

Biodiversity Challenge Funds Projects Darwin Initiative, Illegal Wildlife Trade Challenge Fund, and Darwin Plus Half Year Report

Note: If there is any confidential information within the report that you do not wish to be shared on our website, please ensure you clearly highlight this.

Submission Deadline: 31st October 2023

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| Project reference | DARNV003 |
| Project title | Locally-owned enterprise development for resilient communities and sustainable primate conservation |
| Country(ies)/territory(ies) | Vietnam |
| Lead partner | Fauna & Flora International |
| Partner(s) | Trung Khanh Forest Protection Department (FPD), Trung Khanh Species & Habitat Conservation Area (SHCA), Trung Khanh district People's Committee (PC), Trung Khanh Management Advisory Committee (MAC) |
| Project leader | Hoang Van Lam, [REDACTED] |
| Report date and number (e.g. HYR1) | 31.10. 2023; HYR2 |
| Project website/blog/social media | https://www.facebook.com/FaunaFloraVietnam |

Outline progress over the last 6 months (April – Sept) against the agreed project implementation timetable (if your project has started less than 6 months ago, please report on the period since start up to end September).

Fauna & Flora International (FFI) began implementation of this project in Trung Khanh, Cao Bang province from 12th April 2022. This project will develop and launch an innovative, replicable and locally-owner enterprise designed specifically to ensure protected area (PA) expansion has a net-positive impact on local wellbeing, through nature-based commodity/tourism-derived income.

Within six months of project year 2 (April – September 2023), in collaboration with project local partner, Trung Khanh FPD, the project focused on trainings and facilitating the process to establish a social enterprise and continue to conduct the main activities, below, as agreed in the project timetable.

Activity Progress

Activity 1.1. Enterprise design:

Facilitated by FFI staff, three consultation workshops and meetings were organized with stakeholders in Trung Khanh district and Cao Bang province to identify and agree on key criteria and procedure for establishing local enterprise and business model. We have been and are working with legal consultants to thoroughly analyse difference options and then select the model for implementation. This is an on-going with final steps of finalising the management structure in which local representatives play key roles and own the enterprise.

Activity 1.2. Financial modelling and business planning

After series of meetings, consultations and workshops with local stakeholders, we continue to finalise financial and business plan. A more detailed draft modelling and business planning

were produced but it still needs more consultations and adjustment before it is finalised and legalised by local government.

Activity 1.3. Stakeholder meetings with PA managers and other government:

With supporting and leading by FFI staff and consultants on tourism and agriculture, series of meetings and interviews were conducted with each relevant local stakeholder from provincial, district, and commune levels, as well as Management Advisory Committee (MAC) members, included: Trung Khanh FPD and Head of Cao vit gibbon Species and Habitats Conservation Area, Farmer Union, Culture and tourism sub-department, Agriculture and rural department sub-department, Centre for agriculture services, Tourist department, Cao Bang FPD, Cao Bang Department of Agriculture and Rural Development, and Cao Bang tourism department. Following the interviews with individuals, three workshops were conducted with participation of relevant agencies and key partners to consult business models, products to be produced, and procedures to establish a local enterprise.

Activity 1.4. Regular, ongoing and gender-disaggregated consultation with local community members:

Gender-disaggregated socio-economic and Knowledge Attitude Behaviour (KAB) surveys were conducted. Findings from socio-economic and KAB surveys show that, compared to men, women in Trung Khanh have limited knowledge of conservation, lower cash incomes, less time to join meetings and conservation activities. All these findings were shared with all stakeholders to find out solutions. These issues have been and will continue to be considered in the meetings with local stakeholders and discussions with farmer groups. During consultations, we held several discussions with all-female or female-preferred participants to increase women's voice in decision-making.

Activity 2.1. Investment facilitation through marketing, meetings, networking and drafting of financial/legal documents

Through our networking, in September 2023, the project received attention from an organisation, The Ark (<https://www.theark.co/>) interested in raising funds for the Cao vit Gibbon tourism enterprise. The project will keep communicating with this organization to discuss options that can raise funds to support the development of the new enterprise once formally established.

Activity 2.2. Building private sector partnerships to facilitate the operation of the enterprise

Based on Project Implementation Timetable we will implement this activity in Y2. However, the project have met, discussed, and invited a local social enterprise named Northwest investment and development Co.,Ltd - Agriate Vietnam - A social enterprise about the agricultural village model heritage operating in Son La to support model development in Trung Khanh and potential cooperation after the enterprise is established.

Activity 2.3. Explore products with potential for certification (e.g. organic, Global G.A.P.) – costs/benefit:

After discussing with local stakeholders, households, and project consultants, it was agreed to develop an organic farming following PGS - Participatory Guarantee System for Organic Production in Vietnam standards. The project piloted some types of seeds such as green bean, black bean, and local sticky rice (local rice variety called 'nep ong').

Activity 2.4. Identify product, transport company and marketing strategy

Activities have been continued by consultants on the construction of heritage agricultural villages and tourism model. The results are presented in tourism and agriculture consulting reports.

Activity 2.5 Linking to buyers that pay a premium price and audit products

The project has connected with a number of businesses i.e. Organica, Ruongruoi, Bac Tom company who can pay a premium price to support purchasing seeds and "nep ong" products. Also, the project was in contact with the Participatory Guarantee System for Organic Production in Vietnam to participate and support audit products.

Activity 2.6 Training for farmers for requirements of organic/GAP standards

Two training courses on organic product following PSG standards have been conducted for representatives of 51 households, of them 18 women and 33 men.

Activity 2.7 SWOT and market analysis of eco and agro and/culinary tourism options in Trung Khanh

Activities have been continued by consultants on the construction of heritage agricultural villages and tourism. The results are presented in tourism and agriculture consulting reports.

Activity 2.8 Explore tourism certification (e.g. Global Sustainable Tourism Council, Wildlife Friendly) – cost/benefits analysis

The activity will be implemented in the end of Y2.

Activity 2.9 Identify services provided and all business partners (customers and investors)

The activity will be implemented in Q3 and Q4 of Y2.

Activity 2.10 Training for local people on customer services, tour guide and cooking

The activity will be implemented after establishing tourist model in Q4 of Y2.

Activity 2.11 Pilot at least one community-based eco/agro/culinary tourism model

The activity will be implemented in Q3 and Q4 of Y2.

Activity 3.1 Mentoring & training for community members

The project has adopted village meetings, workshops, and field visits to learn experience for potential community members to improve their capacity so that active members can be selected to participate in the establishment of social enterprise.

Activity 3.2 Local capacity and local replication through the enterprise

The activity will be implemented in Q3 and Q4 of Y2.

Activity 3.3. Needs assessments and capacity building for the FFI Vietnam team:

Under support from the FFI UK team to support capacity building for project implementation team in Vietnam on building business models and developing social enterprise models, two capacity-building trainings were conducted focusing on linking agriculture (and livelihood) interventions to biodiversity conservation impacts and an introduction to agroecology training for FFI staff in May 2023.

Activity 3.4. Scoping for replication for other FFI sites

The activity will be implemented in Q3 and Q4 of Y2.

Activity 3.5. Capacity building for FFI Vietnam partner organisations and other national NGOs

The activity will be implemented in Q3 and Q4 of Y2.

Activity 4.1. Complimentary outreach and awareness raising with local communities, focussing on the PA expansion area – posters, events, etc.

In May 2023, the project has coordinated with the Department of Education of Cao Bang province integrated training contents and images of cao vit gibbons into local education books for grades 7, 8 and 10 and is deployed throughout Cao Bang province starting from the school year 2023-2024. This has helped more than 22,000 students of the above 3 grades throughout Cao Bang province, including extended area communes, learn about gibbon through the province's main curriculum.

In August 2023, the project has coordinated to carry out communication activities about cao vit gibbon through the Cao Bang ultra-trail. There were around 850 runners joining this race and around 100 runners of those took the 70km distance which passed by the protected area. Many tourists and visitors to the event received information about cao vit gibbon.

Activity 4.2. Agricultural trials are undertaken (linked to Outcome 2) to demonstrate best practices for sustainable cultivation of low-conflict crops, deter macaques from raiding maize fields

Based on the consultant's report and after discussion with partners and local people, the project has selected an area of about 4 hectares in Gioc Sau village, Ngoc Khe commune to pilot the implementation of an organic farming model following PGS standards. 51 households participate in the model. The area is divided into 3 areas to test the cultivation of 'nep ong - rice', local duck raising, and nuts i.e. green and black beans.

Activity 4.3 Training for farmers for requirements of certification scheme standards for crop production, storage, and processing

Two training courses on organic production following PSG standards have been conducted for representatives of 51 households (18 women and 33 men). One more training about storage, and processing products will be conducted in Q3 of year 2.

Activity 4.4. KAB surveys at project start, middle and end, demonstrate that project actions, primarily enterprise development, have improved local KAB by at least 10% by project end. KAB activities have not been implemented yet because the project's annual evaluation period has not yet arrived. It is expected to be operational in Q3 of the Y2 of project.

Activity 4.5. Socio-economic survey at project start and end (baseline/endline) (planned Q1, Apr - June 2022; and Q4, 2024, Jan – Mar 2024).

Expected to be implemented in the first quarter of 2024 according to the project design.

Activity 4.6. Sex-aggregated, social impact survey and against agreed safeguards, and regular FPIC voting on project milestones and PA expansion:

Continuing with the FPIC system setup from the first year, when implementing activities, the project always paid attention to ensure the participation of women, especially agriculture activities, meetings and consultations.

Activity 5.1. The community-based conservation teams are maintained and undertaking SMART patrols and daily gibbon monitoring (observations/data recording)

The project continued to maintain the community-based Cao vit gibbon conservation model (the so called Gibbon Conservation Team – GCT) built on over 15 years of experience from the previous Community Conservation Teams (CCT) and Cao Vit gibbon monitoring team (GMT). During these six months, with the efforts of 13 persons (3 rangers and 10 GCT members), the total man-days working in forest were 937 man-days, all members travelled the distance of 4,217 km in 2,445 hours. They detected 12 cases of human impacts and only 1 trapping case. This trap was confiscated and destroyed.

Activity 5.2 Consultation meetings ensure that at least 10% of the enterprise's revenue is agreed locally and legally to support community conservation (see 5.1)

The project has consulted with a lawyer about the procedure of establishing a social enterprise and intended to establish a social enterprise that will share at least 51% profits earned for social activities i.e. community livelihood support and conservation activities. The project will further consult with communities and relevant key stakeholders to finalize the plan, model, and implement it in the last six months of year 2 when the business is established and the company's operating regulations are legalised.

2. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

None

3. Have any of these issues been discussed with NIRAS and if so, have changes been made to the original agreement?

Discussed with NIRAS: No

Formal Change Request submitted: No

Received confirmation of change acceptance: No

Change request reference if known: No

4a. Please confirm your actual spend in this financial year to date (i.e. from 1 April 2023 – 30 September 2023)

Actual spend: £



4b. Do you currently expect to have any significant (e.g. more than £5,000) underspend in your budget for this financial year (ending 31 March 2024)?

Yes No Estimated underspend: £

4c. If yes, then you need to consider your project budget needs carefully. Please remember that any funds agreed for this financial year are only available to the project in this financial year.

5. Are there any other issues you wish to raise relating to the project or to BCF management, monitoring, or financial procedures?

Comments and queries for Project Leader

Comment: Please elaborate on the following statement 'the project is considering combining with a social enterprise in Hanoi to support the operation locally to establish cooperatives for production and business'.

Response: It was thinking that the social enterprise owned by local community representatives may face difficulties in its management and operation. Therefore, project proposed an option to combine with a social enterprise in Hanoi who has experience and capacity. However, this option was not approved by local authorities and communities. The option now is that Fauna & Flora has responsibility to hire experts from this social enterprise to provide technical support on the establishment and development of local social enterprise.