and mitigation activities implemented accordingly.

#### *Conflict Resolution and Complaint Mechanism*

Given the participatory approach of the project, local people and stakeholders should have ample opportunity to discuss potential conflicts or concerns, possible solutions and mechanisms for addressing such conflict. These concerns and issues can in turn, be relayed to the higher level planning meetings. The project will include an internal mid-term evaluation and final end-of-project evaluation. These evaluations will include further assessments and interviews with community representatives and will be distributed as a part of project reporting.

Should participants or other local people express their dissatisfaction with the project for any reason, the project will provide opportunities for them to communicate their dissatisfaction to project staff, TRAFFIC and CEPF-RIT, where relevant. This channel/mechanism will be communicated to communities through a single-page handout distributed during project meetings and trainings that summarises the project and provides the contact details of TRAFFIC and CEPF-RIT staff in Ha Noi. Complaints and concerns will be documented by TRAFFIC staff and communicated to the CEPF-RIT within 2 weeks; remedial action will be agreed upon and implemented within 4-6 weeks, and follow up monitoring by the CEPF-RIT will be carried out. Significant issues will also be presented in reporting and shared with project partners.

TRAFFIC and its partners will work closely with Commune People's Committees to plan activities, respond to affected persons and report on results. This is often the most appropriate level to address local areas of conflict.

### **Indigenous Peoples Action Plan**

- All local communities will undergo a process of Free, Prior and Informed Consultation regarding the CEPF-supported project.

- Affected persons will be identified and monitoring conducted through these community consultations and mitigation strategies discussed and developed with those persons and local communities.
- Community consultations will be held with local participants approximately every 2 to 3 months for the duration of the project.
- Mitigation strategies implemented by this CEPF-supported project are likely to include skills training and increased household income for community participants, and *in kind* benefits to local communities dependent upon benefit-sharing mechanisms pursued by participants.
  - o Community members who are found to be impacted the most (e.g. loss of income from discontinuation of unsustainable NTFP harvesting) will be monitored closely and explicitly targeted to receive trainings and other *in-kind* benefits.
- Concerns raised to TRAFFIC or local partners will be documented by TRAFFIC and communicated to the CEPF-RIT within 2 weeks, addressed accordingly within 4-6 weeks, and follow up monitoring will be conducted by CEPF-RIT.

### ***References***

PRCF - People Resources and Conservation Foundation (2010). CEPF Process Framework: *Strengthening community conservation of priority sites within the Ba Be / Na Hang Limestone Forest Complex, northern Vietnam*. Submitted April 2010.

VCF - Viet Nam Conservation Fund (2009). *Social Screening Report, Nam Xuan Lac Nature Reserve, Bac Kan Province*. Ministry of Agriculture and Rural Development Project to Support the Forest Sector, Bac Kan, Viet Nam.