Forest account compilation in Viet Nam
From accounts to indicators

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CONTENTS

1. Policy priority questions on forest in Viet Nam
2. Forest account establishment
3. Accounts to indicators
4. Next steps
Policy priority questions on forest

- Sustainable forest management
- Measurement of total forest economic contribution
- Carbon emission mitigation through enhancement of forest carbon stock for climate change prevention and reduction of its impact
Forest account establishment

- With financial and technical assistance by WB, GSO with VAFS compile a set of forest accounts under SEEA
- 10 accounts target at 5 main-forest dimensions:
  - Forest services
  - Timber resources
  - Forest area
  - Forest carbon binding
  - Other economic and social benefits of forest
- Accounts provide numerical facts over time, from which indicators can be developed
- Information extracted help find warnings, potential conflicts, forest economic and social importance
- This may requires reassessment of policy targets created, possible amendment and design of alternative appropriate polices accordingly.
Accounts to indicators

- **4 indicator groups derived from accounts:**
  - **Indicators on economic benefits of forest**
    - Value of total forest goods and services as % of GDP
    - Value of forest services as % of output or GVA of corresponding economic industry (for example: electric power generation, transmission and distribution; water production and supply; tourism service activity).
    - % of rural energy demand met by firewood
    - % of household nutritional requirement provided by forest
    - Number of forest-related establishments, output of main forest product manufacture industry, exports of forest-related goods
  - **Indicators on forest social benefit**
    - Forest employment as % of total national employment
  - **Indicators on ecosystem condition**
    - Intensity of timber resource use
    - Trend in forest area, net changes in forest area, forest cover
    - Relative changes in share of planted forest area
    - Additions and reductions in forest area by causes
  - **Indicators on forest role in global ecological cycles**
    - Net changes in forest ecosystem carbon
    - Forest ecosystem carbon storage by forest type.
## Accounts to indicators: a few practical examples

<table>
<thead>
<tr>
<th>Selective indicators</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. Indicators on economic benefits of forest</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1. Forestry contribution to GDP (SNA) (%)</td>
<td>0.73</td>
<td>0.68</td>
<td>0.64</td>
</tr>
<tr>
<td>1.2. Value of total forest goods and services as % of GDP (SEEA)</td>
<td>1.18</td>
<td>1.11</td>
<td>0.97</td>
</tr>
<tr>
<td><strong>II. Indicators on ecosystem condition</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Intensity of timber resource use (%)</td>
<td>7.7</td>
<td>8.7</td>
<td>9.6</td>
</tr>
<tr>
<td>2. Forest cover (%)</td>
<td>40.57</td>
<td>40.95</td>
<td>42.01</td>
</tr>
<tr>
<td><strong>III. Indicators on forest role in global ecological cycles</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net change in forest ecosystem carbon at constant price (billion dong)</td>
<td>6,014</td>
<td>6,023</td>
<td>6,060</td>
</tr>
</tbody>
</table>
Next intended steps

- Design standard set of indicators, database and management instruments on forest resources
- Formulate and introduce statistical reports imposed on forest service beneficiaries, PES receiving units and PES forest services
- Improve forest accounts by use purpose (protective, special use and productive forests) and causes
- Compile forest accounts for some particular regions
- Expand the forest account system to the forest management and protection expenditure account.
Thank for your attention