

July 2024

EUDR Preparedness Check for the Commercial Forestry Sector in Vietnam

Prepared by

European Forest Institute (EFI)
Mr. Peter Aldinger
Mrs. Nguyen Tuong Van
Mr. Pham Duc Thieng
Mr. Nguyen Trong Cuong



Do Liên Minh Châu Âu tài trợ



EUDR Preparedness Check for the Commercial Forestry Sector in Vietnam

July 2024

Prepared by

European Forest Institute (EFI)
Mr. Peter Aldinger
Mrs. Nguyen Tuong Van
Mr. Pham Duc Thieng
Mr. Nguyen Trong Cuong

This publication was prepared by the authors at the request of the United Nations Development Programme (UNDP) in Vietnam, as part of the “Integrated Sustainable Landscape Management through Deforestation-Free Jurisdiction Project in Lam Dong and Dak Nong, Vietnam” (iLandscape Project). The document was made possible with the support of the European Union (EU) through UNDP. The contents are the sole responsibility of the authors and do not necessarily reflect the views of EFI, UNDP, or the EU.

Table of Contents

List of Abbreviations.....	5
1. Introduction.....	7
2. Objective.....	7
3. Methodology.....	8
3.1. Desk review and summary framework.....	8
3.2. Key stakeholder interviews and draft priority areas.....	8
3.3. Evaluation of GOV action plans.....	8
3.1. Validation workshop.....	8
3.2. Finalization and submission of summary framework and priority areas.....	8
4. Approach and structure.....	9
5. Overview of the EUDR and implications for Vietnam’s commercial forestry sector.....	9
5.1. New requirements under the EUDR.....	9
<i>Box 1 – Summary of key articles in the EUDR.....</i>	<i>11</i>
<i>Box 2 – What do operators need to do?.....</i>	<i>13</i>
5.2. Implications for Vietnam’s commercial forestry sector.....	13
<i>Box 3 – A note on imports.....</i>	<i>15</i>
6. Availability of deforestation-free and legality information.....	16
6.1. Information requirements for deforestation-free and legal production.....	16
6.2. Requirements for geolocation and date of production.....	17
6.2.1. <i>Table of requirements for geolocation and date of production.....</i>	<i>17</i>
6.2.2. <i>Summary of requirements for geolocation and date of production.....</i>	<i>22</i>
6.3. Deforestation-free production.....	22
6.3.1. <i>Table of deforestation-free production.....</i>	<i>22</i>
6.3.2. <i>Summary of deforestation-free production.....</i>	<i>26</i>
6.4. Summary of legality.....	26
6.4.1. <i>Table of legality.....</i>	<i>26</i>
6.4.2. <i>Summary of legality.....</i>	<i>33</i>
7. Conveyance of necessary information along the supply chain.....	34
7.1. Traceability requirements for necessary information.....	34
7.1.1. <i>Table for traceability of necessary information.....</i>	<i>34</i>
7.1.2. <i>Summary of information conveyance.....</i>	<i>38</i>

8. Information for risk assessment	39
8.1. Requirements for risk assessment	39
8.1.1. <i>Table of information for risk assessment</i>	<i>39</i>
8.1.2. <i>Summary of information for risk assessment.....</i>	<i>48</i>
9. Conclusion	50
9.1. Priority areas that need to be addressed by the GOV	50
9.1.1. <i>Alignment of standards and data compatibility.....</i>	<i>50</i>
9.1.2. <i>Traceability and conveyance of information</i>	<i>50</i>
9.1.3. <i>Ensuring availability of information</i>	<i>50</i>
9.2. Recommendations for provincial Action Plans	51
Annex I – GOV sources of geoinformation available in Vietnam	52
Annex II – Other sources of geoinformation available in Vietnam.....	55

List of Abbreviations

CoC	Chain of Custody
DARD	Department of Agriculture and Rural Development
DOF	Department of Forestry
DONRE	Department of Natural Resources and Environment
ECS	Enterprise Classification System
EFI	European Forest Institute
EU	European Union
EUDR	European Union Deforestation Regulation
FPD	Forest Protection Department
FSC	Forest Stewardship Council
GOV	Government of Vietnam
GSO	General Statistics Office
HAWA DDS	Handicraft and Wood Industry Association Due Diligence System
iWood	iWood Traceability System for Timber Products
MARD	Ministry of Agriculture and Rural Development
MONRE	Ministry of Natural Resources and Environment
SME	Small- and Medium-sized Enterprise
PEFC	Programme for the Endorsement of Forest Certification
PPC	Provincial Peoples Committee
PUC	Product Unit Code
SFM	Sustainable Forest Management
SRD	Center for Sustainable Rural Development
TTP	Timber and Timber Products
USD	United States Dollars
VAFS	Viet Nam Academy of Forest Science
VFSO	Viet Nam Forest Certification Office
VFCS	Viet Nam Forest Certification Scheme

VFDS	Viet Nam Forest Development Strategy
VIFORA	Viet Nam Forest Owners' Association
VNFOREST	Viet Nam Administration of Forestry
VNTLAS	Viet Nam Timber Legality Assurance System

1. Introduction

The European Union's (EU) regulation requiring deforestation-free and legal production (EUDR) of cattle, cocoa, coffee, palm oil, rubber, soya, wood¹, and 'relevant products'² came into force on 29 June 2023. It requires operators to demonstrate that relevant commodities have been produced without causing deforestation and in accordance with the relevant legislation in the area of production – as it relates to the production of the commodity on a plot of land – before they can be placed on the EU market,³ demonstrated in a due diligence statement. Operators⁴ (i.e. larger companies) who import relevant commodities and products into the EU will be obliged to comply with the EUDR's requirements from 30 December 2024 onwards, while small- and medium-sized enterprises (SMEs) will be obliged to do so by 30 June 2025.

The purpose of the EUDR is to address the global problem of continuing deforestation and forest degradation. However, as the EU acknowledges, the EUDR's approach is not without risks and has the potential to adversely affect some of the more vulnerable stakeholders involved in the production of the relevant commodities and products, notably smallholders. These actors will need to respond quickly if they want to continue to sell relevant commodities and products to operators who import into the EU, given that such operators must be EUDR-compliant by the end of 2024.

The EUDR applies to operators who wish to place relevant commodities on the EU market, not to the Government of Vietnam (GOV). However, the GOV recognizes that it has a vested interest in ensuring that operators who import into the EU are able to purchase relevant commodities from Vietnamese producers, with full confidence that they have been produced without causing deforestation and in compliance with relevant legislation in the area of production. Practically, this means ensuring that all necessary information needed to verify deforestation-free production and conduct due diligence is available to operators.

2. Objective

The overall objective of the consultancy is to identify the main challenges in the commercial timber and timber products (TTP) sector – which for this assessment also covers rubberwood⁵ – in Vietnam, including administrative and technical gaps. In practical terms, this means assessing the extent to which information needed to establish deforestation-free production and to conduct due diligence is accessible to operators, and whether there are any significant information gaps that the GOV may need to address. This is because

¹ These are the seven 'relevant commodities' under Article 2(1) of the EUDR.

² These are "the products listed in Annex I that contain, have been fed with or have been made using relevant commodities" (Article 2(2), EUDR). For simplicity, the report will only refer to relevant commodities, even though the same requirements apply to relevant products.

³ The EUDR also applies to 'relevant commodities' produced within the EU market, which are exported. However, for the purpose of this assessment, only 'relevant commodities' that are being produced for import into the EU market will be considered.

⁴ An 'operator' is defined as "any natural or legal person who, in the course of a commercial activity, places relevant products on the market or exports them" (Article 2(15)). It should be noted that the requirements for operators also apply to 'traders', but for clarity the assessment will only refer to operators.

⁵ According to MARD's Decision No.2855/QĐ-BNN-KHCN (17 September 2008), rubber trees are considered to be multi-purpose trees that can be used for both agriculture and forestry purposes. Therefore, if rubber trees are harvested for timber, they must adhere to Circular 26/2022/TT-BNNPTNT on the management and tracing of forest products. For this report, rubberwood timber is assessed in the same way as timber from other species.

it is operators who have the legal obligation to conduct due diligence, which is verified by competent authorities within EU Member States – the GOV cannot independently certify deforestation-free or legal production, or establish risk ratings. This assessment can then be used by MARD, the Department of Forestry (DOF), and the provincial authorities of Lam Dong and Dak Nong to draft action plans to effectively respond to the EUDR.

3. Methodology

3.1. Desk review and summary framework

A desk review of existing laws, regulations, policies, and reports related to the wood products supply chain was conducted to identify information and data sources that operators will need to conduct due diligence, as per requirements under the EUDR. At the end of the review, a summary framework was produced, evaluating the extent to which the information and data sources needed to conduct due diligence are publicly accessible, or can be made available by the private sector, or whether the GOV needs to take further action.

3.2. Key stakeholder interviews and draft priority areas

Key stakeholders in the TTP supply chain were then interviewed, and their opinions and advice on the summary framework solicited. This provided an opportunity to collect important, technically relevant information from government officials and industry insiders about the TTP supply chain, the relationships between the various stakeholders, and the challenges the EUDR presents. Interviews were conducted in Hanoi and the provinces, which provided an opportunity to collect more specific data about the supply chains in Lam Dong and Dak Nong. The interviews focused on four main groups of stakeholders:

- a. Provincial and local authorities including, Departments of Agriculture and Rural Development (DARDs), Departments of Natural Resources & Environment (DONREs), District People's Committees (DPCs) and Commune People's Committees (CPCs) in Lam Dong and Dak Nong
- b. Private sector representatives from timber producing associations, such as Vietnam Forest Owner Association (VIFORA), as well as representatives from companies such as Di Linh Forestry Company.
- c. NGOs and research institutes, including the Centre for Sustainable Rural Development (SRD), and the Vietnam Academy of Forest Science (VAFS).

At the end of the key stakeholder interviews, the draft summary framework was updated, and a set of priority areas developed.

3.3. Evaluation of GOV action plans

The priority areas were then used to evaluate the DRAFT Action Plan developed by the DOF, and the action plans developed by the provincial authorities of Lam Dong and Dak Nong.

3.1. Validation workshop

The draft summary framework and priority areas were then presented at a final, combined national validation workshop.

3.2. Finalization and submission of summary framework and priority areas

Following the combined national validation workshop, the summary framework and priority areas were updated to incorporate feedback. These are presented in this final report, and include specific

recommendations, which DOF and the provincial authorities can use to inform their action plans – as well as the National Action Plan overseen by MARD – as well as appropriate tools and methodologies, to respond to the EUDR and support stakeholders in the TTP sector.

4. Approach and structure

The first substantive section (Section 5) provides an overview of the EUDR, the obligations it establishes, and the potential implications for the commercial forestry sector in Viet Nam. This includes the key requirements and what operators need to do for compliance.

The second substantive section (Section 6) evaluates the availability of relevant data and information under the framework governing the commercial forestry sector for purposes of demonstrating deforestation-free, legal production. This will allow the GOV to identify data and information gaps in Vietnam's governing framework, which may need to be addressed in an operational action plan.

The third substantive section (Section 7) evaluates the extent to which the framework governing the commercial forestry sector requires and/or facilitates the conveyance of information and data along the supply chain. This will allow the GOV to identify gaps in the production and management of supply chain information, which may need to be addressed in an operational action plan.

The fourth substantive section (Section 8) evaluates the extent to which the framework governing the commercial forestry sector is able to provide the necessary information to operators and traders to conduct a risk assessment, according to the risk criteria under Article 10 of the EUDR. This section also suggest how identified risks could be mitigated using existing systems. This will allow the GOV to identify information and data relating to risk analysis and risk mitigation, which may need to be addressed in an operational action plan.

The fifth and final substantive section (Section 9) will identify 'priority areas' where actions need to be taken, and the necessary end-state (i.e. the types of information or systems needed to ensure alignment with the EUDR). This will provide the GOV with a structured set of considerations, which it can use to develop an operational action plan through the appropriate internal administrative processes.

5. Overview of the EUDR and implications for Vietnam's commercial forestry sector

5.1. New requirements under the EUDR

Broadly, the purpose of the EUDR⁶ is to address deforestation and forest degradation by establishing a legal prohibition on the import of relevant commodities into the EU⁷, which have been produced on land cleared of forests from 31 December 2020 onwards. At the core of EUDR are two requirements: deforestation-free and legal production. These are established under Article 3, which states that relevant commodities and relevant products shall not be placed or made available on the market, unless (a) they are deforestation-free; (b) they have been produced in accordance with the relevant legislation of the country of production, as it relates to the legal status of the area of production; and (c) they are covered

⁶ For a full explanation of the background to the EUDR, please refer to the preamble of the regulation.

⁷ The EUDR also applies to relevant commodities produced within the EU market, but for the purposes of this assessment only imports into the EU are relevant.

by a due diligence statement. Operators wanting to place relevant commodities on the EU market must therefore demonstrate, with adequately conclusive and verifiable information, that these requirements have been met. This means that if all the necessary information to demonstrate deforestation-free and legal production cannot be provided, the relevant commodities cannot be imported into the EU.

Box 1 – Summary of key articles in the EUDR

Article 2 – Definitions

Article 2 contains the various definitions, which in many cases give meaning to the requirements described in the EUDR. The definitions are sometimes straightforward, such as ‘relevant commodities’ being defined as the seven commodities covered by the EUDR – cattle, cocoa, coffee, oil palm, rubber, soya, and wood. However, some of the definitions are more contentious and may conflict with legal categories and standards in other jurisdictions. It is therefore important for producing countries to review and consider EUDR definitions, especially ‘forest’, ‘deforestation’, ‘forest degradation’, ‘plantation forest’, ‘deforestation-free’, ‘plot of land’, ‘geolocation’, and ‘relevant legislation’ in the area of production.

Note on the definition of Forest

The definition of ‘forest’ (“land spanning more than 0,5 hectares with trees higher than 5 metres and a canopy cover of more than 10%, or trees able to reach those thresholds in situ, excluding land that is predominantly under agricultural or urban land use”) may be considered by some as setting too low a threshold for a forest, as some producer countries require at least 20-30% canopy cover before an area is categorized as ‘forest’. In other words, some producer countries would not consider the clearance of land with 10% canopy cover as deforestation. This has implications for compliance with the EUDR, given that deforestation-free production is required – i.e. no land conversion according to EUDR definitions – regardless of the legal category of forest in the country of production. If producer countries want to be able to provide data on forest coverage that can be used by operators, they will need to make sure that the data is aligned with the EUDR definitions, in the case of the forest means a land with 10% canopy cover, excluding ‘agricultural plantations’.

Article 3 – Prohibition

Article 3 establishes the core principles of the EUDR, which are that relevant commodities and relevant products shall not be placed or made available on the EU market or exported, unless they are (a) deforestation-free; (b) they have been produced in accordance with the relevant legislation of the country of production, as it relates to the legal status of the area of production; AND (c) they are covered by a due diligence statement.

Article 8 – Due diligence

Article 8 establishes that operators must exercise due diligence “with regard to all relevant products supplied by each particular supplier”; and requires that they provide all necessary information and documentation described in Article 9, and that they conduct a risk assessment (as per Article 10) and mitigate any risks (as per Article 11).

Article 9 – Information requirements

Article 9 describes the information that needs to be collected and passed along the supply chain to the operator, who will have to submit it in a due diligence statement to the Competent Authority of the EU Member State before import. This information includes a detailed description of the commodities; the quantity of the commodities; the country where the commodities were produced; the geolocation of all plots of land where the relevant commodities were produced, as well as the date or time range of production; the contact details of suppliers of the commodities; and “adequately conclusive and verifiable information” that the commodities are deforestation-free and that they have been produced in accordance with the “laws applicable in the country of production concerning the legal status of the area of production”.

Article 10 – Risk assessment

Article 10 requires that, using the information and documentation collected in accordance with Article 9, operators carry out an assessment to establish whether there is a risk that the relevant products intended to be

placed on the market or exported are non-compliant. Only when the risk assessment indicates “no or only negligible risk” that the relevant products are non-compliant, can the relevant products be imported. Specific risks that operators must consider include: the presence of forests and the prevalence of deforestation in the country of production; potential violations of indigenous peoples’ rights (linked to location and involvement in production); prevalence of corruption, human rights violations, and armed conflict; and the complexity of the supply chain and likelihood of mixing with non-compliant products.

Article 11 – Risk mitigation

Article 11 requires that any risks of non-compliance identified during the risk assessment (as per Article 10) are effectively mitigated so as to ensure “no or only negligible risk”. This should be achieved through the due diligence system established by the operator (as per Article 12).

Consequently, operators will need to make sure that all ‘upstream’ actors in the supply chain – producers, processors, traders, etc. – collect and transfer the information required under Article 9 of the EUDR. The implication for producers is potentially serious, because if they cannot generate the necessary information and ensure that it is ultimately conveyed to the operator, they will likely be excluded from the operator’s supply chain⁸. This is less of a concern for sophisticated, large-scale producers, who in many cases have the resources to generate and convey the necessary information. However, for smallholders and SMEs, the new information requirements may be difficult to meet without assistance.

Similarly, operators must be able to demonstrate to the CAs that they have exercised due diligence by conducting a risk assessment and, where necessary, mitigated identified risks. As made clear under Article 10 of the EUDR, this requires accessing information related to a variety of issues (see Box 1). If an operator cannot access the necessary information, they will not be able to effectively assess the risks of non-compliance and will be unable to determine if there are additional risks that need to be mitigated. In such cases, operators will not be able to substantively exercise due diligence and will need to source relevant commodities and products from elsewhere. It is therefore in the interests of producer country governments, and upstream actors in their jurisdictions, to make sure that all necessary information is collected and accessible.

⁸ It should be noted that some progressive operators may provide appropriate support to their suppliers to meet the new requirements under the EUDR; however, this will not be common.

Box 2 – What do operators need to do?

Practically, operators must do the following⁹:

- i. Collect the geolocation data (coordinates or polygons) for the plots of land used to produce the relevant commodities that are being placed on the EU market.
- ii. Collect information about the laws applicable in the country of production concerning the legal status of the area of production and ensure that the relevant commodities being placed on the EU market were produced in accordance with them.
- iii. Using the information collected under i. and ii., assess the risk that the relevant commodities were not produced in compliance with core EUDR requirements, as well as the additional risk criteria described in Article 10.
- iv. Mitigate any identified risks to a negligible level, explaining and documenting how risks were determined and effectively mitigated.
- v. Submit all of this information in a due diligence statement to the CA in the relevant EU Member State.

5.2. Implications for Vietnam's commercial forestry sector

Vietnam's TTP industry has experienced significant growth in recent years. This growth is evident in the increased imports and exports of TTP, the expansion of domestic timber cultivation and production, the rising number of timber processing and furniture manufacturing enterprises, and an increase in the sector's workforce. Directive No.13-CT/TW (issued on January 12, 2017) by the Party Central Committee Secretariat has resulted in a ban on logging in natural forests. Consequently, timber is primarily sourced from concentrated timber plantations, including those managed by smallholder producers and forestry production companies, as well as from scattered trees, home gardens, and rubber plantations.

The volume of timber harvested from concentrated plantations has increased from 20.5 million m³ in 2020 to 22.4 million m³ in 2023, thanks in part to the large diameter timber afforestation program (See Table 1). However, it is evident that current domestic production practices are unable to meet the industry's growing demand for legal and sustainably certified timber. To address this, the government is implementing a set of policies with the goal of producing 35 million m³ of timber by 2025, 50 million m³ by 2050, and ensuring that 100% of TTPs, whether for export or domestic sale, are made of legal timber or have been granted SFM certification by 2030.

Table 1: Annual domestic timber production in million cubic meters (m³) from 2016-2023¹⁰

Annual timber production	2016	2019	2020	2021	2022	2023
Timber harvested from concentrated plantations	17.3	19.5	20.5	21.5	21.5	22.4

⁹ A full list of the required information can be found in Article 9 of the EUDR.

¹⁰ Sources: VNFOREST annual reports 2016 to 2022 and DOF annual report 2023.

Timber harvested from scattered trees, home gardens, farm	4.0	5.5	5.0	6.0	7.0	6.5
From rubber trees	3.0	3.5	4.5	4.5	3.0	3.1
Total	24.3	28.5	30	32	31.5	32

TTPs are Vietnam's sixth most important export commodity and are shipped to approximately 160 countries and territories. The main export markets include the US, China, Japan, Korea, and the EU. In 2023, there was a significant decrease in the volume and turnover of TTP import and export activities after a decade of strong growth. The reduced consumption, especially in Vietnam's major markets such as the US and EU, has led to a decrease in demand for imported TTPs and the use of domestically produced timber.

Table 2: Vietnam's total export turnover of TTPs and export turnover to main markets from 2020-2023 (Million USD)¹¹

Main markets	2020	2021	2022	2023	Comparison 2023/2022 (+/-)
USA	6.98	8.4	8.49	7.11	-16.3%
Japan	1.27	1.39	1.89	1.66	-12.5%
China	1.21	1.49	2.17	1.73	-20.4%
EU 27	0.54	0.60	0.65	0.46	- 29.5%
Korea	0.82	0.87	1.01	0.80	-21.3%
Total export turnover	14.5	14,73	15.85	13.39	- 15.58%

Vietnam's exports of timber products to the EU in 2023 was, according to Eurostat figures, EUR 324,291,854, which is 33% less than for 2022. Most of this drop can be explained by the impact of inflation on European consumers, who, in response to higher food and energy prices, spent less on non-essential goods and services. However, it cannot be assumed that the reduction in inflation will lead to a corresponding increase in demand for Vietnamese TTPs, as operators are now focused on ensuring that

¹¹ Statistics of the General Department of Customs, compiled by Forest Trends research team.

products for the EU market are EUDR-compliant. Information from trade journals and market reports indicates that operators for all relevant commodities are scrutinizing their supply chains and removing actors and/or parts where the necessary information cannot be provided. This is concerning for the Vietnamese TTP industry, as it relies heavily on smallholder producers, who do not always have clear legal title over the plot of land on which they produce timber, or have the coordinates to establish geolocation; and on imported timber, which comes from a variety of sources, some of which are considered high-risk.

Due to the limited scope and resources available for this assessment it is not possible to determine which producers, specifically – domestic smallholders or foreign plantation owners – provide the raw materials to Vietnamese processors for the export of TTPs to the EU. It has therefore not been possible to accurately assess the extent to which the EUDR will impact their ability to supply operators who export to the EU, which depends upon them providing the necessary information. However, it is clear that without an effective response from the GOV and the TTPs industry, demand for Vietnamese TTPs – at least in the EU – will likely be suppressed. This is because if producers cannot provide the necessary information for operators to conduct due diligence, they will be excluded from operators' supply chains. Although the EUDR is currently the only instrument that imposes strict deforestation-free production requirements, other jurisdictions have indicated that they will adopt similar requirements in the not-too-distant future.

Box 3 – A note on imports

Vietnam imports significant volumes of TTPs, much of which is used to produce products for export. To facilitate trade with the EU the GOV may want to consider establishing a legal requirement for importers to provide information needed by operators to place the TTPs on the EU market – geolocation, legality information, and date of production. The existing Vietnamese traceability system for imported timber and timber products, established under Decree 102/2020, could then be updated to ensure that this same information is conveyed between actors in the supply chain, to the point where the TTPs are transferred to the operator.

The GOV would not ultimately have the authority to determine if the standards for legality in the country of production have been met, as this is something that must be done by the operator, verified by the Competent Authority of the relevant EU Member State. However, the GOV authorities could verify that information covering geolocation, legality, and date of production has accompanied the imported TTPs, and that this is transferred along the supply chain. Ultimately, operators would need to determine if the information is adequate to conduct due diligence before they agree to purchase TTPs for export to the EU.

6. Availability of deforestation-free and legality information

6.1. Information requirements for deforestation-free and legal production

Under Article 9(1) of the EUDR, “Operators shall collect information, documents and data which demonstrate that the relevant products comply with Article 3”, which requires that relevant commodities shall not be placed on the EU market unless they are (a) “deforestation-free”, and (b) “have been produced in accordance with the relevant legislation of the country of production concerning the legal status of the area of production”¹².

- “*Deforestation-free*” means that the relevant commodity has been produced without causing deforestation, which is defined in Article 2(3) of the EUDR as, “the conversion of forest to agricultural use, whether human-induced or not”. To demonstrate deforestation-free production, the operator must ultimately show where (geolocation) and when (date of production) the commodity was produced, and that the area of land used to produce the commodity was not deforested after 31 December 2020, using the FAO’s definition of ‘forest’ as the baseline¹³. For TTPs, operators must also show that no forest degradation occurred.
- “*Relevant legislation of the country of production*”, means the “laws applicable in the country of production concerning the legal status of the area of production” covering “land use rights”; “environmental protection”; “forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting”; “third parties’ rights”; “labour rights”; “human rights protected under international law”¹⁴; “the principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples”; and “tax, anti-corruption, trade and customs regulations”.

It is therefore essential that the necessary information to demonstrate deforestation-free and legal production is accessible to operators. Without this information there is no way for them to conduct due diligence, which will in turn mean that relevant commodities cannot be placed on the EU market. The following table evaluates the extent to which information needed to conduct due diligence is collected and available.

¹² Under Article 3, a due diligence statement is also required (Article 3(c)), but the requirements for this will be covered in the following section.

¹³ The definition of ‘forest’ under Article 2(4) is taken from FAO: “‘forest’ means land spanning more than 0,5 hectares with trees higher than 5 metres and a canopy cover of more than 10 %, or trees able to reach those thresholds in situ, excluding land that is predominantly under agricultural or urban land use”.

¹⁴ Human rights protected under international law and FPIC should only be considered to be part of the ‘relevant legislation’ if the country of production has formally integrated an instrument into its legal framework or has independently established such standards.

6.2. Requirements for geolocation and date of production

6.2.1. Table of requirements for geolocation and date of production

EUDR requirement	Available information under GOV framework for timber	Available information maintained by private sector or facilitated by private sector initiative	Considerations and possible action for GOV to ensure availability of information
“Geolocation of all plots of land where the relevant commodities that the relevant product contains, or has been made using, were produced...” (Art. 9.1(d))	The national forest inventory census was conducted in 2013-2016 as per the Decision No. 594/QĐ-TTg dated 15/4/2013 by the Prime Minister. At the end of this mission, the geolocation (polygon) of all forest plots (more than 7.1 million plots) in Vietnam was collected and entered into FRMS. Since then, forest developments have been updated by rangers annually in FRMS as per stipulated in the Decision No. 4539/QĐ-BNN-TCLN and the Circular 33/2018/TT-BNNPTNT (by 31 January at the district level, by 28 February at the province level, and by 31 March at the national level). Accordingly, geolocation on new forest plots is captured and recorded. In addition, forest inventory maps at provincial	The geolocation of all forest plots is available in FRMS (under VN2000 coordinate system). Forest owners who are organizations, forestry companies for instance, have technical staffs, so they can manage the forest state maps and know their geolocation information. Forest owners who are individuals or households have no idea of geolocation. Some forest owners will have Pink Books, which have geolocation data for the plot of land covered, but it is unclear how many. Pink books are relatively new, so it is likely that only a minority of forest owners would be covered. HAWA DDS (by HAWA), iWood (by VAFS) and Forestry 4.0 (an app for mobile phones by VNUF)	<u>Considerations</u> Geolocation information for plots of land is, in some cases, collected by the GOV and private sector. Where it is collected, private sector actors can make the information available. For the plots less than 4ha, it may be difficult for EU operators to manually verify that no deforestation took place – and that there was legal compliance – on the plots of land, as thousands of plots may need to be checked. <u>Possible Action</u> The simplest, long-term approach would be to ensure that all land users with a legitimate claim are issued a LURC, which contains the latitude and longitude of the plot of land.

	level are produced with the remote sensing method from high-resolution remote sensing images. Those maps can indicate forest land (3 types of forests) and agricultural land through colour indicators, and be accessible at the authorities' and FPD's offices. These maps should use the reference system VN2000 and a mapping scale of 1/10,000. There is no uniform requirement, or document, for the recording of geolocation (latitude and longitude) of the plot of land where timber is harvested. There is no requirement that geolocation be included in the packing list and timber dossier for origin of forest products, under Circular 26/2022/TT-BNNPTNT. As per Circular 33/2028/TT-BNNPTNT, the District FPD collaborates with forest owners, local authorities, and specialized forestry agencies to prepare forest management records/document for the forest owners- Group I (households and	collect latitude and longitude points, sufficient to identify geolocation of the plot of land on which timber is produced. All three get data from FRMS, which is being updated and does not indicate standards established under EUDR definitions). iTwood is under further development and will eventually include producer Production Unit Codes (PUC) for plantations (MARD made the Decision No 2260/QĐ-BNN-LN dated 9/7/2024 on issuing the temporary guide on granting and managing PUC for plantations to be piloted at 5 provinces namely Bac Giang, Lang Son, Phu Tho, Tuyen Quang and Yen Bai. . HAWA DDS, iTwood and Forestry 4.0 are not yet widely used. The Vietnam Forest Certification Scheme (VFCS) requires forest owners to develop a sustainable forest management plan, which includes a map with a polygon, as per Circulars 13 and 28.	Land users that have older land use right certificates, which do not contain geolocation information, need to have their certificates updated. This will be important for other commodity producers anyway. More immediately, and specific to timber, FPD could ensure enforcement of the inventory requirements, and furnish all forest owners with geolocation data, which they could share with buyers. Another option could be to integrate the HAWA DDS, iTwood, Forestry 4.0 or VFCS into the export supply chain for timber products that will go to Europe. However, this would require that FRMS be updated and upgraded, so that it can filter forest and other categories according to the standards, applied into the EUDR definitions Geolocation (coordinates or polygons) of all plots should be made available in a digital database. It should be stipulated in a legal document by MARD. The traceability and due
--	--	---	---

	individuals) are to be established according to Form No. 01 and Form No. 11 in Appendix III. This includes providing longitude, latitude, and boundaries, along with extracts from maps at the commune level showing the results of forest inventorying. . However, implementation is incomplete . Some information is not entered into the forest management documents of the Group I forest owners. Meanwhile, polygons of forest plots are entered into the forest management documents of the Group II forest owners. Only land use rights certificates (LURCs) in the new form (Pink Book) have geolocation information issued by district offices of natural resources and environment with advanced technology. Other land use rights documents do not have this information.		diligence statement should be linked to that digital database as well. This vision should be considered in the development of MARD's PUC. PUC information sharing systems must comply with the Decree No. 13/2023/ND-CP dated 17/4/2023 on personal data protection.
"...for plots of land of more than four hectares used for the production of the relevant commodities other than cattle, this shall be provided using	Forest owners are supposed to provide geolocation information to authorities for the purpose of conducting forest inventories. Forest owners are supposed to	The geolocation of all forest plots is available in FRMS (under VN2000 coordinate system). Forest owners who are organizations, forestry	<u>Considerations</u> For plots of land larger than 4ha, it is not generally possible to include polygons which have dozens or hundreds of

polygons with sufficient latitude and longitude points to describe the perimeter of each plot of land” (Art. 2(28))	complete Form 01 of Circular 33/2018, which indicates longitude, latitude, and boundaries. Some households may have a Pink Book with geolocation, sufficient to generate a polygon (latitude and longitude).	companies for instance, have technical staffs, so they can manage the forest state maps and know their geolocation information. Forest owners who are individuals or households have no idea of geolocation. Some forest owners may also have Pink Books with geolocation data (polygon) for the plot of land covered, but it is unclear how many. Pink books are relatively new, so it is likely that only a minority of forest owners would be covered. HAWA DDS, iTwood and Forestry 4.0 collect latitude and longitude points, sufficient to describe the perimeter of the plot of land on which timber is produced, but they use FRMS, which is being updated and does not indicate standards established under EUDR definitions. HAWA DDS, iTwood and Forestry 4.0 are not yet widely used. The VFCS requires forest owners to develop a sustainable forest management plan, which includes a map with a polygon, as per Circulars 33 and 28.	coordinates in their LURCs or other hard-copy documents. <u>Possible Action</u> Geolocation (coordinates or polygons) of all plots of land could be made available through a digital database, as long as all privacy concerns are addressed. Evidence of legal compliance with relevant requirements, such as the right to use the land, could also be linked to plot of land in the digital database.
--	---	---	---

“...the date or time range of production” of the commodities (Art. 9.1(d)) According to the EUDR FAQ’s (22 December 2023): “For commodities other than cattle, the date of production refers to the date of harvesting of the commodities, and the time range of production refers to the period/duration of the production process (for instance, in the case of timber, “time range of production” would refer to the duration of the relevant harvesting operations).”	According to Circular 26/2022/TT-BNNPTNT, the packing list (Form No. 01 and 02) for logs, sawn timber, and timber products does not include information about the time of timber harvesting. However, the Timber Harvesting Information Sheet (Form No. 13) prepared by the forest owner contains this information. This information is in the dossier for harvesting from planted production forests that are self-invested) by organizations, individuals, household (Article 12, Circular26). However, the information is not later transferred in the supply chain with the packing list.	Although the official forms completed by actors in the supply chain do not contain information about date or time range of production, it could easily be provided by the producer to the buyer. HAWA DDS, iTwood and VFCS also all capture the harvesting date.	<u>Considerations</u> Although there is no requirement that this information be provided, it can be deduced from existing documentation. Also, existing private sector schemes capture information about the date of harvest. <u>Possible Action</u> To ensure that clear and accurate information is available, the GOV could require that the date or time range of production be included in the forms submitted when requesting approval for harvesting plans or, better yet, in the timber packing lists and timber origin dossiers.
Availability of last supplier information “...the name, postal address and email address of any business or person from whom they have been supplied with the relevant products” (Art. 9.1(e))	Under Circular 26/2022, packing lists need to be completed as part of the timber dossier, for each timber batch at all stages of the supply chain (after import or harvesting, purchase, sale, transportation, processing, storage, and export). Timber owners must declare the following information: name; ID number; Enterprise	All actors in the supply chain should collect, maintain, and issue the necessary documentation, to ensure full traceability.	<u>Considerations</u> The law requires that this information be provided. <u>Possible Action</u> As long as upstream actors in the supply chain comply with existing legal requirements, this information will be available to operators.

	code/Business registration/Enterprise certificate; address; phone number; and email address.		
--	--	--	--

6.2.2. Summary of requirements for geolocation and date of production

There is not yet a standardized requirement or single document, which must be issued to / or presented by all timber producers, containing the geolocation information of the plot of land on which TTPs are produced. However, the government appears to have the capacity to collect and collate this information – for example through forest inventory requirements and the generation of high-resolution maps – and to issue LURCs with coordinates indicating geolocation. To better support producers the GOV should ensure that existing systems are systematically applied, and that producers who were issued LURCs before they included coordinates for geolocation are able to have their LURCs updated. Such initiatives will take time to fully implement, and it will not be possible to complete them before the EUDR is enforced, but efforts should be made towards this. In the meantime, the GOV should – where possible – make geolocation information available to producers so they can share it with buyers and ultimately make it available to operators.

Regarding date of production, official documents, such as timber dossiers and packing lists, do not require that the producer indicate the date or time range of production. However, this information could easily be captured and included, with only small changes being made to the existing forms and documentation that need to be completed.

6.3. Deforestation-free production

6.3.1. Table of deforestation-free production

EUDR requirement	Available information under GOV framework for timber	Available information maintained by private sector or facilitated by private sector initiative	Considerations and possible action for GOV to ensure availability of information
“‘Forest’ means land spanning more than 0,5 hectares with trees higher than 5 metres and a	Under Article 2 of the Forestry Law, ‘forest’ is defined as: “an ecosystem including forest flora	VFCS uses the definition of forest in the Forestry Law.	<u>Considerations</u>

canopy cover of more than 10 %, or trees able to reach those thresholds in situ, excluding land that is predominantly under agricultural or urban land use” (Art. 2(4))	and fauna, fungi, microorganisms, forestland and other environmental factors in which the main component is one or some species of trees, bamboo or areca tree whose height is determined according to the flora of the soil or rocky mountain, submerged land, sandy land or other typical flora; with inter-regional area of at least 0.3 ha; canopy of at least 0.1”. This differs from the definition in the EUDR. The key differences are in the minimum area (0.3 ha in the Vietnamese definition vs. 0.5 ha in the EUDR definition) and the tree height criterion (not mentioned in Vietnamese definition, but must have trees 5 metres or higher in the EUDR definition). Additionally, forests in Vietnam are indicated in the land-use plan, which categorizes forest land for administrative purposes. This kind of administrative categorization is not relevant to the EUDR. The implication of the differences in the definitions is that there might be areas where Vietnam considers	HAWA DDS, iTwood and Forestry 4.0 do not explicitly reference a definition of forest, but would use the official Vietnamese definition because they get the data from FRMS. IDH have developed forest boundary maps for 31 December 2020 and December 2023 in 4 pilot districts (Di Linh, Cu M’gar, Ea H’leo, Krông Nang). The maps were developed using the FPD database, so use the Vietnamese definition of forest.	Vietnam’s definition of forest partially aligns with the definition of forest in the EUDR. However, the GOV does not necessarily need to change the legal definition of ‘forest’ in the Forest Law. Possible Action To ensure that maps maintained by the Vietnamese authorities can be used by operators to verify deforestation-free production, the national authority in charge of the maps can provide a forest mask (or a methodology to use filters and layers to extract the forest mask) aligned with the forest definition specified in the EUDR and Vietnam’s land-use plan, ensuring that operators use standard data. Otherwise, operators will have to use maps from other providers. The national authority could also build a platform to share the forest areas and forestry land areas and make them accessible to operators. Relatedly, this would allow for monitoring of high-risk areas
--	---	--	---

	as forest land while the EU does not (e.g. for the area from 0.3 to 0.5 ha). And vice versa (e.g. plots with all the criteria mentioned by EUDR's forest definition is within agricultural land). Definition of “forest land” The Law on Forestry 2017 classifies 03 types of forest: • Protection forest • Special-use forest • Production forest The Land Law 2024 defines “types of land” “according to use purposes” with only 03 groups of land: Agricultural land, Non-agricultural land, and Un-used land. Accordingly, “forestry land”, including all types of forests, is sub-type within the overarching “agricultural land”.		(commodity growing areas intercropped in forests) for the commodities included in the EUDR, especially coffee, timber and rubber.
“‘Deforestation’ means the conversion of forest to agricultural use, whether human-induced or not” (Art. 2(3))	There is no definition of ‘deforestation’ in Vietnamese law. Nonetheless, the implication of Vietnam’s concerns about deforestation can be inferred from its regulations on monitoring forest status and transitions. Circular 33/2018/TT-BNNPTNT and its amendments in Circular	HAWA DDS, iTwood, Forestry 4.0 and VFCS do not explicitly reference a definition of deforestation. Deforestation is prohibited under VFCS.	<u>Considerations</u> As explained above, the national authority in charge of the maps can provide a forest mask (or a methodology to use filters and layers to extract the forest mask) aligned with the forest definition specified in the EUDR and Vietnam’s land-use plan. This

	16/2023/TT-BNNPTNT provide guidance on prescribing forest survey, inventory and forest transition monitoring. Overall, the monitoring focuses on changes in forest area and forest quality. Specifically, Article 32(1) lists out the aspects when monitoring changes in forest area: • By condition • By owner • By forest use purpose • By cause		map can show areas of loss of biomass. <u>Possible Action</u> To identify areas of deforestation, the GOV can provide the land use changes maps, identifying areas of loss of biomass. This information is already available under the REDD+ programme.
“‘Forest degradation’ means structural changes to forest cover, taking the form of the conversion of: (a) primary forests or naturally regenerating forests into plantation forests or into other wooded land; or (b) primary forests into planted forests;” (Art. 2(7))	‘Degradation’ is defined in Article 2 of the Forestry Law as “a decline in the forest ecosystems resulting in reduction in the function of the forest”. This is different from how degradation is defined in the EUDR. Article 20 of Decree 35/2019 prohibits ‘forest destruction’, which is described as “for cutting, burning or destroying forest trees; digging, excavating or blasting; damming or preventing water flows; discharging toxic chemicals or other acts causing damage to the forest for any purposes (except the violations specified in Article	HAWA DDS, iWood, Forestry 4.0 and VFCS do not explicitly reference a definition of degradation. Degradation is prohibited under VFCS.	<u>Considerations</u> As explained above, the national authority in charge of the maps can provide a forest mask (or a methodology to use filters and layers to extract the forest mask) aligned with the forest definition specified in the EUDR. This map can show areas of loss of biomass. <u>Possible Action</u> To identify areas of deforestation, the GOV can provide the land use changes maps, identifying areas of loss of biomass. In the case of the degradation, it can be the change

	13 hereof) without permission from competent authorities". This is also different from how degradation is defined in the EUDR.		from natural forest to planted forest. This information is already available under the REDD+ programme.
--	--	--	---

6.3.2. Summary of deforestation-free production

Vietnam's definition of forest is close to that in the EUDR; however, the differences mean that Vietnamese maps cannot be directly used by operators to check whether deforestation occurred on a plot of land – appropriate forest masks will need to be made available to operators. Moreover, the forest cover maps maintained by the national authorities only consider 'forest' that falls within administrative boundaries zoned as forest. Areas of 'forest' – as defined in the EUDR – which fall within other administratively boundaries, such as those zoned for agriculture, would not be considered forest in Vietnam. To ensure that the forest maps, especially the forest map for 31 December 2020, can be used by operators to verify deforestation-free production, the Vietnamese authorities could provide a forest mask (or a methodology to use filters and layers to extract the forest mask) aligned with the forest definition specified in the EUDR. Likewise, for forest monitoring purposes, authorities can share maps of land use changes presenting the loss of forest biomass due to agricultural use. For degradation, additional filters / layers would need to be made available, which could identify primary forest, plantations, planted forests, and other wooded land.

6.4. Summary of legality

6.4.1. Table of legality

EUDR requirement	Available information under GOV framework for timber	Available information maintained by private sector or facilitated by private sector initiative	Considerations and possible action for GOV to ensure availability of information
"Land-use rights" (Art. 2(40)(a))	LURCs were first introduced under the Land Law of 1993. Since then, the issuance of land use rights certificates has been	Producers, both large-scale and smallholders, should be able to secure some kind of documentation evincing a land	Considerations Although LURCs should be available for many land users, it

	progressively extended to all land users and all categories of land throughout the country. That process is still underway and there are some circumstances in which legal forest land users have not yet been granted LURCs. In this situation, a number of alternative verifiers may apply and can be used to demonstrate land and forest use rights. Such alternative verifiers include: decisions on land allocation; decisions on forest allocation; decisions on forest land allocation; decisions on forest allocation combined with land allocation; decisions on land leasing; decisions on contracting forest land; forest registration books; and written confirmation from the Commune People's Committee. According to the Land Law of 2013 in cases where Households do not have land use rights certificates, or any other documentary evidence of land use rights, certification by the Commune People's Committee that the land is currently used	use right over the plot of land on which timber is produced. Also, under sustainable forest management schemes, such as FSC, and VFCS/PEFC, smallholders may be supported to get LURCs or equivalent papers (if not available yet). They are also supported to generate polygons for each plantation (i.e. for each plot of land).	is understood that a significant number of smallholders still do not have such documentation. <u>Possible Action</u> In principle, the best approach would be for the GOV to ensure that all land users who have a legitimate claim are issued a LURC or some other kind of document that demonstrates legal title. Ideally, this would be a national, standardised system. There are obviously difficulties with this, therefore the GOV will need to focus on those land users who have a legitimate claim but who do not yet have a formal land use right. To assist operators, the GOV could make clear which documents represent a recognised land use right (e.g. Red Book, Pink Book, decisions, etc.).
--	--	--	--

	and is not subject to any dispute can be used as a verifier of legal land use. The Land Law 2024 has expanded the regulations regarding land without documents before July 1, 2014. Households and individuals using land from October 15, 1993, to July 1, 2014 without documents on land use rights will be issued a Red Book if they meet the following conditions: (i)- Do not violate land laws; (ii) Not in the case of land being allocated without proper authority; (iii) Confirmed by the People's Committee of the commune where the land is located that there is no dispute. This means that from 2025, land without use documents before July 1, 2014 increases the chance of being granted a Red Book.		
“Environmental protection” (Art. 2(40)(b))	Environmental Impact Assessments (EIAs) have to be conducted for projects which clearcut concentrated harvesting areas of 50ha or more.	Regarding EIAs for clearcutting, only large plantation owning enterprises would be subject to such requirements, and they should have little difficulty securing the necessary documentation from the authorities.	<u>Considerations</u> Large plantation owning enterprises should be able to provide the necessary documentation and/or point to their ECS classification, which indicates compliance.

		Smallholders will not be subject to this requirement, as their landholdings are always below the 50ha threshold.	<u>Possible Action</u> No further action needed by GOV.
“Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting” (Art. 2(40)(c))	Forest owners are required to develop a Timber Harvesting Plan, which explains forest protection measures, forest fire prevention, and solutions to restore forests after logging, in six cases. These are listed under Article 6 of Circular 26/2018, and focus on harvesting in natural forests, state-owned planted forests, and planted protection forests managed by organizations, individuals, household businesses, and residential communities. The Timber Harvesting Plan has to be approved by the competent authority (MARD, PPC, DARD). Compliance with relevant forest-related rules for harvesting is verified by FPD for the purpose of classifying enterprises for the ECS. Enterprises are classified as Category I (compliant) and listed as such on the ECS website maintained by FPD. If non-compliant, the enterprise is not	In most cases where a Timber Harvesting Plan is required, the harvester will be an enterprise and will likely have their plan approved and be able to produce a copy of the approved plan. Such enterprises should be able to point to their Category I classification on the ECS website, since their plan would have to be verified by MARD, PPC, or DARD. Smallholders will not be subject to Timber Harvesting Plan requirements because they produce timber on planted production forests. They can, however, request that the local FPD certify their packing lists.	<u>Considerations</u> Enterprises involved in harvesting should be able to provide the necessary documentation and/or point to their ECS classification. Smallholders would most probably not be subject to any requirements. <u>Possible Action</u> No further action needed by GOV.

	listed on the ECS website. This information is publicly accessible. For timber harvested from planted production forests (i.e. plantations), timber whose name is the same as that of timber trees from natural forests, scattered trees, garden, the dossier includes, an original packing list made by the forest product owner or an original packing list certified by local FPD, in case the forest product owner requests certification.		
“Third parties’ rights” (Art. 2(40)(d))	Vietnam does not regulate the rights of third parties in the forestry sector. Therefore, operators are not required to demonstrate compliance with third parties’ rights. For procedural rights linked to public participation, the only relevant process might be community involvement in an EIA, but this is covered under ‘environmental protection’ (above).	NOT APPLICABLE	NOT APPLICABLE
“Labour rights” (Art. 2(40)(e))	Vietnam’s Labor Code of 2019 establishes labour standards; rights, obligations and	Enterprises should be able to provide evidence of compliance with requirements for labour	<u>Considerations</u> Enterprises who own large plantations and/or conduct

	responsibilities of employees, employers, internal representative organizations of employees, representative organizations of employers in labour relations and other labour relations; and state management of labour. It also contains provisions on the maximum working hours, overtime work, paid leave for pregnant and nursing mothers, and safety at work. Compliance with relevant labour requirements is verified by FPD for the purpose of classifying enterprises for the ECS. Enterprises are classified as Category I (compliant) and listed as such on the ECS website maintained by FPD. If non-compliant, the enterprise is not listed on the ECS website. This information is publicly accessible.	contracts, trade union membership, health and safety, and social, health and unemployment insurance. Such enterprises should also be able to point to their Category I classification on the ECS website, since their labour practices would be verified by FPD. Smallholders are not usually considered to be enterprises, so are not subject to the same requirements. Smallholders would not usually need to provide evidence of compliance with labour laws, as they do most of the work themselves, except for harvesting.	harvesting activities should be able to provide the necessary documentation and/or point to their ECS classification. Smallholders would most probably not be subject to any requirements. <u>Possible Action</u> No further action needed by GOV.
“Human rights protected under international law” (Art. 2(40)(f))`	The Law on International Treaties of 2016 establishes that all international agreements Vietnam has ratified must be "internalized", i.e. incorporated into Vietnamese law.		<u>Considerations</u> No additional relevant requirements – beyond those identified in the other categories of relevant legislation – could be identified in the national legal framework.

	As the EU has made clear, only those requirements that are legally effective at the national level are applicable. No additional relevant requirements – beyond those identified in the other categories of relevant legislation – could be identified in the national legal framework.		Possible Action It may be useful for the GOV to publish the list of all international human rights agreements it has ratified, and explain how the various requirements have been incorporated into Vietnamese law so that operators can be confident they are complying with the EUDR when sourcing timber products from Vietnam. However, this is not strictly necessary.
“The principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples” (Art. 2(40)(g))	FPIC is not formally enshrined in Vietnamese law. Therefore, operators are not required to demonstrate compliance with FPIC. Moreover, most producers of commercial timber are smallholders who have some form of legal land use right.	NOT APPLICABLE	NOT APPLICABLE
“Tax, anti-corruption, trade and customs regulations” (Art. 2(40)(f))	Vietnam has laws requiring payment of taxes and duties, import and export procedures, and anti-corruption. The GOV maintains databases on taxation at the provincial level (not	Enterprises should be able to provide evidence of compliance with requirements for taxation and customs, in the rare case that harvested timber is immediately exported. Such enterprises should also be able	Considerations Enterprises and smallholders should be able to provide the necessary documentation and, in the case of enterprises, point to their ECS classification.

	publicly accessible) and customs records (not publicly access). Enterprises' compliance with relevant taxation and customs requirements is verified by FPD for the purpose of ECS classification. Enterprises are classified as Category I (compliant) and listed as such on the ECS website maintained by FPD. If non-compliant, the enterprise is not listed on the ECS website. This information is publicly accessible.	to point to their Category I classification on the ECS website, since their trade and customs practices would be verified by FPD. Smallholders are not usually considered to be enterprises, so are not subject to the same requirements. Smallholders would not usually need to provide evidence of compliance with customs laws, as they do not usually import or export. Smallholders should be able to provide evidence of tax payments.	Possible Action No further action needed by GOV.
--	---	--	---

6.4.2. Summary of legality

Regarding legality, probably the most important category of relevant legislation is land use rights. The system of land tenure in Vietnam is complex, with various means through which producers – especially smallholders – can secure a legal right to use the land. This is reflected in the various instruments that can be used to demonstrate legality, though the clearest and safest seems to be through a LURC. To support producers to demonstrate legality, the best approach would be for the GOV to ensure that all land users who have a legitimate claim are issued a LURC or some other kind of document that demonstrates legal title. Ideally, this would be a national, standardised system. Vietnam is moving towards this, but it will obviously take time and will not be completed before the EUDR is enforced. In the meantime, it would probably be useful if the GOV provided clear and authoritative guidance on what constitutes a legitimate land use right, so that operators can verify that producers hold one of the instruments included.

For environmental, forest-related rules, and labour and tax/import/export requirements, in most cases only large producers will need to demonstrate compliance and secure documentation, such as EIAs and approval for Timber Harvesting Plans. Enterprises involved in the timber supply chain must register under the Enterprise Classification System (ECS) and are publicly classified by FPD according to their compliance record, which should help operators to conduct due diligence. Smallholders, on the other hand, are rarely subject to rules under these categories, as long as they grow planted production forests and members of the household conduct the work, which is the usual practice.

The categories of third parties' rights, human rights treaties, and FPIC are not relevant in the context of Vietnam. The law does not govern third parties' rights and FPIC is not formally enshrined, while relevant protections under ratified human rights treaties have effectively been incorporated into the Vietnamese legal framework, for example in the labour law and the criminal code.

7. Conveyance of necessary information along the supply chain

7.1. Traceability requirements for necessary information

As made clear under Article 3, relevant commodities shall not be placed or made available on the market unless they are deforestation-free and have been produced in accordance with the relevant legislation of the country of production. Evidence demonstrating deforestation-free and legal production for each relevant commodity contained in a batch of products being placed on the EU market, must be included in the due diligence statement that is ultimately submitted to a Competent Authority. This applies regardless of the number of sources of relevant commodities contained in a batch of products, the length and complexity of the supply chain, or the final state of the products in the batch, i.e. whether they are composite products, such as furniture, plywood, or bulk shipments of wood chips¹⁵. It will therefore be essential for the country of production to ensure that the necessary evidence to demonstrate deforestation-free and legal production is conveyed along the supply chain, from the product source (i.e. plot of land on which the relevant commodity was produced) all the way to the operator.

7.1.1. Table for traceability of necessary information

Information	Import	Harvest	Transport	Processing	Export
-------------	--------	---------	-----------	------------	--------

¹⁵ According to point 3 in the *FAQ – EU deforestation Regulation* published by the European Commission, “For products traded in bulk, such as soy or palm oil, this means that the operator (or traders that are not SMEs) needs to ensure that all plots of land involved in a shipment are identified and that the commodities are not mixed at any step of the process with commodities of unknown origin or from areas deforested or degraded after the cut-off date of 31 December 2020. For relevant composite products, such as e.g. wooden furniture with different wood components, the operator needs to geolocate all the plots of land where relevant commodities (TTPs for example) used for the manufacturing process has been produced. The relevant commodities' components may be neither of unknown origin nor from areas deforested or degraded after the cut-off date”.

Information that is COLLECTED	<i>Legal requirements under: Article 16, Circular 26/2022 and Article 7, Decree 102/2020.</i> 1. Customs dossier. 2. Original copy of the packing list for imported timber. 3. One of the following documents: a) CITES permit; b) FLEGT license; c) Declaration of imported timber origin demonstrating due diligence.	<i>Legal requirements under: Article 15, Circular 26/2022.</i> 1. For timber harvested from natural forests, an original packing list certified by local FPD. 2. For timber harvested from planted forests whose ownership is represented by the State; planted protection forests whose investment is stimulated by organizations, individuals, household businesses, residential community, the dossier includes, an original packing list made by the forest product owner, AND a copy of the timber harvesting plan approved by a	<i>Legal requirements under: Article 18, Circular 26/2022.</i> 1. For forest products that must be specified in the packing list as prescribed at Points a, b, c and d Clause 3 Article 5 of Circular 26, the dossier includes: a) An original packing list certified by local FPD; b) A copy of the previous dossier on trading and transfer of forest products or a QR code linked to the required dossier prescribed in this Point written in the packing list. 2. For timber products that are not finished timber products and are not mentioned	<i>Legal requirements under: Article 20, Circular 26/2022.</i> - An original dossier on origins of forest products after being harvested, imported, raised or confiscated in case the facility owner directly harvests, imports or purchases such forest products after being confiscated. - An original packing list and a copy of the dossier on transfer of forest products from the previous owner. - A copy of the dossier on sale or transfer of forest products to a new owner. - An entry and exit forest product book for a business operator using	<i>Legal requirements under: Article 19, Circular 26/2022.</i> - For logs, sawn timber and timber products, a dossier includes: a) An original packing list or an original packing list certified by a local FPD for forest products prescribed at Point dd Clause 3 Article 5, Circular 26/2022; b) An original CITES permit, a copy of the CITES permit or electronic CITES permit for export of timber and timber products specified in the list of endangered/rare forest plants and animals; the list of endangered wild plants and animals in the CITES Appendices.
-------------------------------	--	--	--	---	---

		competent authority. 3. For timber harvested from planted production forests, timber whose name is the same as that of timber trees from natural forests, scattered trees, garden, the dossier includes, an original packing list made by the forest product owner or an original packing list certified by local FPD in case the forest product owner requests certification.	above, the dossier includes: An original packing list made by the forest product owner who sells or transfers the forest products or an original packing list certified by local FPD for forest products prescribed at Point dd Clause 3 Article 5, Circular 26/2022; A copy of the previous dossier on trading and transfer of forest products or a QR code linked to the required dossier prescribed in this Point written in the packing list. 3. For forest products after being harvested transported to warehouses in the same time and on the same vehicle by	Form No. 07. The forest product owner shall be responsible for updating information on the entry and exit of forest products on the forest product entry and exit book. - Regarding species specified in the list of endangered/rare forest plants and animals and CITES Appendices: types of books in accordance with regulations of the Government on management of endangered/rare forest plants and animals and implementation of CITES.	
--	--	--	--	--	--

			the forest product owner, the regulations in Article 15, Circular 26/2022 shall be applied (see previous column on harvest). 4. Regarding imported forest products transported from border checkpoints to warehouses of importers, the regulations in Article 16 hereof shall be applied (see previous column on import).		
Information that is TRANSFERRED	1. An original dossier on origins of forest products after being imported 2. An original packing list and a copy of the dossier on transfer of forest products from the previous owner.	1. An original dossier on origins of forest products after being harvested 2. An original packing list and a copy of the dossier on transfer of forest products from the previous owner.	1. An original dossier on origins of forest products after being harvested or imported 2. An original packing list and a copy of the dossier on transfer of forest	1. An original dossier on origins of forest products after being harvested or imported. 2. An original packing list and a copy of the dossier on transfer of forest	1. An original packing list or an original packing list certified by a local forest protection authority for forest products prescribed at Point dd Clause 3 Article 5, Circular 26/2022;

	3. A copy of the dossier on sale or transfer of forest products to a new owner.	3. A copy of the dossier on sale or transfer of forest products to a new owner.	products from the previous owner. 3. A copy of the dossier on sale or transfer of forest products to a new owner.	products from the previous owner. 3. A copy of the dossier on sale or transfer of forest products to a new owner.	2. An original CITES permit, a copy of the CITES permit or electronic CITES permit for export of timber and timber products specified in the list of endangered/rare forest plants and animals; the list of endangered wild plants and animals in the CITES Appendices 3. An original packing list and a copy of the dossier on transfer of forest products from the previous owner.
Information that is MISSING	Geolocation data Date of production Evidence of legality	Geolocation data Date of production Evidence of legality	Geolocation data Date of production Evidence of legality	Geolocation data Date of production Evidence of legality	Geolocation data Date of production Evidence of legality

7.1.2. Summary of information conveyance

Vietnam's timber supply chain is underpinned by a strong system for traceability, as established by Decree 102/2020 and Circular 26/2022. At the point of export, an exporter must present a dossier containing a copy of the original packing list made by the producer. This means that information

about the origin of the timber travels along the supply chain, regardless of the number of points or actors. The problem, in the context of the EUDR, is that most of the necessary information is not transferred. Operators will need to submit a due diligence statement which demonstrates that all producers from which TTPs were purchased complied with the relevant legal requirements, and which indicates the date of production for the commodity and the geolocation of the plot of land – either coordinates or polygons. The traceability system in Vietnam would therefore need to be updated to respond to these requirements, possibly through a GOV-managed digital database, which acts as a repository for the information and links geolocation with legal compliance – at least land use rights – and date of production. However, as a first step the requirements for the existing system will need to be amended, and pilot projects will likely need to be conducted using a paper-based system. This will be a significant undertaking, but Vietnam already has a strong framework which those in the supply chain understand.

8. Information for risk assessment

8.1. Requirements for risk assessment

In addition to demonstrating deforestation-free production and compliance with the relevant legislation, operators must also conduct a risk assessment as part of the due diligence process¹⁶. Only if the operator determines that there is “no or only a negligible risk that the relevant products are non-compliant” (Article 10(1)), can the relevant commodities be placed on the EU market. If risks are identified, the operator must explain how they were mitigated so as to reduce the risk factor to a ‘non-negligible’ level and provide supporting documentation. It will therefore be important for the country of production to make the information needed to conduct a risk assessment available to operators. This is because if operators cannot access and evaluate the necessary information, they cannot credibly conclude that there is “no or only a negligible risk” that the relevant commodities or products being placed on the EU market are non-compliant. The following table evaluates the extent to which information needed to conduct due diligence is accessible.

8.1.1. Table of information for risk assessment

EUDR requirement	Available information under GOV framework for timber	Available information maintained by private sector or facilitated by private sector initiative	Considerations and possible action for GOV to ensure availability of information

¹⁶ Beyond the requirement to submit a statement, operators are required to establish and keep up to date a framework of procedures and measures – a due diligence system – which needs to be updated annually to ensure that the relevant products they place on the market comply with Article 3. Operators who have a fixed set of producers will find it easier to conduct due diligence, as they will only have to verify deforestation-free production and legal rights to land use – the most burdensome EUDR requirements – once. Fixed arrangements are also more likely to lead to operators providing EUDR compliance support to producers, as they have a direct interest in the outcome.

“the presence of forests in the country of production or parts thereof” (Art. 10(2)(b))	Information about forest cover and change are updated by forest rangers annually in FRMS, as stipulated in Decision No. 4539/QĐ-BNN-TCLN and Circular 33/2018/TT-BNNPTNT (by 31 January at the district level, by 28 February at the province level, and by 31 March at the national level). Accordingly, forest inventory maps at provincial level are produced with the remote sensing method from high-resolution remote sensing images. Those maps can indicate forest land (3 types of forests) and agricultural land and be accessible at the authorities' and FPD's offices. The forest status maps and the forest plan maps (3 types of forest) have been integrated into the plan database of provinces for the period 2021-2030 and approved by GOV. Land-use status maps and land-use planning maps are integrated in the database of the socio-economic development plan for the period 2021-2030, vision 2050 approved by GOV.	Within Vietnam, this information is managed by GOV. Some private initiatives include: JAXA has developed a land use land cover map of Vietnam for the year 2020. The map integrates forest covers, classifying the forest into Evergreen, Deciduous, Mangrove and plantation forest. Terra-i is a tool (map) to manage specific crops and detect land-cover changes in near real-time in different countries. In Vietnam, Terra-i has also been developed by CIAT to detect forest loss in Lam Dong (Lac Duong and Di Linh) and Dak Nong (Dak Glong and Dak Rlap). However, its efficiency and accuracy are not very high. Rangers find it difficult to run the system on their computers, and several of the forest-loss points alerted are not correct. For a list of geoinformation sources available through non-governmental sources, see Annex II.	<u>Considerations</u> Vietnam's definition of forest partially aligns with the definition of forest in the EUDR. However, the GOV does not necessarily need to change the legal definition of 'forest' in the Forest Law. <u>Possible Action</u> To ensure that maps maintained by the Vietnamese authorities can be used by operators to verify deforestation-free production, the national authority in charge of the maps can provide a forest mask (or a methodology to use filters and layers to extract the forest mask) aligned with the forest definition specified in the EUDR, ensuring that operators use standard data. Otherwise, operators will have to use maps from other providers. The national authority could also build a platform to share the forest areas and forestry land areas and make them accessible to operators.
--	--	---	---

	Data on the state of the forest in 2020 was publicized at the decision 1558 /QĐ-BNN-TCLN and available in FRMS. However, the national forest cover map for 31 December 2020, as required by EUDR, has not been made available yet. That map can be produced with the current technology and database. Also, Forest Change Detection software is being piloted by FPD and made publicly accessible. This tool provides geospatial information on forest changes and is continuously updated at national, provincial and district levels. The tool allows vector data about areas with forest changes to be downloaded. However, there is no assessment of the accuracy of the results for areas with forest cover change. National forest cover maps classify “forest” according to prescribed forest type codes and stipulate different display colours for each different forest type (on printed maps). For digital maps, to identify forests, specialized		Relatedly, this would allow for monitoring of high-risk areas (commodity growing areas intercropped in forests) for the commodities included in the EUDR, especially coffee, timber and rubber.
--	---	--	--

	tools are needed for map analysis (such as Mapinfor, Qgis). For a list of GOV geoinformation sources, see Annex I.		
“the presence of indigenous peoples in the country of production or parts thereof” (Art. 10(2)(c))	GOV publishes a list of Vietnamese ethnic groups and places of residence online (https://chinhphu.vn/dan-toc), but only at the province level. The GOV reports on ethnic issues, compiled for the Committee for Ethnic Minorities. Vietnam’s General Statistics Office (GSO) publishes the results of the census of Ethnic Minorities. In 2019, this included 53 groups and includes socio-economic statistics of those ethnicities by 6 economic regions (report only available in Vietnamese). (https://www.gso.gov.vn/wp-content/uploads/2020/07/01-Bao-cau-53-dan-toc-thieu-so-2019_ban-in.pdf) The Viet Nam 2019 Population and Housing Census has statistics of ethnic minorities by province and disaggregated in urban and rural areas (report available in English and Vietnamese)		<u>Considerations</u> The information provided by the GOV seems to be sufficient, though operators may want to see more specific information regarding where indigenous peoples are vis-à-vis the plots of land where production takes place. <u>Possible Action</u> The GOV may want to consider providing information about where Ethnic Minorities are located in relation to timber production areas, though this may raise privacy or other security concerns for Ethnic Minority groups. The GOV may also want to consider publishing relevant reports it compiles on Ethnic Minorities.

	(https://www.gso.gov.vn/wp-content/uploads/2019/12/Ket-qua-toan-bo-Tong-dieu-tra-dan-so-va-nha-o-2019.pdf) The GOV reports on ethnic issues, compiled for the Committee for Ethnic Minorities. The GOV also reports on the implementation of the National Target Program for socio-economic development in ethnic minority and mountainous areas in the period 2021 - 2030 according to Decision No. 1719/QD-TTg dated October 14, 2021, of the Prime Minister.		
“the consultation and cooperation in good faith with indigenous peoples in the country of production or parts thereof” (Art. 10(2)(d))	The Law on Environmental Protection (2020) (Article 33) and Decree 08/2022/ND-CP (Article 26) requires consultations during Environmental Impact Assessments, including with local communities, and individuals directly affected by investment projects. Details consultations would be available in final EIA reports. Also, the sustainable forest management scheme under Circular 28/2018/TT-BNNPTNT, establishes that forest owners	If a forest owner has to conduct an EIA, they will have to consult with Ethnic Minorities and report on this. They could make this information available to operators. Forest owners under the Vietnamese SFM scheme governed by Circular 28/2018/TT-BNNPTNT would also be able to demonstrate that they have complied with requirements to consult with Ethnic Minorities.	<u>Considerations</u> In some cases, large forest owners may also be able to provide an EIA report indicating that consultations with Ethnic Minorities took place. Large forest owners of planted production forests that are SFM certified should also be able to provide evidence that they have consulted with Ethnic Minorities. However, most planted production forests are owned by smallholders, which include

	must respect the rights of communities and local people regarding land use rights, and in resolving disputes over land use rights with local communities and people. Additionally, Ethnic Minorities often join teams to support forest protection in many villages next to the natural forest. They receive allowance from the payments for forest environmental services (PFES) fund or the provincial budget. Those teams assign their members to patrol forest daily. In case they discover any violation practices, they will inform the local authorities and rangers immediately. If any households violate the regulations (cut forest trees for instance), the allowance will not be paid to the whole team and those households will not receive other social welfare by the local authorities.		Ethnic Minorities. This means that in the majority of cases, information about consultations with Ethnic Minorities will not be required. <u>Possible Action</u> Although forest owners (enterprises) should be able to provide the necessary documentation, the GOV could include public participation requirements in the ECS when revising Circular 21/2021. That way operators could see whether the authorities have verified compliance, indicated by the enterprise's classification under the ECS.
“the existence of duly reasoned claims by indigenous peoples based on objective and verifiable information regarding the use or	This information is not made available by the GOV.	This information is not made available by the private sector.	<u>Considerations</u> This information is not currently available in Vietnam.

ownership of the area used for the purpose of producing the relevant commodity” (Art. 10(2)(e))			Possible Action The GOV could make accessible to the public claims and/or cases that have been ruled on by administrative authorities or the judiciary. These would arguably be ‘duly reasoned’, as they would have been subject to review, and a determination would have been made.
“prevalence of deforestation or forest degradation in the country of production or parts thereof” (Art. 10(2)(f))	Deforestation is not defined in Vietnamese law. However, some relevant information may be accessible. According to Circular 33/2018, MARD (for the central level) and DARD (for the provincial level) shall announce the area of deforestation from non-human causes, such as forest fires, pests, droughts, floods; and from human causes, such as illegal encroachment of forests, conversion of forests to other purposes, and illegal logging. Since 2016, annual data and maps on the current status of forest resources are maintained by MARD and provincial authorities (Provincial People's Committees). There are also	Within Vietnam, this information is managed by GOV. Some international cooperation agencies and UN agencies like CIAT, JICA and FAO have helped the GOV to develop some maps indicating land use change, but they are not fully accessible by private sector. For a list of geoinformation sources available through non-governmental sources, see Annex II.	Considerations As explained above, the national authority in charge of the maps can provide a forest mask (or a methodology to use filters and layers to extract the forest mask) aligned with the forest definition specified in the EUDR. This map can show areas of loss of biomass. Possible Action To identify areas of deforestation, the GOV can provide the land use changes maps, identifying areas of loss of biomass. This information is already available under the REDD+ programme.

	national forest status maps (for 3 types of forests); the forest resource monitoring system (FRMS 4.0), which is being updated; and Forest Change Detection software is being piloted by FPD. These maps are only accessible by the authorities. For a list of GOV geoinformation sources, see Annex I.		
“concerns in relation to the country of production and origin or parts thereof, such as level of corruption, prevalence of document and data falsification, lack of law enforcement, violations of international human rights, armed conflict or presence of sanctions imposed by the UN Security Council or the Council of the European Union” (Art. 10(2)(h))	This information is not made available by the GOV.	This information is not made available by the private sector.	<u>Considerations</u> This information is not made publicly available within Vietnam. It will be for operators to look at external reports from international organizations, CSO reports, etc., to assess this risk. <u>Possible Action</u> The GOV could publish information about the cases of corruption it has addressed, to show that it is addressing this issue. This could be done by locality, such as province and district.
“the complexity of the relevant supply chain and the stage of processing of the relevant	The GOV has established requirements for traceability under Circular 26/2022 and	Private sector actors should be able to provide operators with information about the amount of	<u>Considerations</u> The government has established a strong framework which allows

products, in particular difficulties in connecting relevant products to the plot of land where the relevant commodities were produced” (Art. 10(2)(i))	Decree 102/2020. These allow for the TTP supply chain to be tracked back to the source within Vietnam. This will be useful for risk mitigation, as operators should be able to identify the legal source.	processing that has taken place, their own suppliers, and the source of the timber. The type of product being imported into the EU will also indicate the amount of processing it has been subject to, which operators can use to assess risk.	for operators to identify complex timber products and – if complied with – trace the timber product back to the source. <u>Possible Action</u> No further action needed by GOV.
“the risk of circumvention of this Regulation or of mixing with relevant products of unknown origin or produced in areas where deforestation or forest degradation has occurred or is occurring” (Art. 10(2)(j))	The Vietnamese system has as its foundation a requirement for the identification of the legal timber source. This requires that appropriate documentation indicating legality is produced. Timber products should also be traced along the supply chain, as they are processed. Compliance with relevant forest-related rules for harvesting and traceability are verified by FPD for the purpose of classifying enterprises for the ECS. Enterprises are classified as Category I (compliant) and listed as such on the ECS website maintained by FPD. If non-compliant, the enterprise is not listed on the ECS website. This	Enterprises should be able to provide operators with evidence of legal compliance with traceability requirements, and be able to point to their classification as Category I under the ECS. Households, on the other hand, are not required to register under the ECS. In theory, the risk that they could mix outside sources of timber with what they produce may be higher, however the type of timber they produce is largely low-risk – the species is usually acacia, rubber, or eucalyptus, and very little clearance of forest for smallholder plantations has taken place since 31 Dec 2020. Still, to demonstrate compliance, households can request that	<u>Considerations</u> Vietnam’s system, once fully implemented, will identify the source of TTPs and ensure that they are traced along the supply chain. Compliance with requirements will be verified by FPD and indicated on through ECS classification, which is available to check online. Actors within the supply chain should also be able to provide the necessary documentation, indicating who they sold to or bought from. In summary, the system has been designed to prevent the introduction or mixing of products of unknown origin. The main concern would be that the

	information is publicly accessible. If need be, the GOV could make available reports covering enforcement of the system, to demonstrate that it is functioning effectively.	their packing lists are certified by FPD, which would confirm that only timber produced on the plot of land was harvested and sold.	requirements are not effectively enforced. <u>Possible Action</u> Other than the need for continued enforcement, no further action needed by GOV.
“complementary information on compliance with this Regulation, which may include information supplied by certification or other third-party verified schemes, including voluntary schemes recognised by the Commission under Article 30(5) of Directive (EU) 2018/2001 of the European Parliament and of the Council (21), provided that the information meets the requirements set out in Article 9 of this Regulation” (Art. 10(2)(n))	Under the Vietnam Academy of Forest Science (VAFS), the Vietnam Forest Certification Office (VFCO) oversees the VFSC, which has been recognized by the Programme for the Endorsement of Forest Certification (PEFC).	In addition to VFCS, the Forest Stewardship Council (FSC) is also active in Vietnam. Up to 30 July 2024, 527,250 ha of forest have been certified by SFM schemes, of which 355,360 ha by FSC¹⁷ and 171,890 ha by VFCS¹⁸.	<u>Considerations</u> There are at least two credible certification schemes currently operating in Vietnam in the TTP sector, which operators could use to support risk assessment and mitigation during the conduct of due diligence. <u>Possible Action</u> No further action needed by GOV.

8.1.2. Summary of information for risk assessment

For risks associated with the prevalence of forest, deforestation and degradation, the GOV appears to already have significant and accurate geospatial data that it could use to produce relevant maps. However, issues remain regarding the production of maps for the necessary years and how often they are updated; whether the maps can be aligned to the forest definition of the EUDR (or maps produced); and whether this

¹⁷ <https://connect.fsc.org/impact/facts-figures>

¹⁸ <https://vfcs.org.vn/du-lieu-chung-nhan/>

information (databases, layers and methodology) can be made publicly available. Overall, it should not take much for the GOV to update the existing system to support access to the necessary information needed by operators.

Regarding risks to Ethnic Minorities (i.e. indigenous peoples), the GOV broadly indicates where communities are located, which could be used as a starting point for assessing risk in this area. Detailed information about Ethnic Minorities' locations is not available, though this is not surprising or unreasonable, as publishing this information may pose risks to such communities. Where consultation with Ethnic Minorities is required, enterprises should be able to provide the necessary evidence to demonstrate community participation and approval, if given. However, it is likely difficult for operators to determine if and where Ethnic Minorities have challenged a particular enterprise development.

On the topic of corruption and fraudulent documentation, it is likely that operators will have to look to specialized sources outside of Vietnam, which focus on such issues. However, for enforcement and records of violations, operators could look to available government reports and records, though these will be somewhat general in character and may be difficult factor into a risk assessment with rigour – they would however provide a sense of the GOV's activities and commitment.

Finally, for assessing risk related to supply chain integrity and product mixing, operators should be able to rely on the GOV's system for traceability, once it is fully operational. This is because it is designed to ensure the legal origin of all timber, which provides for traceability to source. For enterprises, the system is more secure, as the GOV verifies compliance, and their performance is published online. However, smallholder producers (i.e. households in Vietnam) are low-risk sources of timber, who have the option of requesting FPD certification of packing lists, indicating the timber harvested on the plot of land. As long as there is enforcement, the risk of mixing with relevant products of unknown origin should remain relatively small, especially for domestically produced timber.

9. Conclusion

Based upon the preceding assessment, three priority areas have been identified, which the GOV needs to focus on. Using these priority areas, the DRAFT Action Plan developed by the DOF, and the provincial action plans developed by the authorities in Lam Dong and Dak Nong, can now be evaluated. The results of the evaluation will provide the GOV and provincial authorities with a structured set of considerations, which they can use to finalize their action plans.

9.1. Priority areas that need to be addressed by the GOV

The EUDR makes clear that it is the responsibility of operators to conduct due diligence to ensure that the products placed on the European market have not been produced in a way that has caused deforestation or forest degradation, and in compliance with the relevant legislation in the country of production, in the area of production. The GOV is not under any obligation to alter its legal framework or system of governance and cannot establish a system or scheme that certifies compliance with the EUDR, as the responsibility for conducting due diligence always remains with the operator. However, the GOV can support operators by ensuring that the necessary information and data is produced, accessible, and compatible with the standards in the EUDR. Based upon the assessment conducted in the previous sections, there are three priority areas that the GOV should focus on.

9.1.1. *Alignment of standards and data compatibility*

As indicated above, Competent Authorities of EU Member States will only be able to accept data if they conform to the standards established in the EUDR. Operators that use data from national forest status maps and national land use status maps, must ensure that they meet the technical standards established in the EUDR – most notably the definition of ‘forest’, as well as ‘deforestation’ and ‘degradation’. If the GOV wants to ensure that national data and databases are used by operators, it will need to make available up to date geospatial information that applies the same definitions of the EUDR, or develop methodologies for the operators to use the information correctly.

9.1.2. *Traceability and conveyance of information*

Operators must be able to provide the geolocation for the plot of land on which the TTPs were produced together with information demonstrating legal compliance with the relevant legislation in the country of production, in the area of production. This means that if an operator does source the TTPs directly from a producer, geolocation and information on legality will need to be transferred along the supply chain. The GOV is currently in the process of implementing its timber legality assurance system, which ensures traceability to source. However, the system does not require that the information needed to comply with the EUDR – geolocation, date of production, and legality information – is conveyed between actors in the supply chain. If the GOV would like to ensure that the system facilitates trade to the greatest extent possible, it should consider establishing traceability standards which ensure that operators have access to all requisite information for EUDR compliance.

9.1.3. *Ensuring availability of information*

Directly linked to the above points, the GOV will need to ensure that information needed by operators to demonstrate compliance with the EUDR is made available. This is obviously important for geospatial

information, such as forest lands, but also for information relating to verification of legal compliance by the authorities and information needed by operators to assess risks according to the defined categories in the EUDR. Regarding the risk assessment, it will be important for the GOV to provide the raw data and description of systems that track and compile information on the number and whereabouts of violations, deforestation, and degradation, as well as information relating to Ethnic Minorities.

9.2. Recommendations for provincial Action Plans

In addition to the possible actions and priority areas abovementioned, Lam Dong PPC and Dak Nong PPC may consider the following activities to update their Action Plan:

- Coordinate the involvement by DARD (for general activities, DONRE (for land use plan and land use map), DOIT (for import-export and information sharing scheme)
- Establish private-public taskforce at district level comprehensively implement activities (the private-public taskforce was established at province level, but related stakeholders at district level have not received synchronized information yet)
- Review and remove stable agricultural cultivation areas before 31 Dec 2020 out of forestry land planning (Lam Dong PPC already have the Document No 8535/2022 to do so from 2019 backwards)
- Classify areas with risks of deforestation caused by agricultural activities, then allocate resources for patrol, protect, and handle violations for each risk level
- Develop PUC for a large area with a representative in low-risk localities

Annex I – GOV sources of geoinformation available in Vietnam

Database and maps	Time	Level (country/province)	Approving unit	Management unit	Publishing	Accessibility	Note
Forest inventory map (2013-2016)	2013-2016	Nationwide/region/Province/district	Ministry of Agriculture and Rural Development/ Provincial People's Committee/ District People's Committee	Forest Protection Department, Department of Agriculture and Rural Development/ Forest Protection Department, Kiem Lam District	The province publishes data and maps at the provincial level	Agencies, people, and businesses have access to reporting data and paper maps	Tables describing forest boundary lines and tables of characteristic points on forest boundary lines are certified by forest owners (organizations and individuals), so information about forest boundaries is also considered official. declare to relevant parties
Forest Status Map (FRMS)	Annual (after 2016)	Province and district	People's Committee, Provincial Department of Agriculture/District People's Committee, District Department of Agriculture	Department of Agriculture and Rural Development, Forest Protection Department, Kiem Lam District	The Ministry of Agriculture publishes data on forest status nationwide/ The province announces data on current	Agencies, people, and businesses have access to data through the decision to announce the annual forest status	Follow Circular 33/2018 of the Ministry of Agriculture and Rural Development

					status at the provincial level		
Map of planning development with 3 types of forests	Review according to the program or upon request	Province	GOV	GOV, Provincial People's Committee	Integrated in the Socio-Economic Development Plan for the period 2021-2030, vision 2050 of the locality	Published on local websites	
Map of current land use status	Every 5 years	Country/region/Province/district/commune	Department of Natural Resources and Environment is responsible (Provincial People's Committee announces SL)	Department of Natural Resources and Environment/Division of Natural Resources and Environment	Saved at state land management agencies	Access at the commune-level People's Committee or state land management agency	

Cadastral maps	According to purpose, project program, according to request	Commune level only	Department of Natural Resources and Environment Approved	Department of Natural Resources and Environment, Division of Natural Resources and Environment, Commune People's Committee (regular management, serving commune land management activities)	the maps are not public	Public border confirmation forms let people know about their land plot and adjacent plots	
----------------	---	--------------------	--	---	-------------------------	---	--

Annex II – Other sources of geoinformation available in Vietnam

Dataset	Provider	Resolution (m)	Variable	Period	Aligned with FAO definition of forest
Land cover map of Vietnam	JAXA	10	Land Cover	2020	Needs adjustments
CIAT Map of Central Highlands	CIAT	20	Land Cover	2022	Needs adjustments
EU Forest Observatory Global Forest cover 2020	JRC	10	Forest area	2020	Yes**
Forest/Non-forest	JAXA	25	Forest area	2017–2020	Yes**
Tropical Moist Forest	JRC	30 (available at 10 m for year 2022)	Forest area	1990–2022	Yes**
Tree Canopy Cover	GLAD/Hansen	30	Percentage of tree cover	2000–2022	Needs adjustments
Tree Canopy Height			Tree height	2020	Needs adjustments
Tropical Tree Cover	WRI	10	Percentage of tree cover	2020	Needs adjustments
World Cover	ESA-JRC	10	Land Cover	2020–2021	No
Global Land Cover	Copernicus	100	Land Cover	2015–2019	No
RADD	Wageningen University	10	Deforestation alert	Alerts every 14 days	No

GLAD	GLAD/Hansen	30	Deforestation alert	Alerts every 14 days	No
------	-------------	----	---------------------	----------------------	----

** Aligned with the FAO biophysical criteria to define forests, with limitation on the representation of specific land uses (i.e. agricultural plantations)