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## [Vietnam: forestry model in crisis](#)

Vietnam is currently involved in a large scale "reforestation" programme. According to official sources 850,000 hectares of trees were planted nationwide between 1993 and 1995. Large areas of the country have been covered with monoculture plantations, often for export as wood chips to Taiwan and Japan. This scheme is not aimed at attending the needs of farmers, villagers, or even the Vietnamese economy in the long run. The Vietnamese paper business is currently suffering a severe crisis, since more wood is being produced than the country's pulp processors can handle.

So far 364,000 hectares of land in the north of the country has already been turned over to forestry by government-sponsored agencies with the help of foreign consultants and "aid" agencies. NGOs have facilitated the implementation of a further 327,426 hectares. The aim of the Ministry of Agriculture and Rural Development is to have a total of 1.3 million hectares of plantations producing wood, to output 450,000 tonnes of pulp a year by 2010.

However, that development is not being matched by an increase in pulp processing capacity and now wood is being stockpiled by suppliers with no apparent possibility of anyone buying it. This leaves the industry in the absurd situation of having to import pulp for paper manufacturers, while hundreds of cubic metres of wood are being stacked up for the day when pulp producers are able to process them.

Despite the declarations of the paper industry, little efforts have been made to increase manufacturing capacity. Observers say that the authorities have not coordinated the effort to solve the problem. Bai Bang Paper Company, for example, recently increased its production rate from 48,000 to 55,000 tonnes of finished paper per year. But the plan makers have neglected to stimulate the production of pulp, without which the paper cannot be produced. This means that wood producers cannot sell their crop. The biggest losers, as usual, are the farmers, that were seduced by the promise of rapid benefits emerging from their plantation plots. To date they are either stockpiling or selling their wood at rock-bottom prices. They are even scared they could lose their livelihood and that is dissuading them from planting the trees the government wants grown..

For detailed information on plantations and the pulp and paper industry in Vietnam, please see "Reforestation in Vietnam in the context of the globalization of the paper and pulp industry" by Chris Lang, Oxford University, 1996 .

Source: "Touch Wood: Vietnam can't produce enough paper pulp", Vietnam Economic Times, September 1998