PARTNERSHIP MODEL OF HOUSEHOLDS BY GROUP OF FSC CERTIFICATION: CASE STUDIES IN QUANG TRI

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Summary

The partnership model of household’s plantation forests has FSC certification in Quang Tri province is a popular case in terms of scaling up larger plantation forests by integrating individual small-holder forest areas with the smallest area of 0.7 ha, those are having a desire to improve efficiency, stable market access of forest plantation wood. The research results indicated that the model creates higher economic efficiency than non-certified forest plantation. Households willing to participate will be provided with technical and credit supports, to produce plantation timber to meet all requirements for integration into the global timber value chain. However, this model will be unsustainable when households must pay for the direct purchase of forest certification services, especially in the context of the widening gap between the price of certified timber and the none - forest certification is narrowing. The results of financial analysis according to scale of forest plantation of partnership model with the direct costs of forest certification services by household group indicated that the FSC certification costs allocate to each hectare of plantation forest in rotation of 10 years was significantly decreased from 4 million VND to 0.74 million VND/ha/cycle corresponding to plantation area increased from 316 ha to 1,722 ha. The cost is only 0.42 million VND/ha/rotation, when the forest certification area is 3,000 ha. In order to ensure benefits to households in tree planting, market access, maintaining and expanding the export market of Vietnam’s planted forest woods, the scale appropriate area to raise sufficient funds to pay for the direct costs of forest certification services by households ranged from 2,000 to 3,000 ha, with the participation of 350 to 500 households.

Keywords: FSC certification, household, partnership model, plantation forests, market access.