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For Immediate Release

Sumitomo Forestry Co., Ltd.
Japan International Cooperation Agency (JICA)

Sumitomo Forestry and JICA Enter Agreement on Measures against Climate Change in Vietnam (REDD+ Demonstration Activities)

In August 2013, Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Head Office: Chiyoda-ku, Tokyo) and Japan International Cooperation Agency (JICA) (President: Akihiko Tanaka; Head Office: Chiyoda-ku, Tokyo) entered into a partnership agreement regarding the implementation of REDD+¹ demonstration activities in the Socialist Republic of Vietnam.

The international community is focused on REDD+, which is a platform for alleviating climate changes by preventing the deforestation and degradation in developing nations. Currently, the United Nations is forging ahead with talks on providing economic incentives through REDD+ to developing nations that curb their CO₂ emissions. The objective of the REDD+ demonstration activities is to accelerate and expand REDD+ measures by testing them in rural villages ahead of the system's full-fledged launch. This is the first case in which JICA has partnered up with a private company to carry out REDD+ demonstration activities.

In Dien Bien Province, one of Vietnam's poorest regions, deforestation is continuing due to the expansion of farm lands and field burning by local residents. Since August 2010, JICA has implemented technical cooperation projects, including SUSFORM-NOW², to draw up REDD+ action plans at the province level and to support the improvement of suitable forest management and livelihood for local residents.

Meanwhile, Sumitomo Forestry, as a part of its REDD+ related operations, has been conducting feasibility studies³ since 2011 regarding the establishment of a bilateral credit mechanism⁴ by the Japanese Ministry of the Environment.

Under the partnership agreement, support will be given to implement comprehensive activities in Dien Bien Province, in which local residents will participate, such as forest conservation, afforestation, and diversification of methods to improve livelihood. The activities will be appropriately monitored to corroborate the benefit of REDD+ activities at the rural village level.

Both partners will share their knowhow to jointly implement activities in line with the province-level REDD+ action plan. These measures are aimed at fortifying forest conservation activities in the province. This is expected to contribute to global warming prevention and also improve the local residents' quality of life.

Moving forward, in order to expand these REDD+ demonstration activities, Sumitomo Forestry and JICA plan to recruit private-sector companies that support the objective behind and participate in

these activities which contribute to conservation of forests and the environment, and sustainable development of the local region.

1. Reducing Emissions from Deforestation and Forest Degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries. Currently frameworks are under consideration by the United Nations and other entities for the international promotion of REDD+.
2. Project for Sustainable Forest Management in the Northwest Watershed Area (SUSFORM-NOW), a JICA technical project
Dien Bien REDD+ pilot project, a JICA technical project
3. In fiscal 2013, the feasibility study for establishing a bilateral credit mechanism⁴, which is being implemented by the Global Environment Centre Foundation (GEC), a subcontractor for the Ministry of the Environment, will be used as the platform for these demonstration activities.
4. Credits Japan can use toward achieving its own emission reduction target, by quantitatively assessing Japan's contribution to the reduction and absorption of greenhouse gases, through reduction measures and also via the spread of technologies, products, systems, services, and infrastructures that reduce greenhouse gases in developing nations.

Attachment

■ Summary of REDD+ demonstration activities

- 1) Location Dien Bien District, Dien Bien Province, Northwest Vietnam
 Inside the Muong Thanh Commune
- 2) Period August 2013-August 2015
- 3) Local participants Department of Agriculture and Rural Development (DARD) of Dien Bien Province
 Dien Bien District People's Committee, Muong Thanh Commune People's Committee (counterparts in JICA's Project for Sustainable Forest Management in the Northwest Watershed Area (SUSFORM-NOW))
 Vietnam Forestry University (Sumitomo Forestry subcontractor)
- 4) Demonstration To prevent deforestation and degradation, not only is it important to carry out forestry management activities for forest conservation and afforestation of denuded land, but it is also necessary to implement comprehensive measures to improve and support a livelihood that is not overly depending on the forest. In these demonstration activities, support is provided to carry out comprehensive measures, in which residents participate, including setting up organizations to protect forests, conservation measures, planting, cultivating fruits and vegetables, and raising fish and livestock. By monitoring these REDD+ activities, we can corroborate the benefits to alleviating climate changes at the rural village level.