



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

c/o Forest Science Centre of North of Central Vietnam (FSNC)  
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**TERMS OF REFERENCE (TOR)**  
for  
**National Expert for Business Planning (BP)**

<b>Name of Expert:</b>	National:	
<b>Job Title:</b>	National Expert for Business Planning for SFEs (Forest Economist)	
<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 SFE Truong Son 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 Nord-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 present TS-SFC has already available a forest management plan (FMP), which was revised in 2016 (update considering logging ban necessary). This plan serves as basis for forest management implementation and the annual FSC audits. However, due to the current logging moratorium, the plan is partly obsolete. To date, there is a knowledge gap on business performance by SFCs with and w/o timber harvesting and with and w/o forest certification. The aim of this consultancy is to contribute to narrow this gap to develop a business strategy and plan for a SFC managing mainly natural forests.

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 assist in the development of a best practice business plan for the TS-SFC (evtl. in close cooperation with the FCPF-REDD+ project). The business plan shall consider the following:

- SFC is FSC (Forest Stewardship Council) certified;
- Two approaches shall be modelled, i.e.
  - SFC cannot harvest natural timber and relies solely on forest production from planted forests and harvesting of non-timber forest products (NTFP);
  - SFE is implementing all activities as outlined in the FMP according to Best-Management-Practises (BMP).

### **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) Work closely with the FCPF<sup>1</sup> project to further develop/update the method for drafting business plans for SFEs;
- (2) In cooperation with FCPF, appraise the current business plan of TS-SFC on stringency and business concept and update it to the current forest management situation (EN-version available);
- (3) In cooperation with the assigned counterpart(s), collection of additional data for the planning process, based on the updated planning concept;
- (4) In cooperation with the assigned counterpart(s), collection and documentation, as far as possible, of all cost-related activities per cubic meter, hectare, meter/kilometre or similar dimensions (cost-units);
- (5) Draw up a business plan based on the updated Forest Management Plan (FMP) of TS-SFC;
- (6) Propose / update concept for development of best practice business plans for SFCs;
- (7) Assist TS-SFC to develop the business concept and plan;
- (8) Outline the training of trainers' concept for business planning for SFCs;
- (9) Develop a training material (VN).

**Expected Outputs:**

- (1) A jointly-prepared best practice and bankable business plan for TS-SFC has been developed (around 50 pages without annexes);

**Proposed table of content (minimum\*):**

- a. Executive Summary
  - b. Business Description and Vision
  - c. Definition of the Market
  - d. Description of the Products and Services
  - e. Organization and Management
  - f. Marketing and Sales Strategy
  - g. Financial Management
  - h. Conclusion
- (2) A jointly prepared training manual for business planning of SFCs (first draft);
  - (3) A jointly prepared Mission report (max. 10 pages).

**Qualification Experience Requirements:**

- (1) Having official University Degree or higher in forestry, economics, natural resource economics, or similar;
- (2) Proven experiences in business plan development for forest companies/enterprises (candidate has to submit at least one example of her/his work);

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<sup>1</sup> If FCPF approach / method is feasible and compatible



- (3) Proven experiences in teaching for forest training centres/forest schools is an advantage<sup>2</sup>;
- (4) Minimum of 2 years of relevant professional experiences in the field of business planning for forest companies/enterprises. A significant part of experiences should have been gained in international development projects and consulting of institutions of the public sector;
- (5) Willing to work in a team;
- (6) Able to work independently;
- (7) Fluently in speaking and writing in English (International/National) and Vietnamese (National). Particularly the Vietnamese report shall be assessed by the Project Owner if it meets publication standards.

**\* Maximum variant:**

Title Page

Plan Summary

Table of Contents

Challenges

Business Description

Business Accomplishments

Marketing Plan

Sales Revenue Forecast

Profit and Loss Forecast

Capital Spending Plan

Cash Flow Forecast

Future Trends

Markets

Risks Facing Your Business

Competitors

Personnel Plan

- Business Personality
- Staffing Schedule
- Job Descriptions

Specific Business Goals

Background (Companies' strong and weak points, general and specific skills the business needs)

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<sup>2</sup> *The selected expert should combine this assignment with another similar assignment to assist the preparation of business plan for the period until 2019 for the competence centre for training on sustainable forest management and forest certification.*