



**PSFM**  
**Promotion of sustainable management of production forests**  
**by forest companies in Vietnam**

c/o Forest Science Centre of North of Central Vietnam (FSNC)  
273 Le Duan Street, Dong Ha City, Quang Tri Province, VIETNAM

TEL: +84 2333 511 559, MAIL: mail@psfm.vn, INTERNET: www.psfm.vn

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**TERMS OF REFERENCE (TOR)**  
for  
**National Expert for Reorganization of SFCs**

<b>Name of Expert:</b>		
<b>Job Title:</b>	National Expert for Reorganization of SFCs	
<b>Project/Program:</b>	PROMOTION OF SUSTAINABLE MANAGEMENT OF PRODUCTION FORESTS OF FOREST COMPANIES IN VIETNAM	
<b>Duty Station:</b>	<i>Truong Son, Dong Ha</i>	
<b>Expected Start Date of Assignment:</b>	<b>Begin:</b>	<b>Duration:</b> National expert: 20 days
<b>Report to:</b>	<b>Name:</b> Reinhold Glauner	<b>Title:</b> International Team Leader
<b>Assigned direct counterparts</b>	<b>FSNC</b>	<b>Truong Son</b>
<b>Selected future trainer(s) to participate</b>		

**Background:**

To promote sustainable management (SFM) of production forest by state forest companies (SFC) in Vietnam corresponding to the forest development strategy from 2006 to 2020, MARD, through Decision No.: 129/QĐ-BNN-HTQT of 11<sup>th</sup> February, 2017, approved the Investment Plan for the project „Promotion of Sustainable Forest Products Management for Forest Companies in Vietnam“, co-funded by the German Bundesministerium für Ernährung und Landwirtschaft (BMEL).

The overall project objective is to promote sustainable management of production forest of the forest companies in Vietnam in line with the forest development strategy from 2006 to 2020. The specific objectives of the project are:

- (i) to promote of sustainable management of production forests in one model of state forest companies, which has been already endorsed by a sustainable forest management certification system according to international standards;
- (ii) to set-up a competence and training centre for sustainable forest management and certification; and



- (iii) to extent capacity to other (state) forest companies and organization in the whole country, through providing training courses on sustainable forest management and certification.

The main project outputs are:

- (i) The position of TS-SFC representing a certified model FMU (forest management unit) is further improved and stabilized;
- (ii) The competence centre at the Forest Science Centre for Northern Central Vietnam (FSNC) for sustainable forest management and certification is operational and contributes to capacity development in forestry.
- (iii) Experiences from SFM and certification are disseminated/upscaled to other state forest companies.

In the Decision No.: 129 /QĐ-BNN-HTQT the MARD decided that the Ministry of Agriculture and Rural Development (MARD) shall be project executing agency (PEA), The Vietnam Academy of Forest Science (VAFS) will be project owner (PO). The Forest Science Centre for North-Central Vietnam (FSNC) under VAFS and the Forest Industry One Member Limited Long Dai Holding (LDH) in Quang Binh, in particular Truong Son State Forest Company (TS-SFC) will be the project implementation agencies (PIA). The project duration is three years (from 2017 – 2019). From the German side, the project shall be supported by the consortium of Deutsche Forstservice (DFS) and Hessen Forst (HF), who act as implementing consultant (IC).

At the moment TS-SFC employs a considerable number of staff for a quite low timber production of ca. 5,500 cbm/yr from an area of approx. 32,000 ha. Thus, it is evident that SFM, in particular economic sustainability, is questionable under the current setup. Moreover, TS-SFC is currently exposed to a logging ban, whist duration is estimated to last for at least five years.

Despite the fact that salaries of unskilled labour are still low, it is likely that increased training and staff skills, leads to higher salaries. Thus, such staff is extremely interested to be employed by the private sector, who will absorb the "better" workers at no costs. Although this can be considered to be a positive effect, as skills are disseminated, the SFC however, would not be able to move forward because replacement staff must be newly trained. In addition, the logging ban does not allow TS-SFC to harvest valuable timber resources. This will anyhow lead to difficulties for the SFC to maintain their organizational structure under the current employment situation. The planned consultancy shall elaborate organizational proposals in order to support the model SFC. Truong Son has to implementing the recommended steps to be fully in line with the requirements of sustainable forest management in the future and enable it to become a model company.

This consultancy is implemented as a joint-mission of an international and a national consultant. The TOR are identical for both.

### **Mission Objectives:**

Objectives of the mission is to propose the reorganizational measures required for a SFC to become a model company using Truong Son SFC as example.

### **Tasks of Expert:**

The national expert shall be working closely with the international expert. Both experts shall put up a plan indicating the share of labour at the beginning of their assignment. The national consultant shall assist the international consultant in implementing the following:



- (1) Assist the management of TS-SFC to explore the legal regulations for restructuring of SFCs in Vietnam;
- (2) Assist the management of TS-SFC to analyse the efficiency of the current organizational structure including staffing of the enterprise based on their approved forest management and business plans and business strategy;
- (3) Develop template for profit contributions of each forest product (timber: natural and planted species, NTFP, other possible income) at the various management levels to allow for transparency in distribution of profit and losses / income and costs;
- (4) Develop proposal for institutional and organizational transformation concept to improve the management in organisational and financial aspects of TS-SFC towards a successful model company;

**Expected Outputs:**

- (1) Jointly prepared Concept for reorganization of the TS-SFC towards a successful model enterprise (around 40 pages) in VN and EN;
- (2) Jointly prepared Mission report (around 10 pages) in VN and EN.

**Qualification Experience Requirements:**

- (1) University Degree or higher in forestry/economics;
- (2) Qualification and experiences in reorganization for forest companies (samples need to be provided);
- (3) Minimum of 2 years of relevant professional experiences in the field of reorganization for state forest companies. A significant part of experiences should have been gained in international development projects and consulting of institutions of the public sector;
- (4) Willing to work in a team;
- (5) Ability to work independently;
- (6) Fluency in speaking and writing English (National and International) and Vietnamese (National).