



New
Generation
Plantations

Growing an ecosystem of collaboration in the central Annamites



In the Central Annamite mountains of Viet Nam, we're seeing how collaboration across and beyond the WWF Network is leading to positive changes at scale.

To meet the unprecedented challenges facing our planet today, we need action to conserve and restore nature on a scale never seen before. That will demand new forms of collaboration, new approaches to conservation, and new models of business and finance. Over recent years, the WWF Network has made a lot of changes to the way it works to support greater collaboration and impact where it matters.

This is also reflected in recent changes to [New Generation Plantations](#) (NGP). Set up in 2007 as a space to exchange learning and ideas about better plantation management, NGP has evolved towards an “ecosystem of collaboration” – bringing together a web of

actors from the private sector, civil society, government, academia, finance and across the WWF Network developing solutions to transform whole landscapes.

In the Central Annamite mountains in Viet Nam, we're starting to see what this ecosystem of collaboration can produce in practice.

Smallholders growing big

Viet Nam has established over a million hectares of acacia plantations for timber production, offering a livelihood for tens of thousands of smallholders. But for individual growers who own just a few hectares, it's not easy to make a living. Most sell their trees cheaply for

woodchip after just four or five years because they need the cash, even though the timber would be worth three times as much if they waited for another four years. Other environmental improvements – like restoring native forest alongside their plantations and around watercourses – are a luxury few can afford.

In partnership with IKEA, WWF has been supporting smallholders to improve the way they manage their plantations and to achieve Forest Stewardship Council (FSC) certification. IKEA requires suppliers to use wood from more sustainable sources, which currently includes FSC-certified and recycled wood, so increasing the supply of FSC-certified raw material is one of the focuses of its [long-running partnership with WWF](#).

In March 2019, NGP organized [a field workshop in Thua Thien-Hue province](#) in central Viet Nam to find out more about the experience of these forestry smallholders. By organizing together as a cooperative, smallholders have not only managed to achieve FSC group certification, but are now able to sell timber to a furniture manufacturer that supplies IKEA. As a cooperative, the group can negotiate better terms, access finance that allows them to grow their trees for longer, cultivate better quality seedlings and follow good environmental practices.

It's a model that clearly works – but how can it scaled up from a few hundred smallholders and a few thousand hectares, to tens of thousands of smallholders and hundreds of thousands of hectares? That question is being addressed within our collaborative ecosystem through WWF Bankable Nature Solutions.



| Meeting smallholders at the fieldshop in 2019 © Phan Van Trung

Planet and profit

The Convention on Biological Diversity estimates that [up to US\\$440 billion](#) will be needed annually to reverse the loss of nature, yet we're currently spending only around US\$50 billion. It's clear that public and philanthropic funding isn't enough: we also need to tap into the much larger flows of commercial finance. One way or another, investment into landscapes is going to be happening anyway – into forestry, agriculture, infrastructure, business development. The challenge is to shift it from projects that cause harm to the environment to those that conserve and restore it.

Bankable Nature Solutions is developing a pipeline of “bankable” projects that offer an attractive return for commercial investors while also providing environmental and social benefits. Often, developing these projects requires initial support from other donors to build capacity and prepare the business case in order to leverage larger sources of commercial investment.

One such donor is the [Dutch Fund for Climate and Development](#) (DFCD), a €160 million fund from the Dutch government. Launched last year, the fund aims to mobilize more than €500 billion in private sector investment into projects that will boost the health of freshwater, forest, agricultural and ocean ecosystems, and improve water management. WWF is part of a consortium managing the fund, and is responsible for developing project ideas into bankable business cases.

Following last year's fieldshop in Viet Nam, DFCD chose the Central Annamites as one of its priority landscapes. That opens up exciting opportunities to scale up projects like the acacia-growing cooperatives. With external investment, smallholders can generate greater profits by growing their trees for longer and investing in better seedlings and management practices. There are also opportunities to diversify and develop their own timber processing



| Investing in a peeling machine has enabled this community to capture more value locally. © Phan Van Trung

businesses that enable communities to add value. For example, the fieldshop included a visit to a cooperative that has bought a peeling machine, which enables them to process small diameter logs into sheets for making plywood.

WWF-Viet Nam has worked with Thua Thien Hue Forest Owners Sustainable Development Association (TTH-FOSDA), the umbrella organization that represents 16 smallholder cooperatives in the province, to develop a business plan detailing investment needs and expected returns. Investing in an acacia plantation is projected to yield a 5% annual return on investment over four years.

The NGP ecosystem of collaboration



Convening study tours and dialoge events

Developing research projects

Engaging with communities, forestry companies, NGOs, finance institutions

Communications

New Generation Plantations



FORESTS FORWARD



BANKABLE NATURE SOLUTIONS

FORESTS FORWARD is WWF's global engagement programme focused on delivering positive impacts in forest landscapes. Forests Forward participants each have their own agreed scope of work, focusing on improving forest and plantation management, responsible sourcing and supply chain sustainability, or other forest-based investments and interventions. A number of participants focus particularly on implementing the NGP concept.

NGP SOLUTIONS builds on our history of learning and knowledge sharing. It's a Forests Forward thinking space dedicated to the development of the NGP concept, through study tours, encounters, dialogues and storytelling, and collaborations with companies, NGOs, governments, investors and researchers.

WWF'S BANKABLE NATURE SOLUTIONS initiative links projects that can generate positive environmental and commercial returns with investors.



New Generation Plantations

TECHNICAL ASSISTANCE

NGP TECHNICAL ASSISTANCE provides Forests Forward participants with technical support on implementing the NGP concept, and works with companies, smallholders, communities, the public sector and others to originate and incubate projects.



Maintain ecosystem integrity

Protect and enhance high conservation values

Effective stakeholder involvement processes

Contribute to economic growth and employment

Landscape stewardship

Co-creating shared value

Restoration & conservation projects

For those prepared to commit for the longer term, an investment of US\$4,000 per hectare into planting native species could generate a profit of US\$91,000 when the trees are ready to harvest 25 years later – while also bringing benefits to biodiversity and climate resilience.

New approaches

So how does the WWF and NGP evolution fit into this?

Firstly, WWF has launched an ambitious new programme, Forests Forward, which seeks to demonstrate the full value of forests and the benefits they provide. Companies implementing the NGP concept are now participants in this programme. Forests Forward brings together WWF's engagement with businesses and other organizations working in forest landscapes and throughout the timber product value chain. This can help to promote collaborations and synergies – for example, between companies like IKEA that want to source sustainable timber and plantation companies working with smallholders.



NGP is building on its history of learning, dialogue and knowledge exchange to develop and share good practices
© Phan Van Trung

Secondly, keeping a strong solutions mindset, NGP is building on its history of learning, dialogue and knowledge exchange to develop and share good practices in plantation management, landscape restoration and stakeholder engagement. NGP will continue to organize study tours, encounters and field workshops, like the upcoming multi-stakeholder meeting in the Central Annamites – where local participants meeting in person will be joined by international participants connecting remotely due to Covid restrictions. The meeting will be a key step in building a multistakeholder platform and co-creating a shared vision for the Central Annamites landscape, which is crucial to the success of landscape initiatives, and a requirement for DFCD funding.

Thirdly, NGP has developed its technical assistance capacity, drawing on the vast collective expertise and experience accumulated over more than a decade. NGP can offer technical support to help companies, communities and public sector agencies establish and manage plantations that have positive economic, environmental and social impacts. This will include originating and incubating projects involving plantations, like those taking root in Viet Nam.

Future opportunities

Ecosystems are complex things – but their complexity and diversity makes them more productive and more resilient. The same is true of our ecosystem of collaboration. While it's a continuous learning process for all of us, there are huge opportunities. As well as building on the long track record of WWF-Viet Nam in the Central Annamites, we're already seeing bankable projects being originated in Uganda and Brazil as a result of collaborations involving NGP, Forests Forward participants, Bankable Nature Solutions and others.



NGP provides technical assistance in establishing and managing plantations with positive impacts. © Phan Van Trung

NGP has demonstrated a concept that works in diverse contexts, showing how plantations can be profitable enterprises while contributing to ecosystem restoration and climate mitigation and creating value for communities and society. We look forward to developing new projects and partnerships to enable these solutions to take root, to spread and to flourish.



More information on the Central Annamites multistakeholder meeting here



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[newgenerationplantations.org](https://www.newgenerationplantations.org)