

<b>Project Name</b>	<b>The Future Needs of the Forest Products Industry in Vietnam: Building Professional Capacities and Raising Awareness among Policy Makers and Research Scientists</b>
<b>Code: 2.11</b>	
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<b>Australian Institution</b>	CSIRO Forestry & Forest Products
<b>Vietnam Institution</b>	FSIV
<b>Project Duration</b>	July 2001 to June 2003

## **Project Description**

The proposed activity is the most appropriate approach to the problems outlined under Section 1.5. Vietnamese and Australian scientists and industry stakeholders will work jointly, intensively and sequentially to: (i) describe the existing situations; (ii) identify and describe problems and constraints; (iii) develop recommendations and plans for mitigating the constraints and encouraging future research and development in the industry; and (iv) seek industry feedback by wide dissemination and discussion of the plans, proposals, and findings and recommendations.

Furthermore, while preparing plans for research and development to alleviate the problems and encourage the potentials of the forest products industry in Vietnam, the project activities will simultaneously be: (i) raising awareness and understanding among senior policy makers with respect to the problems and potentials of the industry; and (ii) developing their capabilities and also the capabilities of a wide range of industry stakeholders.

Objective 1 will survey the problems and constraints, and identify the potentials, of the industry. At the same time, senior policy makers will be actively engaged in the work. This will then lead smoothly into the Study Tour under Objective 2, which will expand the horizons of experience and understanding among the participants. The Study Tour will provide participants with a firm basic understanding of modern wood processing industries. It will include overviews of global and regional markets and trends, a basic understanding of wood structure in relation to processing, ideas about matching wood properties to wood products and an overview of current and likely processing technologies. The Study Tour will include industry visits and laboratory demonstrations. It will conclude with discussions of forest policy settings and structures, and joint recommendations about future activities for research and development of the industry.

The experiences gained by senior policy makers during the Study Tour should make a major contribution to improving their understanding and approach to meeting the three “conditions” for improving the forest products industry mentioned under Section 1.5.

In turn, the development of detailed plans for the industry, and relevant forest products research, will follow under Objective 3 and will engage the attention of those who participated in the Study Tour as well as a wider range of stakeholders. Lastly, Objective 4 will include activities designed to disseminate the results of previous work. They will build professional capacities among the participants and stakeholders and will encourage feedback among the stakeholders.

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Tasks, task scheduling and a brief description of task methodology are presented in Table 1 (at Appendix A).

### **Aim**

The Overall Goal is to contribute to the development of the forest products industries in Vietnam by raising the professional capabilities and understanding of the policy makers, and by enhancing productive partnerships between Vietnamese and Australian institutions.

### **Objectives**

The two **Development Objectives** are:

1. To build the capacity of policy makers and forest scientists in Vietnam to understand and to respond to the present and future needs of the forestry and forest products industry; and
2. To contribute directly to the goal of the CARD Program by further strengthening existing institutional and professional partnerships, and by improving the research and development capabilities of key stakeholders.

The **Objectives** of the project are:

- a) To survey and report on the current scope and structure of the forest products industry in Vietnam.
- b) To conduct a Study Tour in Australia for ten Vietnamese policy makers and forest products scientists to study modern wood processing industries and wood products research, and the necessary policy and regulatory frameworks and physical infrastructures.
- c) To prepare a three-part plan (forests products development plan, research priority setting plan and research scheduling plan) for development of the wood products industries in Vietnam.
- d) To undertake other training (through workshops and courses in Vietnam and Australia, and preparation and dissemination of written and electronic educational and informative materials) to raise capabilities among selected policy, industry and research stakeholders.

### **Outputs and Performance indicators**

The general outcomes from the project will include:

- raised awareness of the potential value of modern forest products among policy makers in Vietnam, which will lead to more informed and rational plans for future industrial development;
- raised awareness of modern forest products research among policy makers in Vietnam which will lead to improved support for industry in Vietnam; and
- increased contact between Australian researchers and industry experts and their Vietnamese counterparts, which will enhance future collaboration.

The Outputs from each Objective, and the Performance Indicators, are detailed in Table 1 (at Appendix A).

## PROJCE COMPLETION REPORT

### Executive Summary

The project has successfully completed all activities and outputs that were described as part of the project. The two development objectives, detailed below, were practically achieved with significant interaction occurring outside the actual scope of the CARD project. Both CSIRO Forestry and Forest Products and FSIV undertook their respective roles in the project admirably and are working together to develop a further project relating to the forest products industry that will be submitted to ACIAR (Australian Centre for International Agricultural Research) for consideration.

### 1.0 Project description

#### 1.1 Background and Preparation

The **Overall Goal** was to contribute to the development of the forest products industries in Vietnam by raising the professional capabilities and understanding of the policy makers, and by enhancing productive partnerships between Vietnamese and Australian institutions. The two **Development Objectives** were:

- To build the capacity of policy makers and forest scientists in Vietnam to understand and to respond to the present and future needs of the forestry and forest products industry; and
- To contribute directly to the goal of the CARD Program by further strengthening existing institutional and professional partnerships, and by improving the research and development capabilities of key stakeholders.

The **Inputs** included:

(i) priority setting and scoping; (ii) a two-week Study Tour for ten policy makers and forest scientists to Australia; (iii) planning and priority setting in Vietnam – a forest products plan, research priority setting and research scheduling; and (iv) targeted Training Courses, Workshops and extension activities.

The **Outputs** were:

(i) documentation on forest products tailored for the stakeholders; (ii) a forest products plan for Vietnam; (iii) a forest products research plan; (iv) an implementation schedule for forest products research; and (v) strengthened local comprehension of planning and policy-making for forest products development in Vietnam.

As the Vietnam Forest Products industry has been extremely active in the strategic planning, a Forest Products Plan to 2010<sup>1</sup> (Appendix A to the main report) had already been developed prior to this project commencing. This forest products research implementation schedule developed in this project drew extensively on the information contained within the Forest Products Plan to 2010<sup>1</sup>.

Table 1 (next page) shows the key preparation steps, activities and responsibilities of key project personnel.

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<sup>1</sup> The Program for Forest Products Industry Development in Vietnam to the year 2010, a program submitted to the Government of Vietnam, 2002.

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The direct beneficiaries of the project included:

- ten policy makers and senior forest products scientists who participated in the Study Tour;
- two forest products research staff who attended the Research Fellowship training in Australia;
- the Vietnamese counterparts who participated in the survey and scoping work under Objective 1, and who helped to identify the constraints on future development of a modern forest products industry in Vietnam and then prepared the forest products development plan;
- the Vietnamese counterparts who participated in formulating the forest products research plan and implementation schedules;
- the Vietnamese stakeholders in the forest products industry who benefit from the outputs under Objective 4, including the written materials and the Industry Workshops;
- the Australian researchers and other stakeholders in the Australian forest products industry who will learn about the Vietnamese forest products industry and thus raise their own scientific, policy making and planning capabilities; and
- all participants in the project, whose capabilities for research and development will be enhanced, and among whom existing professional relationships will be strengthened.

The indirect beneficiaries included:

- other stakeholders interested in improving the quality of outputs from the forest products industry in Vietnam;
- local stakeholders who stand to gain jobs and improved livelihoods from an expanded, vigorous and profitable forest products industry which is producing a wide range of exportable high quality products; and
- the national economy.

### **1.2 Context and Rationale**

The Government of Vietnam has been implementing a massive tree plantation program for many years. In 1999 approximately 250,000 hectares (ha) were planted, and by 2010 there are plans to establish an additional 5 million ha of plantations on cleared land, over and above the current estate of one million ha. Three million ha of these new plantations will be for production forestry, with timber being a significant product. About 250 million scattered trees in homestead and community forests have been planted. By about 2010, Vietnam expects to have a total forest estate of some 14 million ha, covering about 43 percent of the country. It is expected that stable employment for over 170,000 farming households will be created from plantation forestry and forest utilisation.

There are many feasible wood products to be produced from these tree plantings, all of which should provide added value locally, create local jobs and produce significant export receipts. Through this project AusAID and CSIRO-FFP will provide support in building professional capacities among the senior policy makers and bureaucrats responsible for making the vital decisions about the future of the wood products industries in Vietnam. The project concentrated on enhancing local capabilities in both central policy planning and support and in forest products research, and prepared the ground for future industrial investment and will forge links within and between forest industries in both Vietnam and Australia.

Vietnamese and Australian scientists and industry stakeholders worked jointly, intensively and sequentially to: (i) describe the existing situations; (ii) identify and describe problems and

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constraints; (iii) develop recommendations and plans for mitigating the constraints and encouraging future research and development in the industry; and (iv) seek industry feedback by wide dissemination and discussion of the plans, proposals, and findings and recommendations.

Furthermore, while preparing plans for research and development to alleviate the problems and encourage the potential of the forest products industry in Vietnam, the project activities simultaneously: (i) raised awareness and understanding among senior policy makers with respect to the problems and potentials of the industry; and (ii) developed their capabilities and also the capabilities of a wide range of industry stakeholders.

Significant internal activity within the Government Departments of Vietnam has been ongoing over the past 12 months in restructuring the State Forest Enterprises (SFEs) and in defining the forest products industry in 2010<sup>2</sup>. Additionally there has been significant activity in the international arena through funding bodies and non-government organisation (NGOs) to ensure that production forest management is sustainable and aligned with the environmental and conservation objectives of the Vietnamese Government. The Forest Sector Support Program is an alliance of 18 international representatives and the Government of Vietnam who have signed a Memorandum of Agreement to work together to in the forest sector to meet 3 objectives of protecting the environment, reducing poverty and increasing the contribution of the forest sector to the national economy. Australia is currently NOT a signatory to this Memorandum of Agreement of Forest Sector Support Program and Partnership for 2001-2010. One of the results of not being in the Forest Sector Support Program is that some crucial communications, particularly at senior Vietnam Government levels, may be missed.

This CARD project has greatly benefited from the existing focus on the forest products industry and the project itself has assisted FSIV, MARD and the forest products sector clarify their thinking on investment in forest products R&D. The workshops in R&D priority setting and strategic planning were, I believe, of particular benefit to the Vietnamese partners and the result is a comprehensive plan for future investment in forest products R&D. The options chosen within the project were simple and straightforward activities that could be managed and undertaken by the responsible lead organisations in Australia and Vietnam. These preferred options were completed successfully.

### 1.3 Project objectives and scope of design

The project objectives:

- To survey and report on the current scope and structure of the forest products industry in Vietnam
- To conduct a Study Tour in Australia for ten Vietnamese policy makers and forest products scientists to study modern wood processing industries and wood products research, and the necessary policy and regulatory frameworks and physical infrastructures.
- To prepare a three-part plan (forests products development plan, research priority setting plan and research scheduling plan) for development of the wood products industries in Vietnam.
- To undertake other training (through workshops and courses in Vietnam and Australia, and preparation and dissemination of written and electronic educational and

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<sup>2</sup> The Program for Forest Products Industry Development in Vietnam to the year 2010, a program submitted to the Government of Vietnam, 2002.

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informative materials) to raise capabilities among selected policy, industry and research stakeholders.

were highly relevant to the project and the design features of the project enabled the objectives to be met. An appropriateness rating of the objectives and design features is provided in the part 2.1 of this report.

AusAid's aim to alleviate rural poverty by promoting sustainable economic development is admirably addressed in this project. Many rural communities in Vietnam can grow trees which they can sell for cash, provided there is a local forest products industry that can use the trees. Women have the capacity to grow and tend trees and possibly run local forest products business, as was evidenced by one enterprise close to Hanoi involving plantation grown eucalypts. Minority peoples can also be involved in growing and locally processing timber that can then be sold for cash.

### 1.4 Implementation arrangements

The two lead organisations for Vietnam and Australia were the FSIV and CSIRO FFP respectively. Each organisation was responsible for achieving the activities necessary in their respective countries with input being sought from the partner organisation before any activity was undertaken. MARD was involved in the workshops and activities undertaken in both Vietnam and Australia.

## 2.0 Appropriateness of Project Design and Objectives

For the following tables the ratings are: 5 – best practice, 4 – fully satisfactory, 3 – satisfactory overall, 2 – marginally satisfactory, 1 - weak

<b>Objective Number</b>	<b>Objective Description</b>	<b>Appropriateness Rating</b>
1	To survey and report on the current scope and structure of the forest products industry in Vietnam	5 – This is a very appropriate way of accessing the current situation for the forest products industry in VN
2	To conduct a Study Tour in Australia for ten Vietnamese policy makers and forest products scientists to study modern wood processing industries and wood products research, and the necessary policy and regulatory frameworks and physical infrastructures.	5
3	To prepare a three-part plan (forests products development plan, research priority setting plan and research scheduling plan) for development of the wood products industries in Vietnam.	5 - The Forest Products Development Plan developed within Vietnam has assisted significantly in develop Areas of Research Opportunity and the research implementation schedule.
4	To undertake other training (through workshops and courses in Vietnam and Australia, and preparation and dissemination of written and electronic educational and informative materials) to raise capabilities among selected policy, industry and research stakeholders.	5 – Training for two key Forest Science Institute of Vietnam personnel was very successful, VIP study tour was similarly successful, and Research Priority Setting Workshops encouraged significant debate.

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Description of Design Features	Appropriateness Rating
Survey and scope of forest product industry in Vietnam	5 – language and “direct approach” barriers must be considered
Study tour in Australia for 10 senior policy makers, forest products scientists and industry personnel	5 – but limited to those who participated
Preparation of three part plan (forest products development plan, research priority setting, and research scheduling plan)	4 – Vietnam has commenced developing industry plans internally, and obtaining translations has proven to be a lengthy process
Other training, including project outcomes workshop	5- face-to-face contact is the best transferral medium, however is limited to those participating/attending.

### 3.0 Implementation Performance

#### 3.1 Project Components and Outputs

Component Number	Component Description	Outputs	Performance indicator	Performance Rating
<u>Activity 1a:</u>	Stakeholder analysis and training needs assessment. Report on analysis.	Professional Needs Analysis Questionnaire developed	Professional Needs Analysis undertaken	4 – the professional needs analysis responses have been completed only by senior position holders in FSIV and MARD, rather than across the spectrum of existing staff.
<u>Activity 1b:</u>	Survey of the scope and structure of the forest products industry. Reporting.	Section in final report of the project	Section on scope and structure of forest products industry included in final report	4 – some issues with language translations and knowledge protection. Lack of obvious industry database has made understanding the overall forest products industry difficult.
<u>Activity 1c:</u>	Survey of industry constraints. Reporting.	Section in final report of the project	Section on challenges to the forest products industry included in final report	4 – as for activity 1b
<u>Activity 1d:</u>	Plans for the Study Tour. Reporting.	Output is Activity 2a	Same as 2a	5 – excellent program developed.
<u>Activity 2a:</u>	Conduct the Study Tour in Australia.	Study tour conducted in Australia for 10 Vietnamese VIPs	Study tour conducted	5 – excellent program undertaken

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<u>Activity 2b:</u>	Reporting by both Vietnamese and Australian partners.	Section in final report of the project	Section in final report of the project	4 – Final report attached. FSIV have developed a similar report in Vietnamese.
<u>Activity 3a:</u>	Forest Products Development Plan. Reporting.	Forest Products Development Plan largely undertaken by FSIV.	Section in final report of the project	4 – Final report attached. FSIV have developed a similar report in Vietnamese.
<u>Activity 3b:</u>	Forest Products Research Plan. Reporting.	R&D workshops held	Section in final report of the project	4 – Final report attached. FSIV have developed a similar report in Vietnamese.
<u>Activity 3c:</u>	Forest Products Research Implementation Plan. Reporting.	R&D workshops held	Section in final report of the project	4- Final report attached. FSIV have developed a similar report in Vietnamese.
<u>Activity 4a:</u>	Workshop in Vietnam for policy makers.	Workshops held	Section in final report of the project	5 – Excellent attendance and positive feedback received from participants.
<u>Activity 4b:</u>	Workshop in Vietnam for forest products research staff.	Workshops held	Section in final report of the project	5 – Excellent attendance and positive feedback received from participants.
<u>Activity 4c:</u>	Research Fellowship for two Vietnamese research staff.	Research Fellowships conducted	Research Fellowships conducted	5 – very positive training program undertaken with a good exchange of ideas, and the potential to source a project from ACIAR funding.
<u>Activity 4d:</u>	Written materials in the Vietnamese language for industry stakeholders.	Brochure developed and distributed	Production of brochure	5 – Publication attached to this report
<u>Activity 4e:</u>	Presentation production	Final report	Production of final report	4 - Final report attached. FSIV have developed a similar report in Vietnamese. PowerPoint presentations presented at the final workshop have also been made available.
<u>Activity 4f:</u>	Industry Workshops	Dissemination workshops in Vietnam	Workshops conducted	4 – Excellent attendance with vigorous discussion and positive feedback received from participants. Some delay from original schedule of June 2002

### 3.2 Project Outcomes

The project successfully achieved what it set out to do – to assist in defining training needs, to undertake some training for Vietnamese scientists and policy makers, to develop an R&D plan for the forest products industry and to further enhance the interaction between Australian and

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Vietnamese research institutions. The project has been effectively undertaken and successfully concluded. The major restraint to further enhancing the forest products R&D capacity relates to the increased investment by the Government of Vietnam, and foreign Governments or NGOs, in forest products R&D.

### **3.3 Sectoral Impact**

This project focuses on the forest products industries. The forest products industry relies on sustainably grown and managed timber resources. These timber resources are often located in rural or remote locales. Women and minority communities have the capability of growing and managing trees to be sold to forest products companies for cash. Forest products companies are often located close to the resource, so there is an opportunity for local employment in regional areas. Therefore a strong forest products industry can greatly assist women and minority communities.

### **3.4 Costs and Financing**

The full project financial acquittal is attached to this report. Costs were slightly over-estimated for travel expenses, with a 4% underspending in this area. The costs of laboratory materials, training and the preparation of manuals were underestimated. The final result was an overspending of \$512 or 0.20% of the budget.

### **3.5 Monitoring of Project**

The reporting arrangements for this project are adequate, with 6 monthly reports being reasonable. The actual appropriateness ratings for objectives and design features relies on the honesty of the lead organisations, and may not always provide an accurate picture of how the project is progressing. There seems to be some confusion between outcomes and outputs in the reporting – an outcome such as “a viable forest products industry in Vietnam” will not be achieved by a single project, whereas outputs such as “research fellowships for two Vietnamese scientists, a study tour, or a report” can be achieved within the bounds of a project.

### **3.6 Technical Assistance, Training and Capacity Building**

This project assisted in capacity building in the forest products industry sector by:

1. Conducting a study tour in Australia for 10 Vietnam scientists and policy makers
2. Hosting two Research Fellows from Vietnam in Australia for one month
3. Conducting training in R&D priority setting
4. Undertaking R&D priority setting and implementation workshops
5. Valuable cultural exchange between the Australia and Vietnam lead organisations
6. Capability of conducting further projects in the forest products industry in Vietnam through exposure to the industry and the culture surrounding the industry.

There were no staff recruited specifically for this project, and existing staff now have the benefit of contacts within Australia and Vietnam respectively, and an understanding of how each other's work culture operates.

The project team and staff from both lead organisations interacted seamlessly, apart from some minor language issues. The training courses undertaken were highly relevant, but were most valuable to those individuals who participated.

### **3.7 Management of constraints, issues risks and change**

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The project ran fairly smoothly. The single major issue encountered was the timing of the final dissemination workshops, originally scheduled for June 2002. Because this timing was not convenient to our partner organisation in Vietnam, other commitments in CSIRO FFP led to the workshops not being held until November 2002. There were no other major changes or delays to the project.

### **3.8 Project Management**

The lead organisations from both Australia and Vietnam worked well together, largely because of the relationships built up over the past 15 years with tree breeders in both CSIRO FFP and FSIV. The performance, commitment and inputs provided by FSIV are assessed at 4 (Fully Satisfactory) within the limitations of available resources.

## **4.0 Performance and Outcomes**

### **4.1 Assessment of performance against objectives and design**

The lead Australian agency for this project is CSIRO Forestry and Forest Products. It is our belief that the project was conducted professionally and within budget, although some time factors have been compromised because of inconvenient timing (rating 4). Several other Australian agencies have been involved as guest lecturers during the Study Tour in Australia, and during the training of two Vietnamese scientists in May 2002, including Agriculture Fisheries and Forestry – Australia, the Victorian Department of Natural Resources and Environment, the University of Melbourne and State Forest New South Wales. Other private organizations that have also participated to date include URS Forestry, VISY Industries, Dominance Pty Ltd, Holmesglen Institute of TAFE, Carter Holt Harvey Pty Ltd, Goulds Sawmills Pty Ltd, Hendersons Pty Ltd, Ryan and McNulty Pty Ltd and the Timber Industry Training Centre.

The lead Vietnamese partner agency is the Forest Science Institute of Vietnam (FSIV) whose performance to date has been fully satisfactory (rating 4). There have been other partners in this project including Vinafor (Vietnam Forestry Corporation – a consortium of state owned forest enterprises) and various departments in MARD (Ministry of Agriculture and Rural Development) including the Department for Agroforestry Products Processing and Rural Industries, Department of Science Technology and Product Quality, Non-Timber Forest Products Research Centre, Forestry University of Vietnam and the Forest Industry Technology Transfer Centre.

The outcome of a viable forest products industry in Vietnam will only occur after significant investment in both R&D and by the industry itself. The industry investment is beginning with small-scale MDF plants being built. However, these industries rely on a sustainable timber resource and significant emphasis needs to be maintained on the extent and the suitability of that resource to produce the products required.

### **4.2 Sustainability**

The continued sustainability of the project is largely reliant on the forestry industry and policy makers in Vietnam acting upon the recommendations arising from the project. This project will have concrete outputs including a forest industries development plan, a report detailing the

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forest industry's research priorities and a research implementation strategy plan. Ongoing funding to implement the forest industry reforms relies on MARD funding, as the FSIV must be better resourced to undertake the research priorities to support a modern forest products industry. One benefit that has already arisen from this project is the inclusion of Vietnam as one of the partner countries in a ACIAR-funded proposal to investigate sawing and processing systems for fast grown planted eucalypts (expected commencement date April 2003).

Institutional changes are unlikely to result from this project, although the forest products industry is undertaking a reform of the state owned forest enterprises, but the direct participants will have a better appreciation of the financial, technical and safety issues in a modern forest products industry. A greater reliance on plantation grown timber to supply the raw materials to the forest products industry will protect the natural forests from over-exploitation, in addition to providing an income to the rural tree growers, thus improving the standard of living in rural areas. This project is not directly addressing gender sustainability – the forest industry is largely male based at present and is likely to remain so in the short term. However during the survey of the forest products industry in Vietnam, there were several female company directors in private and state owned companies.

The overall rating for this project is 5, provided MARD resources FSIV to carry out projects in the identified Areas of Research Opportunity. Access to international partner funding will also be crucial to implement the Forest Products Research Plan.

### **4.3 Development Impact**

It will take some time to understand and promote a sustainable forest products industry in Vietnam. Once the R&D into the resource and into the processing for the production of forest products is achieved, the subsequent industry will be a greenhouse friendly and sustainable industry.

## **5.0 Conclusions**

### **5.1 Overall assessment**

During this whole of life reporting period (June 2001 to January 2003) this project has achieved the following outputs:

- Study tour by Australian scientists to understand Vietnamese Forest Products industry (10 days October 2001) –100%.
- Study tour by Vietnamese scientists, policy makers and VIPs to understand modern forest products industry in Australia (10 days December 2001) –100%.
- One month training for 2 Vietnamese scientists (Dr. Nhan and Dr. Nghia) in eucalypt plantation processing (March 2002) –100%.
- Report on The Future Needs of the Forest Products Industry in Vietnam developed –100%.
- Project information sheet developed (English and Vietnamese) (available in hardcopy only) –100%.
- Final workshops held to disseminate findings of the project and workshops (Hanoi and Ho Chi Minh City, November 2002) –100%.

This project was well designed and implemented successfully. Both of the lead organisations are looking forward to the next round of CARD funding to build on the excellent foundations that have been achieved in this first project. The CARD program has been successful in the

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further enhancement of relations between Australia and Vietnam in the area of rural development.

The executive summary of the final report is shown below. This provides the project achievements and recommendations.

### *Executive Summary*

#### *Introduction*

*Forest products industries are critical to the economic development of Vietnam, offering employment in rural areas and export opportunities. These industries are currently undergoing significant change to become both sustainable and profitable by 2010. At this time it is expected that the Forest Products Industry in Vietnam will be worth 18,000 billion VND annually, employ 98,000 people and result in significant environmental benefits. Strategic planning and appropriate technologies will underpin this development.*

*This project was supported by the Australian Government through AusAid's Capacity Building and Rural Development (CARD) Program and CSIRO Forestry and Forest Products, and in Vietnam by the Forest Science Institute of Vietnam and the Ministry of Agriculture and Rural Development (MARD).*

*The overall goal of the project was to contribute to the development of the forest products industries in Vietnam by raising the professional capabilities and understanding of the policy makers, and by enhancing productive partnerships between Vietnamese and Australian institutions.*

#### *Project Achievements*

*Through a series of workshops, industry tours and stakeholder consultation, the project completed a detailed **Professional Needs Analysis**, and an analysis of **Areas of Research Opportunity**. These analyses offer a strong foundation for guiding the development of training and research needs for the forest products industry in Vietnam for 2010.*

*The **Professional Needs Analysis** identified capacity needs in industry knowledge and personal and professional skills. Specifically:*

- Understanding wood properties as they relate to genetic, silvicultural and site impacts;*
- Forest industry assessment particularly relating to knowledge of the international market, knowledge of international forest and industrial policies and international codes of practice and building standards and knowledge of quality assurance systems;*
- Communication, particularly in written English; and*
- Information technology, particularly in the operation of basic database programs, scientific spreadsheets, and access to the internet*

*The seven key **Areas of Research Opportunity** identified included:*

- 1. Technology for the processing of young, fast-grown plantation species*
- 2. Non-timber forest products*
- 3. Sustainable supply of raw material*
- 4. Wood preservation/wood durability*
- 5. New timber products including Melaleuca products*
- 6. Residue and waste utilisation*
- 7. Furniture and other appearance products*

*It was recognised that the priority of Areas of Research Opportunity would vary across different regions in Vietnam.*

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*The project recommends that Australia's future assistance for Vietnam's forestry and forest products sector include cooperation in the fields of:*

- *Sustainable resource supply.*
- *Processing of wood products from plantation-grown eucalypts, melaleucas and acacias.*
- *Development of skills and sharing technology.*
- *Understanding international markets for wood and wood-based products.*

### **5.2 Lessons learned**

The rapid turnover of staff in ITC contributed to a lack of continuity with the Project Management Authority, and was mildly frustrating in some instances. The language of AusAid is very laboured and without a clear understanding of the differences between outputs, outcomes, objectives and components, lead organisations may end up confused.