

PUBLIC-PRIVATE PARTNERSHIP PAVES THE WAY FOR THANH HOA'S BAMBOO MARKET



January 2016

When it comes to Vietnam's Green Growth Strategy (VGGs) - a four-part plan that puts the country on a path toward a sustainable, low emission future - Thanh Hoa has emerged as a leader among Vietnam's 63 provinces. The province is now looking beyond strategy to implementation via a new partnership with the Lam Son Joint Stock Corporation (LASUCO). The joint venture focuses on sustainable bamboo management and harvesting. Properly managed bamboo can store up to 45 tons of carbon per hectare. If combined with sustainable harvesting techniques bamboo forest can sequester significantly more carbon than traditional forests due to its ability to grow back within three to four years after harvest.

According to Mr. Le Cong Cuong, Director of Provincial Forest Protection and Development Fund of Thanh Hoa, political will and international support sets Thanh Hoa apart from other provinces when it comes to the VGGs. Mr. Cuong stated, "Green growth is crucial in our province. Where other provinces aren't in such a hurry to switch paths, our provincial government has made green growth a priority so we have huge political commitment." He added, "We are also fortunate enough to have the support of the U.S. Vietnam Forests and Deltas (VFD) and Low Emissions Asian Development (LEAD) programs, which have helped us move forward."

Beyond government buy-in, Thanh Hoa discovered a not-so-new business partner in LASUCO, the sugar giant that helped bolster Thanh Hoa's economy to what it is today. LASUCO has been established in Thanh Hoa for thirty years and generates \$80-100 million USD per year in gross income.

"Bamboo is more than green growth, it's green gold..." said Dr. Nguyen Song Hoan, Director of Thanh Hoa's Department of Foreign Affairs. Thanh Hoa has the greatest potential for bamboo development in all of Vietnam, but the markets for it are weak as is the technology used to process it. The value chain for bamboo has not been fully developed yet.

Thanh Hoa holds 29,000 hectares of planted bamboo largely under household management. The province plans to expand plantation areas to 100,000 hectares by the end of 2015 utilizing degraded areas that are suited for bamboo growth. Currently the province produces approximately 25.6 million stems per



From left to right: Le Cong Cuong (PPMU), Le Thi Tien (LASUCO), Bui Huy Hoang (DOFA Thanh Hoa), Vu Hoang Diep (LASUCO), Nguyen Van Lam (LASUCO) and Tran Chinh Khuong (USAID/Vietnam).

year, but experts estimate that annual production could rise to 64 million stems if proper management systems and harvesting methods are applied.

In partnership with technical experts from VFD, LASUCO developed a multifaceted business plan to kick start bamboo markets in Vietnam, which focuses on both teaching sustainable harvesting practices and heavy investment in new processing technology and facilities. The company plans to invest a total of \$15 million USD including a new bamboo processing plant and creating a bamboo park, which will be used to conserve multiple varieties of bamboo species, and showcase state of the art bamboo products.

Dr. Nguyen Song Hoan stated, "Thanh Hoa is primed for bamboo development and with VFD's support, we are already on track to do so."

A memorandum of understanding was signed between VFD and LASUCO earlier this year and the bamboo action plan is set to be finalized in the coming months in hopes of breaking ground on the new bamboo construction facility in 2016.

EC-LEDS is managed by the U.S. Agency for International Development (USAID) and Department of State with support from the U.S. Department of Energy, U.S. Environmental Protection Agency, U.S. Department of Agriculture, and U.S. Forest Service..

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