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## **Ensuring timber legality for sustainable forest development in Vietnam**

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# *Structure*

1. **Why Timber Legality Matters ?**
2. **Vietnam Forestry & Wood Industry Overview**
3. **Legal Framework for Timber Legality in Vietnam**
4. **Vietnam Timber Legality Assurance System (VNTLAS)**
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8. **Strategic Directions for the Future**
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# 1. Why Timber Legality Matters ?

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Timber legality is no longer merely a compliance issue. Rather, it has become a strategic pillar for sustainable forest development, responsible trade, and global supply chain credibility.



For Vietnam — one of the world's leading wood processing and exporting countries — ensuring timber legality is both:

A market requirement, and

A national commitment to sustainable development.

## 2. Overview of VN Forestry and Wood Industry

### Vietnam is currently

- Among the world's top exporters of wooden furniture.
- A leading wood processing hub in Asia.
- Total forested area 14.8 million ha, forest coverage 42%.

### Key characteristics

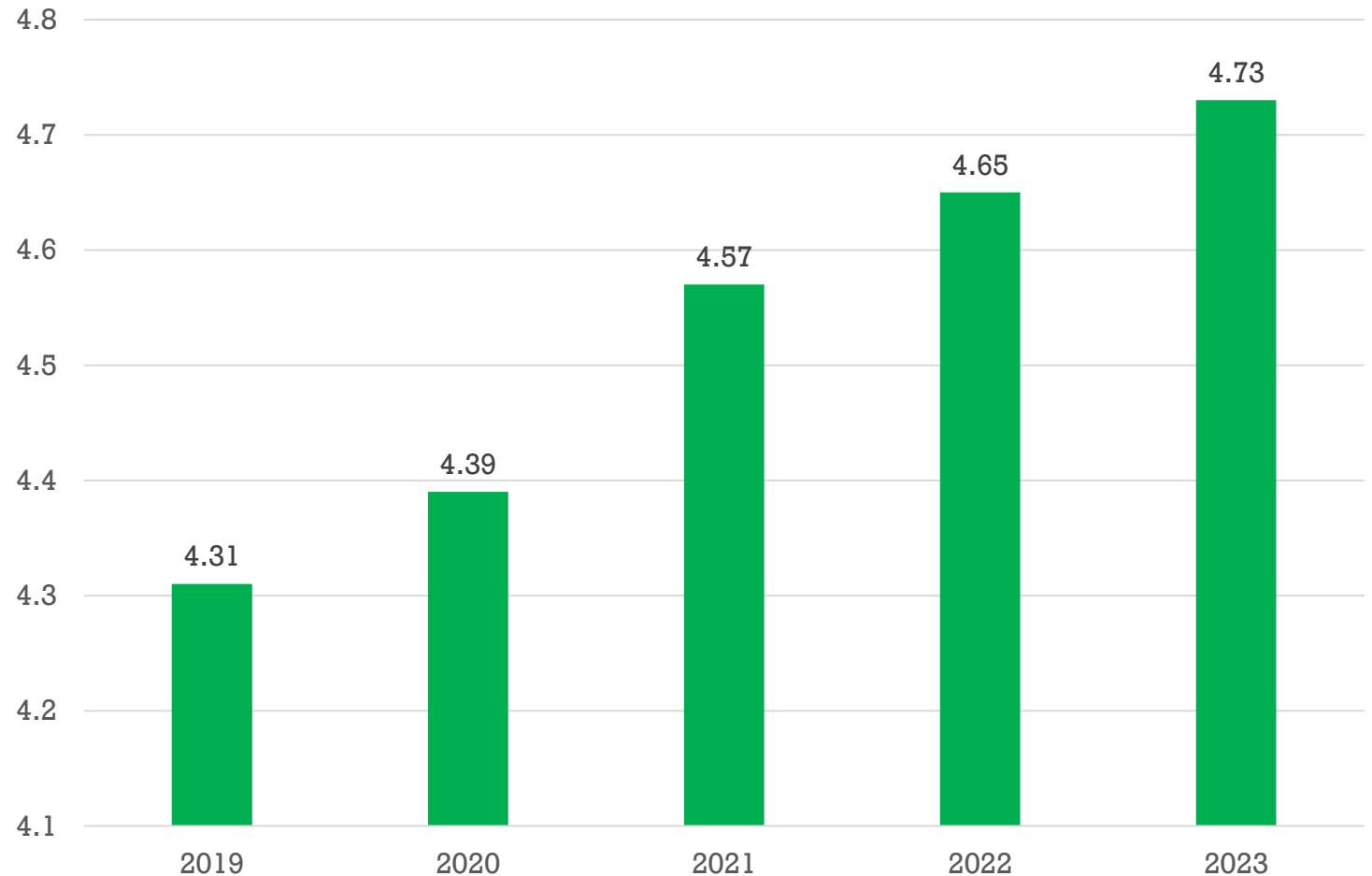
- Strong export orientation (US, Japan, China, South Korea, EU as major markets)
- Increasing reliance on plantation timber (3 million ha of commercial plantation & 1 million ha of rubber farms)
- Growing demand for transparent and traceable supply chains

### Sustainable forest development in Vietnam must align with

- Trade regulations
- Environmental commitments
- Climate change mitigation targets

## 2.1. Transition to plantation forestry

- Forested area: 14.86 million ha, including 10.1 million ha of natural forests and 4.73 million ha of planted forests (420 thousand ha added between 2019-2023).
- 4,7 million ha of planted forests, including 3.5 million ha of commercial plantations



## 2.2. The “Kingdom of Acacia”

(Domination of *acacia mangium*, *acacia auriculiformis* & *acacia hybrid* of these 2 varieties)

- Acacia wood: 80% of domestic wood supply, 70-80% acacia wood produced by small households, mean yield of 20 - 30 m<sup>3</sup>/ha/year, harvest 30.0 – 40.0 million m<sup>3</sup>/year.
- High efficiency of acacia wood/biomass usage (20 cm up: sawn-wood for furniture making; 10 – 20 cm: veneer/plywood, laminated timber; less than 10 cm: woodchip and wood pellet, particle board/MDF...).
- Harvest/cutting rotation too short (4-6 years) - tree cropping rather than forestry, too much juvenile timber harvested.



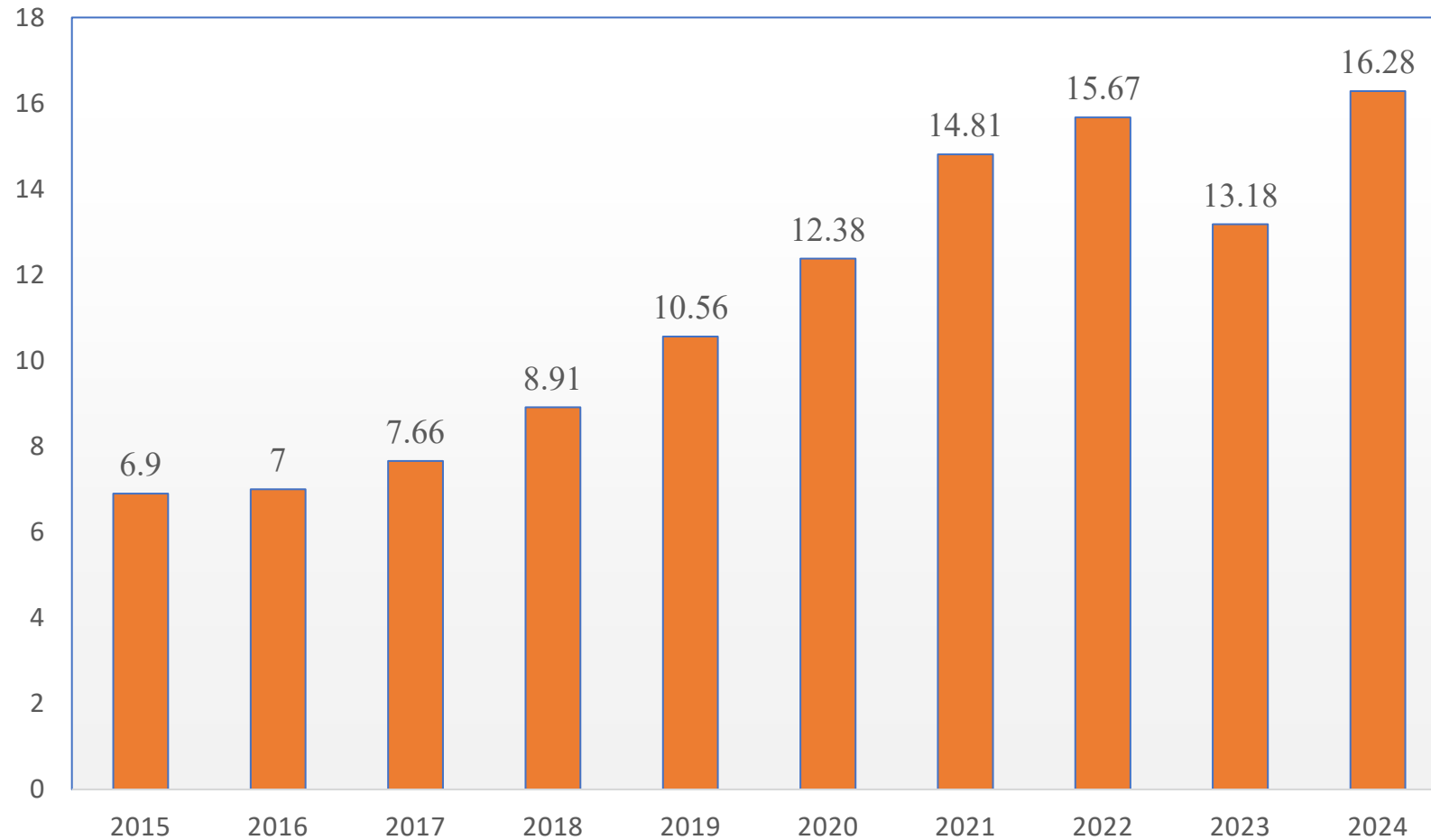
## 2.3. Value- addition timber industry development - 4 W&WP groups exported



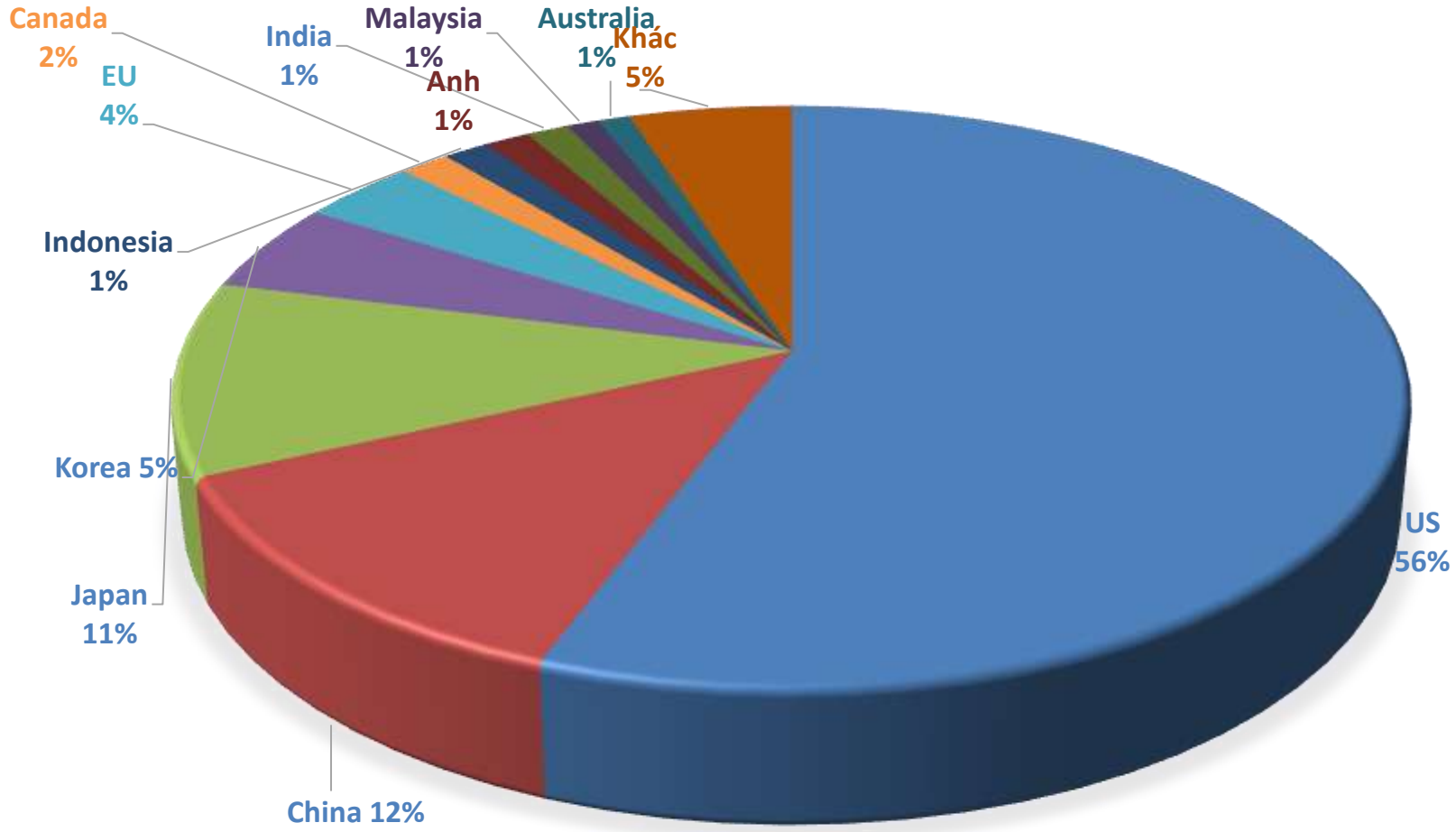
- Indoor/outdoor furniture & interior appliances (70%)
- Wood-based panels (6%)
- Woodchip (16%)
- Wood pellet (5%)
- Others (3%)

## 2.4. Vietnam W&WP exports

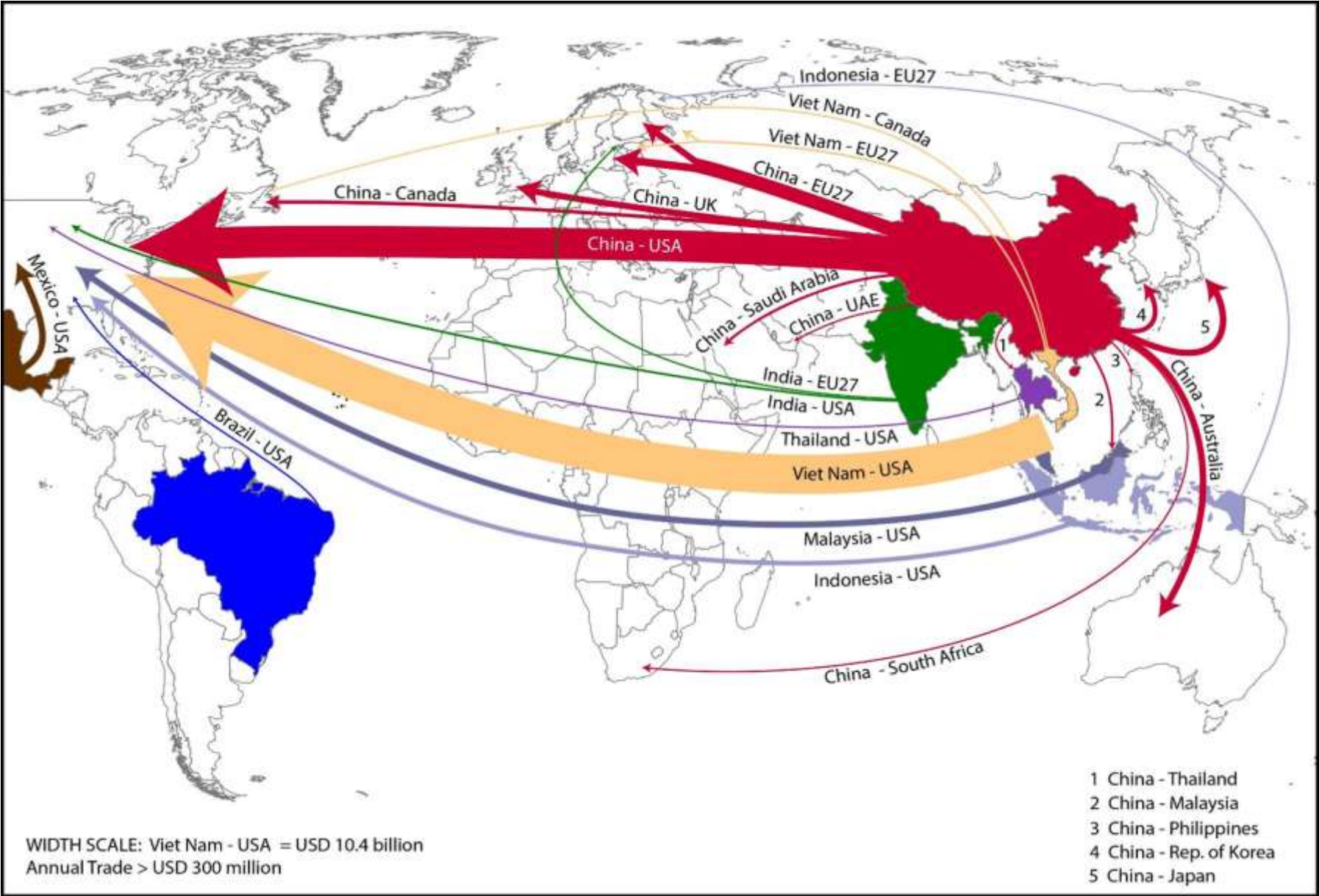
W&WP exports 2015-2024 (US\$ billion)



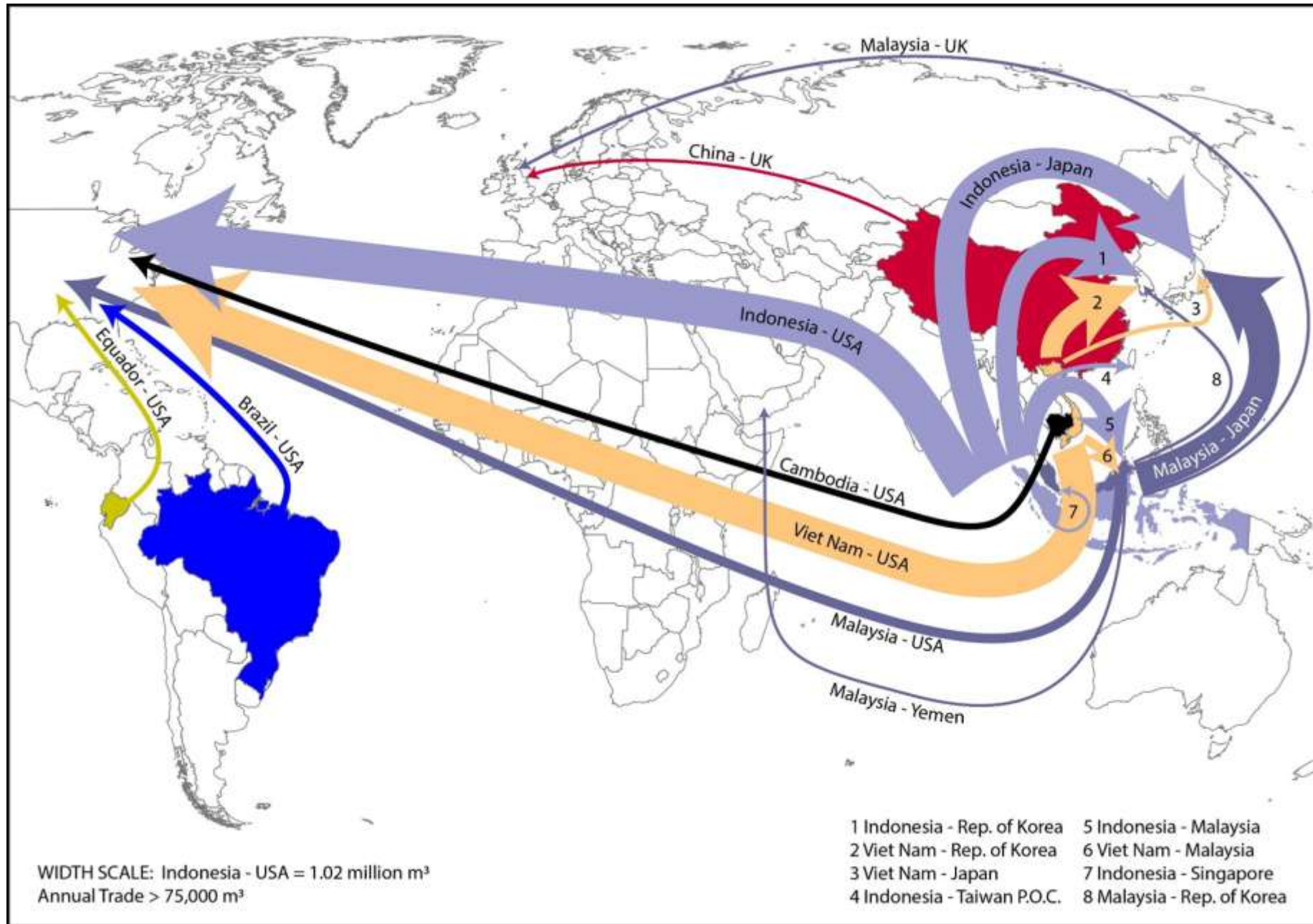
# 2.5. Vietnam's W&WP Export destinations



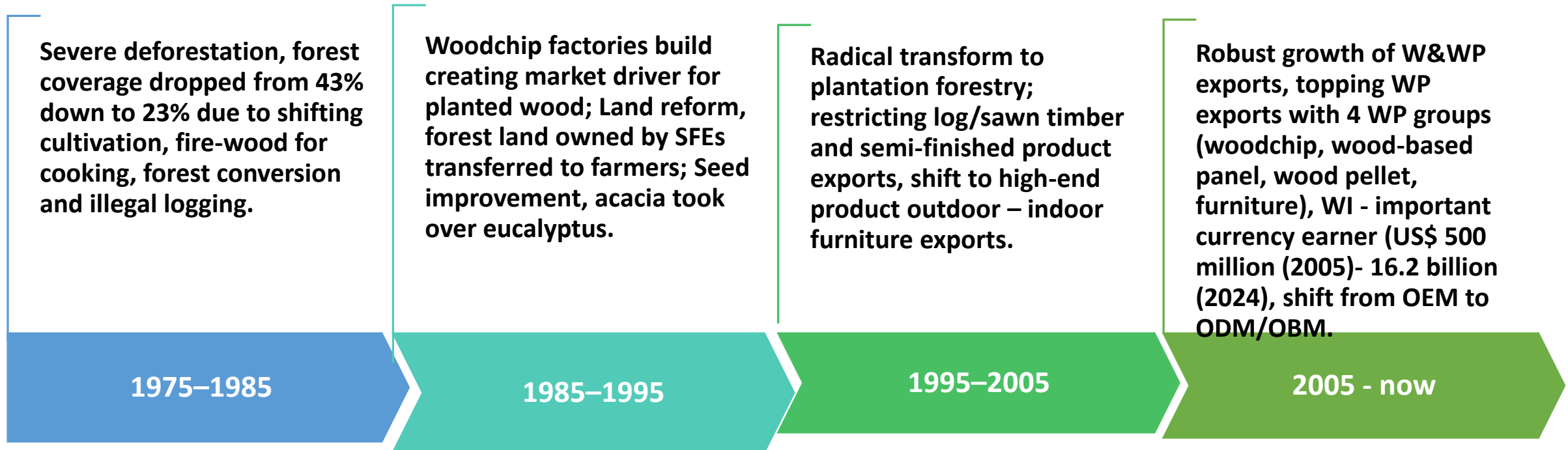
# 2.6. WP Flow: Exports from Chiana & Vietnam (ITTO Analysis)



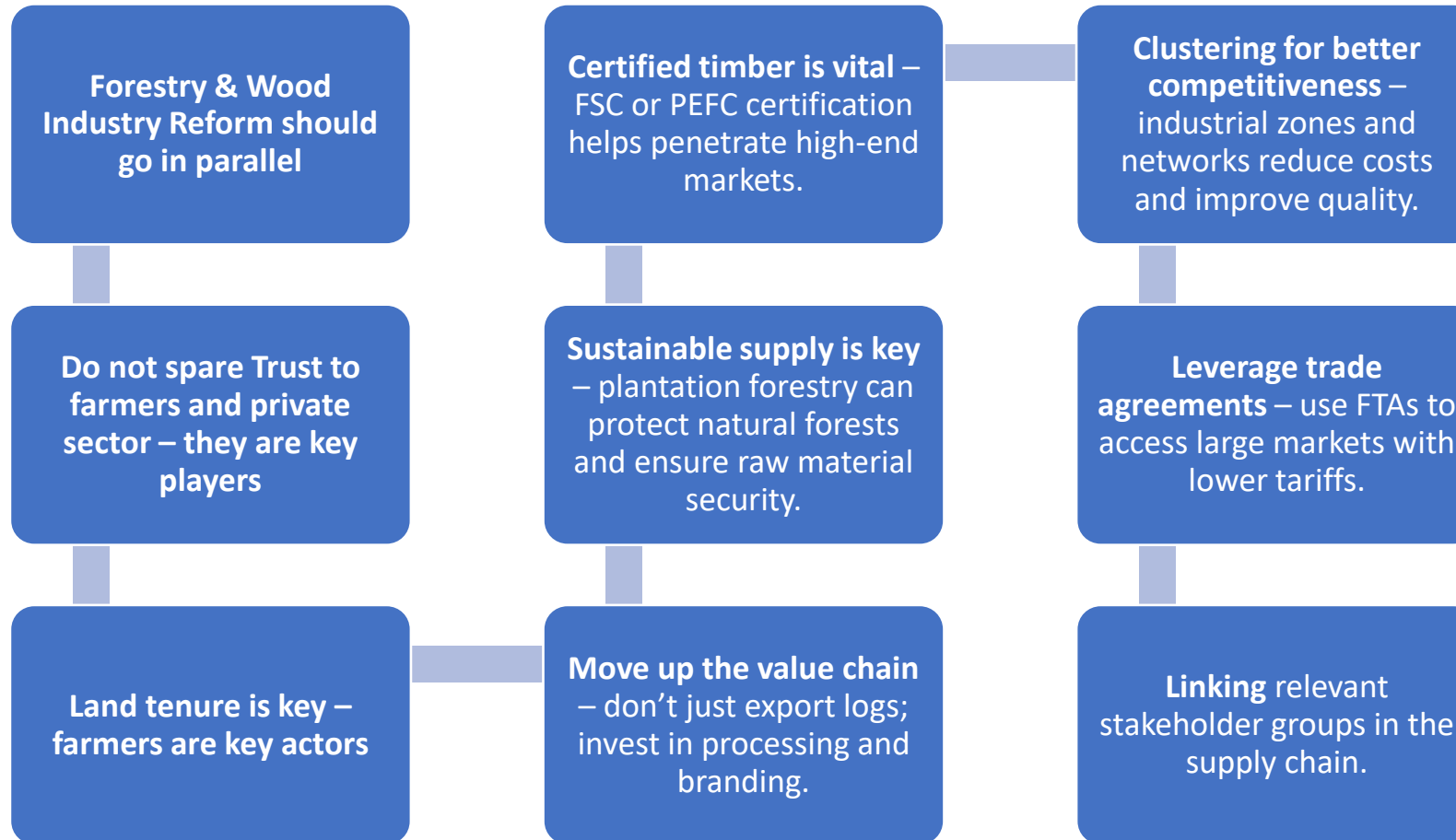
## 2.7. WP Flow: VN W&WP Exports (ITTO Analysis)



## 2.8. Journey of Vietnam forestry/wood industry development



## 2.9. Vietnam learning: Sector-level Lessons learnt for Tropical Countries



# 3. Legal Framework for Timber Legality in Vietnam

VN comprehensive legal framework to ensure timber legality:

## 3.1 National Legislation

- Law on Forestry (2017)
- Decrees on timber legality assurance
- Regulations on forest origin tracing and customs control

## 3.2 International Commitments

Vietnam is actively engaged in global timber governance frameworks:

- ✓ VPA/FLEGT: a significant milestone in strengthening Vietnam's Timber Legality Assurance System (VNTLAS).
- ✓ CITES – Compliance with endangered species regulations
- ✓ EUDR readiness getting

## 4. Vietnam Timber Legality Assurance System (VNTLAS)

### *Vietnam has established VNTLAS to ensure that:*

- All domestically harvested timber is legal
- Imported timber is risk-assessed and verified
- Exported timber products meet destination market requirements

### *Core components:*

- Legality definition
- Supply chain control
- Import verification
- FLEGT licensing mechanism
- Independent evaluation

### *This system enhances:*

- Transparency
- Risk management
- Institutional accountability

# 5. Key Achievements

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## 6. Remaining Challenges

*Despite progress, challenges remain:*

Complexity in verifying imported timber from high-risk countries

Small and medium enterprises (SMEs) facing compliance costs

Evolving global regulations (EUDR, Lacey Act updates)

Need for stronger digital traceability systems

Capacity gaps at local enforcement levels

*Timber legality is a dynamic process requiring continuous improvement*

# 7. Timber Legality & Sustainable Forest Development

## 7.1 Environmental Sustainability

- Reduced illegal logging
- Protection of biodiversity
- Better forest governance

## 7.2 Economic Sustainability

- Market access stability
- Increased investor confidence
- Higher value-added production

## 7.3 Social Sustainability

- Improved rural livelihoods
- Clear land tenure systems
- Responsible supply chain practices

***Legality is the foundation upon which sustainability is built. For Vietnam, Legality Assurance has become the “To be or not to be question.”***





## 8. Strategic Directions for the Future

To strengthen timber legality and sustainable forest development, Vietnam is focusing on:

- Enhancing digital traceability systems
- Supporting SMEs in compliance adaptation
- Promoting plantation timber quality upgrading
- Strengthening risk-based import control
- Deepening international cooperation
- Aligning legality with climate commitments (REDD+, carbon markets)



***Public-private partnership will be critical in this next phase.***



## 9. Conclusion

Ensuring timber legality is not simply about meeting international trade requirements.

It is about:

- Building trust in global markets
- Protecting forest resources for future generations
- Elevating Vietnam's position as a responsible timber processing hub

Vietnam remains committed to strengthening timber legality as a cornerstone of sustainable forest development & see timber legality from both challenge & opportunity perspectives.



*Thank so much for your attention & cooperation!*

どうもありがとうございます  
Domo Arigatōgozaimasu!