

Sustainable Forest Management Project Partnership Agreement with USAID

We are pleased to announce that we have signed a partnership agreement with USAID (United States Agency for International Development) for the Sustainable Forest Management (SFM) project on 6th December, 2021.



Biomass Fuel Vietnam Co., Ltd. (BMFV) operates wood pellet plant with production capacity of 200,000 tons per year in Nghe An Province, Vietnam – the largest plant in South East Asia. The main raw materials used for our wood pellets come from Acacia plantation in Nghe An Province.

BMFV and USAID will implement a Sustainable Forest Management Project in five districts in the province of Nghe An. We will form forestry cooperatives and groups with neighboring villages and local people to practice community forest management. Upon the completion of the project, the forests we will work on are expected to be 100% FSC certified.

This project aims to preserve the forests that enrich the diverse public benefits such as headwater conservation, prevention of sediment disasters and biodiversity, and CO2 absorption and fixation to counter global warming, as well as to achieve profit-making forestry that is well governed in terms of both legality and sustainability to contribute to the local communities.

USAID's Sustainable Forest Management (SFM) Project is a project supported by USAID to reduce GHG emissions from deforestation and forest degradation in seven provinces of Vietnam.

★ USAID Sustainable Forest Management (more information in the link below)

<https://www.usaid.gov/vietnam/documents/usaids-sustainable-forestmanagement>

★ The purpose of the Sustainable Forest Management project

1. Create a model of SFM in community forests,
2. Increase the interest for conservation of ecosystem, among the industries,
3. Improve the legal enforcement system against forest crimes such as illegal logging,
4. Improve knowledge of production forest management through education and training and to practice of knowledge.
5. Utilization of human resources in Vietnam and collaboration between public and private sectors on forest management and conservation

The BMFV is implementing this SFM project with USAID in Nghe An Province where the pellet factory is located. The province has a total of 1 million hectares of forest area and 210,000 hectares of production forests.

The BMFV has been allocated with Material Plan by the government for BMFV to utilize these 15,000 hectares of forest owned by individual farmers to produce wood pellets.

In this joint project with USAID, BMFV plans to form a group of about 3,000 individual forest owners of 15,000 hectares allocated to BMFV to implement sustainable forest management and obtain FSC forest certification. BMFV will purchase Acacia logs from these sustainably managed forests and use them as raw materials processed at the plant to manufacture wood pellets for international markets.

The five districts where are subject of this project are (1) Nghi Loc, (2) Nam Dam, (3) Hung Nguyen, (4) Do Luong and (5) Tuong Duong.



At this ceremony, 32 people including 6 people from Vietnam's Ministry of Agriculture and Rural Development (MARD), 8 people from USAID, and 7 people from Nghe An Province were invited.

- ① Nghe An Provincial People's Committee, Vice Chairman, Mr. Hieu,
- ② Vice chairman of MARD management board for forestry project. (MBFP), Director, Mr. Hung,
- ③ Nghe An Provincial Agricultural and Rural Development Bureau (DARD), Vice Director, Ms. Nhung,
- ④ Vietnam Timber and Forest Product Association, Vice Chairman, Mr. Hoai,
- ⑤ Forest Owner, Mr. Miu,
- ⑥ BMFV, General Director, Eisuke Nomura,
- ⑦ VFBC Project, Mr. Abraham made their speeches on the stage.

