

**CASE**

## **Voluntary Payment Environment System (Voluntary PES)**



- **Country: Viet Nam**
- **Project/Organization: Pro-poor Partnership for Agro-forestry Development project (3PAD)**



## BACKGROUND

Derived from the results of PES activities included in Component 3:

**Innovative Environmental opportunities.**

The 3PAD project has mobilized and coordinated the parties to develop a mechanism and agreement of voluntary payment environment system (voluntary PES).



The voluntary PES model is based on the principle of **mutual** coordination between the exploitation and protection of the forest environment (including water sources, air landscapes, spawning grounds and wild **species**).

This is the first voluntary payment model in the country which is about beneficiaries in lowland villages pay upland people to protect, plant and create livelihoods to limit the **bad impact** on the **watershed forest** environment.



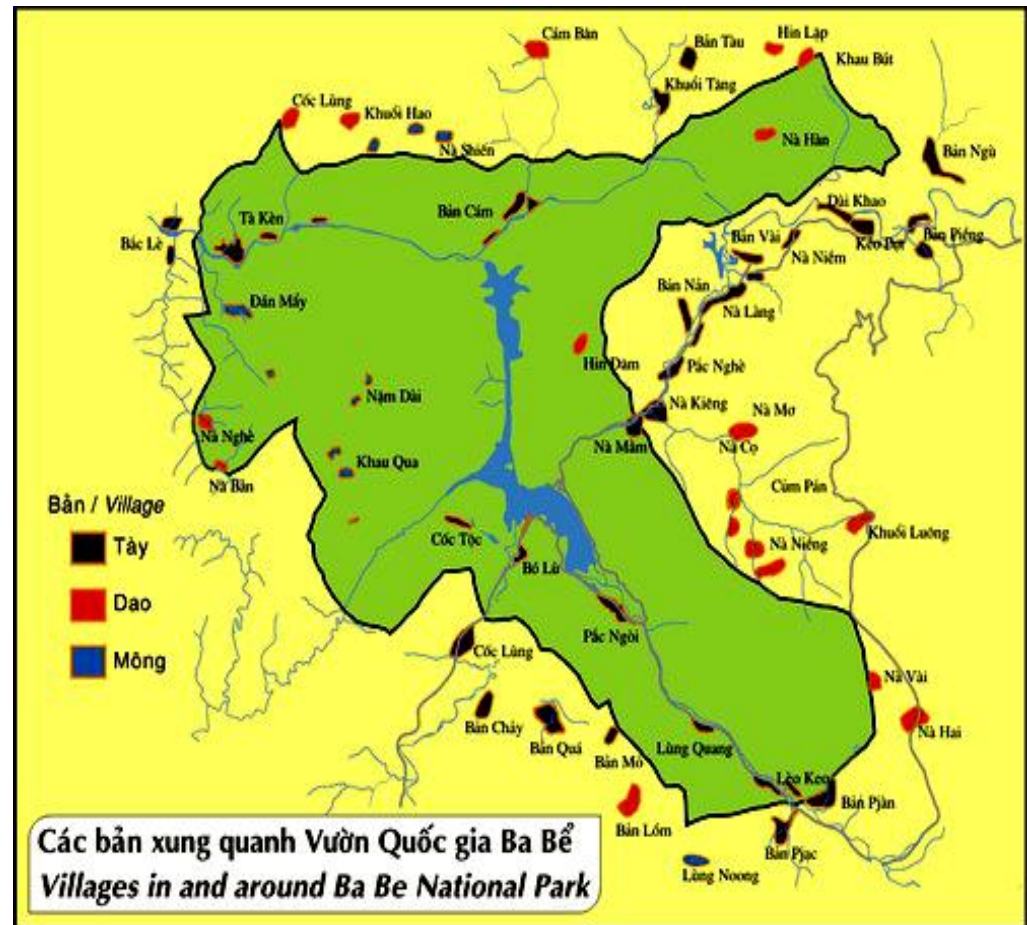
# Implementing areas & Beneficiaries

## Lowland:

- Pac Ngoi
- Bo Lu

## Upland:

- Ban Duong
- 29 households  
(managing 360  
ha of **natural**  
forest)



# FORM OF CONTRIBUTION

- The Guesthouse is responsible for contributing VND4,000 / guest to the Forest Protection Fund.

- Donating at Commune Police Department of Nam Mau Commune when coming **for registration.**

- The Canoe Cooperative will deduct 2% of the total **revenue** to contribute to the Fund.

- Payment is made quarterly at the Canoe Cooperative Office.

# CONTROL REGULATIONS

## Guest house

- Checking fund: **every 03 months**
- The amount of money in the donation box must be sealed and matched with the number of temporary residents registered on the Commune Police's Book

## Canoe Cooperative

Matching data according to books and revenue-expenditure of accounting parties: Canoe Cooperative and PES Fund

## PES Fund

Meeting of the Fund Management Board held every six months to review and publicize contributions, revenues and expenditures to all **stakeholders** and related parties

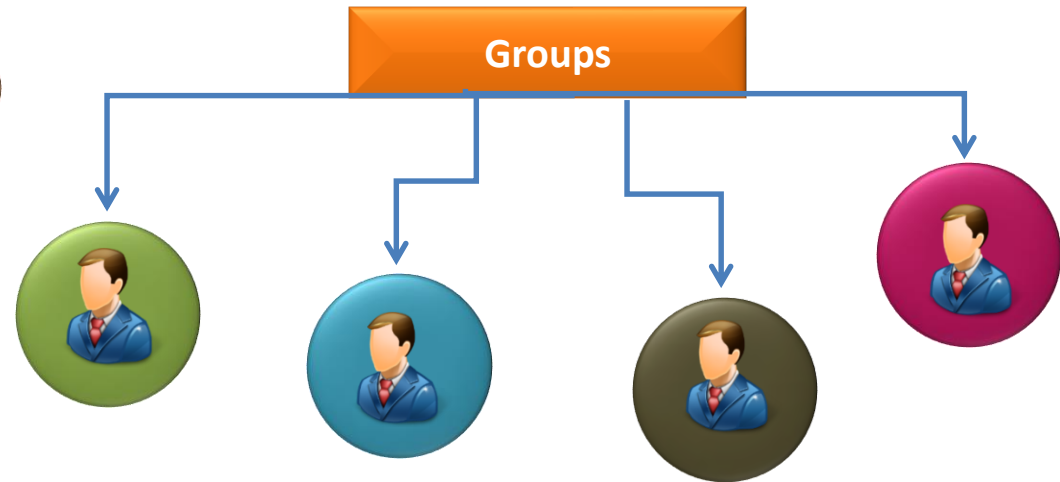
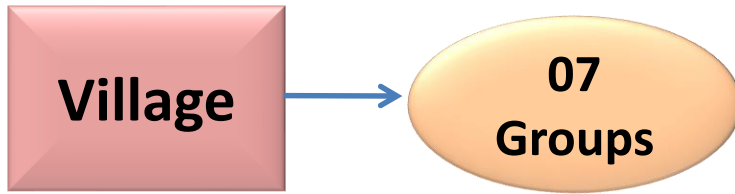
# PURPOSE OF USING FUND

Purposes	Rate
Forest patrols	20%
<b>Reforestation</b> , afforestation	30%
Improve community livelihoods	30%
Collecting and disposing of rubbish	10%
Other community purpose	10%





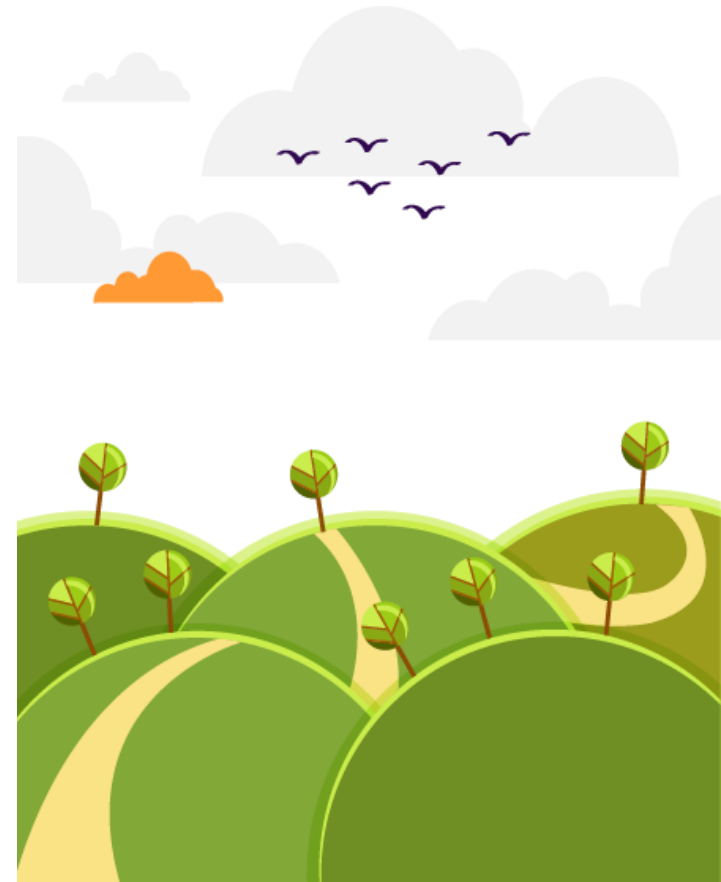
# Forest patrol and protection: 20%



- Forest patrol 03 times / month;**
- **Dividing into 02 main routes;**
  - **Patrol must report to the leader;**
  - **The leader of the group reports on the overall situation of the whole village every 3 months.**

# Reforestation : 30%

- **Planting new trees to increase the green areas**
- **Method of implementation:**  
villagers voluntarily plant trees,  
deduct money from the forest  
protection fund to buy seedlings,  
tools, pesticides ...

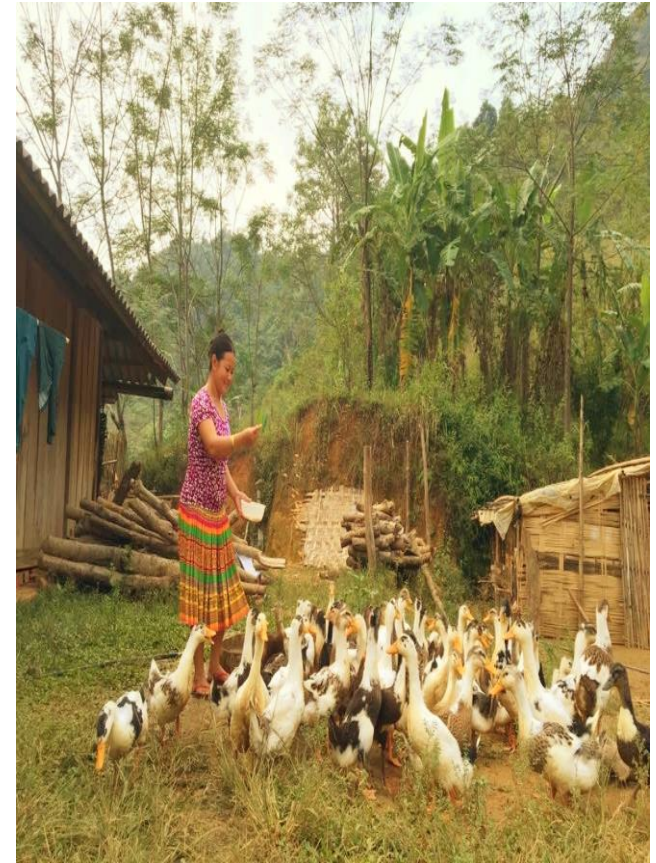




# Community livelihood fund : 30%



- **Management:** Village Women's Union.
- **Form:** Revolving loans without interest between households (support: cultivation, breeding...)
- **Term of maturity:** determined by the Women's Union and the village community.





# Village sanitation: 10%

- General village cleaning: every 2 weeks;
- Collecting and burning garbage





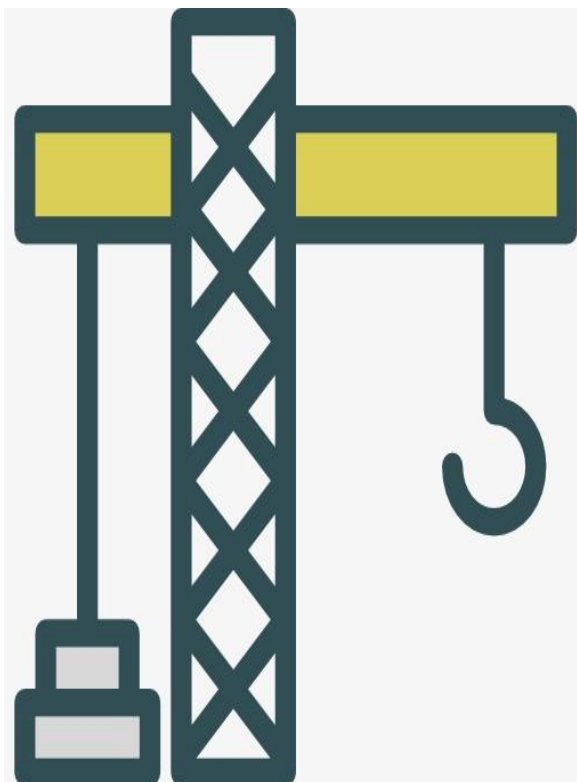
# General community work: 10%

- Village cultural houses, roads, schools ...



# INFRASTRUCTURE

02 ditches  
Length over 500m  
Form: Community Force  
Account (people  
contribute **working days**,  
donate land for site  
clearance)



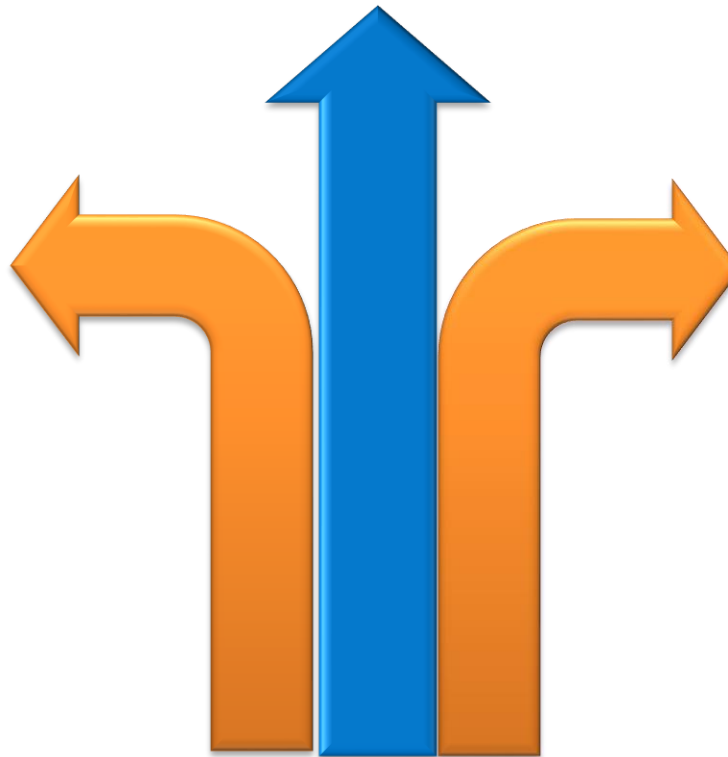
Households cultivating  
in that area voluntarily  
contribute  
200.000VND / ha / year  
to serve the  
maintenance work

# IMPACTS

**Raising awareness of the  
community in  
environmental protection  
and natural resources**

**Enhanced  
cooperation,  
mutual  
support and  
cohesion,  
autonomy**

**Attract  
attention,  
investment  
of other  
projects on  
ecology and  
tourism**





# GOOD PRACTICES

Saving cost (in terms of investigation, identification, evaluation and implementation)

Replicating easily (using that fund to revolve and pay for other villages)

Can be repeated many times ( lowland areas continue payment if the environmental services are good enough )

People directly supervise the implementation process and evaluate the results.



# FACILITATING FACTORS – CHALLENGES

Awareness, capacity, attitudes and behavior of the community have been improved (through PES implementation) => it is easy to get consensus among stakeholders in the process of developing the mechanism and implementation. especially the financial providers (Pac Ngoi village and Bo Lu village).

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Helping the stakeholders be aware of the maintenance activities even when the project ended. Payment is voluntary, meaning activities can only take place when the community, in particular the participants **take** their responsibilities and benefits.

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# LESSONS LEARNED

- Researching on policies, institutions, geographical, socio-economic conditions, customs of each region applied.

- Having appropriate approach and specific strategy.

- Establishing voluntary mechanism, agreement but must be tight and strong.

- There should be an intermediary unit or organization in charge of coordinating and supervising the implementation agreement.

- Promoting propaganda and raising awareness for participants and stakeholders

- Requiring the involvement of authorities at all levels.





# Commercial Smallholder Support Project (CSSP) in Bac Kan Province

# THANK YOU SO MUCH!

