Executive summary

Vietnam: Diagnoses and regulatory assessment of SmEs in the Mekong Region

This report assesses the preparedness of small and micro enterprises (SmEs) in Vietnam's forest sector for changes in market structure due to increased enforcement of requirements for legality verification. It makes recommendations on how reforms and other mechanisms can be developed to improve the productivity, competitiveness and revenue of SmEs. It also recommends actions to mitigate potential negative impacts caused by shifts in market structure and the future implementation of the European Union-Vietnam Voluntary Partnership Agreement on forest law enforcement, governance and trade.

The study examines actors engaged in timber production and timber products manufacturing and trade in four value chains: imported rosewood used in wood villages; domestic acacia plantation timber; domestic rubberwood plantation timber; and domestic scattered trees. All these value chains supply domestic and export markets. The study also seeks to understand gender issues in the value chains, and identify particular legal or regulatory effects on women and men.

1. Main findings

The main findings of this study are as follows:

1. SmEs are vital for the livelihoods of millions of households

Many SmEs participate in the four selected value chains. They include approximately 30 wood villages, each with 2,000-3,000 households and 3,000–8,000 hired labourers. Households and labourers involved in the rosewood value chain use an estimated nearly 500,000 m3 of valuable timber species, including imported timber, to make wood products for the export and domestic markets each year. The average annual household income of these households is USD 17,000–22,000, and the monthly income of a hired labourer is about USD 220-300.

SmEs also include about 1.4 million households with an average of 1-2 hectares of forestland each. These households are part of the acacia wood value chain, producing about 10 million m3 of acacia timber with a value of USD 500-700 million, and feeding the wood chip (for export) and wood processing industries (export and domestic markets). In addition, SmEs include some 264,000 smallholder rubberwood growers, each with less than three hectares of rubber trees. Annually, these growers supply about 1.3 million m3 of rubberwood with a value of USD 195 million.

SmEs also include some 0.8-1.6 million local households in approximately 81,000 villages[1] that are part of the scattered tree value chain. Annually, they provide 3.3 million m3 of timber worth USD 330 million from scattered trees to the market.

Across the four selected value chains, SmEs generate income for millions of households in rural areas, many of which are poor, for hundreds of thousands of hired labourers (mostly without contracts), and for those directly involved in tree planting, wood processing, and trade. For many SmEs, such as those in wood villages, wood-related income is the only income source. Smallholder tree growers are also an important source of wood materials for wood processing companies at the upper levels of the chain, and act as a vital income source for hundreds of thousands of paid labourers working at these levels. SmEs therefore make a substantial contribution to local livelihood and poverty alleviation, especially in rural areas.

2. The legality of timber and timber products in the four value chains varies

There is wide variation in the legality of the timber and timber products produced by each value chain, from the uncontroversial – such as acacia grown on land granted to households whose legality status is certified by a land-use certificate – to the high risk and controversial, as with rosewood timber species imported from Cambodia, Laos or African countries.

The variable legal status of timber in each value chain relates to both the type of land used for growing trees and the availability (or lack) of evidence proving the legality of land and timber. Most acacia timber, rubberwood and scattered trees grown by smallholders have clear legal status, proved through the land-use certificates. However, a small proportion of acacia timber (20-30 % of the volume produced by smallholders) and rubberwood (10-20 % of the volume produced by smallholders) has unclear legal status. This is mainly because these households have not received land-use certificates from the Government. Proving the legality status for land and the timber trees grown on it is not, however, too daunting a task for households as district and commune authorities can help verify and certify the legal status of the land.

[1] On average, each village has 100-200 households according to results of the 2011 Rural, Agriculture and Fishery Census, which the National Statistics Bureau published in 2012.

The legal status of the imported rosewood species used by households in wood villages is unclear, mainly due to the lack of legal documents. Households using timber species listed under the Convention on International Trade in Endangered Species (CITES) do not have any documents showing legality. Broadly speaking, most households in wood villages do not pay attention to legality documents and do not ask for them. When buying acacia, rubberwood and scattered trees from tree growers, timber traders hardly ever ask for legal evidence (e.g. land-use certificates). A recent study by Forest Trends and the Vietnam Timber and Forest Products Association (VIFORES) showed that only 8 % of households in five surveyed wood villages acquired some form of legal document to show timber legality, resulting in a high legality risk for timber products.

3. SmEs operate in a precarious environment and experience other legality risks

Except in areas where provincial and district authorities have designated particular sites for production, most households in wood villages do not have separate production sites. Over 70 % of households using rosewood timber species had an insufficient production area, forcing them to use their residential areas as production sites.

Mixing living and production areas negatively affects household health and living environments, and generates legal problems for timber products. Specifically, households in the rosewood value chain seldom comply with Government regulations on fire protection and prevention, or waste and pollution control. Wastewater, noise and wood residuals are serious problems in all villages. This is a violation of the Vietnamese Environmental Protection and Labour Code (2012) mandating safe working environments in production areas.

Households in wood villages face other legality risks. Government regulations require wood processing households in wood villages to register their businesses. However, 70-80 % of such households operate informally and do not register. Households in 30 wood villages working on rosewood hire some 100,000–200,000 labourers, and do not have formal work arrangements with their labourers. A study by Forest Trends and VIFORES of five wood villages found that hired labourers did not have work contracts.

Furthermore, households in wood villages do not comply with the Labour Law on health and work safety, payment levels, social insurance and security for hired labourers. Although the lack of formal work arrangements is often regarded to be of mutual interest, keeping things flexible in an uncertain business setting, it also triggers an additional legality risk.

Wood processing households in wood villages and acacia timber and rubberwood growers find it difficult to access Government loans, particularly loans that allow long-term investment. While there are Government credit programmes that households could access, they often demand complicated paperwork and collateral that is beyond the capacity of most households. Another problem is that the loans are often small (for example, USD 200-450) and/or have a short payback period (for example, two years). This prevents households from investing in processing facilities (requiring a larger investment) or establishing tree plantations with long gestation periods (for example, five to seven years for acacia trees). A new law on support to small and medium enterprises entered into force on 1 January 2018. It offers incentives, including access to cheaper loans, for entities to register their economic activity.

4. There is limited vertical and horizontal coordination and collaboration among SmEs and with other actors along the value chains

In general, there is no coordination and collaboration among SmEs. Households in wood villages compete with each other over buyers. Tree growers do not consult each other when selling wood. This often comes at a cost to households. There are many examples of traders making use of competition and weak coordination among households to pressurise households in wood villages to reduce the price of their products. Households also do not have access to market information on their products.

There is almost no direct relationship between smallholders supplying acacia, rubberwood and scattered tree timber, and companies processing this timber. In practice, tree growers and processors are linked to each other through extensive networks of traders that operate at various scales. The high transaction costs incurred by a large number of smallholders is a major factor in the lack of a direct relationship between the two sides. There has been little effort, particularly from government (national or local) to foment such relationships.

The high transaction costs are partly due to the lack of SmE representatives. About 90 % of households in wood villages are not part of any formal organisation. Although the newly-established Forest User Groups[2] and Farmer's Union[3] could potentially serve as platforms for tree growers, including those growing acacia timber, rubberwood and scattered trees, virtually none of these growers belong to an organisation. The lack of representation excludes SmEs from participating in policy formulation and implementation processes.

In some areas, acacia growers have formed grower groups to reduce transaction costs and increase opportunities for collaboration with wood processing companies. Some of these households receive support from wood processing companies for certification of their plantation products. The companies also guarantee a market for certified timber. In other areas, households in wood villages faced with constraints in selling their rosewood or other high-value timber products to China have collaborated with wood processing companies to shift their raw materials from rosewood to domestic plantation timber (for example, acacia, rubber) or imported timber from the EU and the United States. Shifting from high-risk to low-risk raw material may be a long term, sustainable development path for households participating in the imported rosewood value chain.

5. Robust policies for gender equity exist but are unenforced, largely due to traditional and cultural norms

The The Vietnamese Government is strongly committed to fostering gender equity in the workplace and at home through, among others, the Gender Equity Law (2016) and the National Strategy on Gender Equity 2011-2020). However, gender inequality still exists in all stages of the selected value chains. There is a severe imbalance in women's right to access and own productive land compared to men. For example, women's names appear on land-use certificates only 30 % as often as men's names. There are many cases of land-use certificates being granted to households with only the husband's name. This raises the risk of disputes between the two sides and of situations in which a husband uses the land-use certificate for his interest and without his wife's consent.

[2] http://hcr.siteam.vn/default.asp
[3] http://www.hoinongdan.org.vn/SitePages/TrangChu.aspx
[4] It is not clear from the study whether female hired labourers working in wood villages are included in this figure.

A study showed that at the household level, husband-wife conflicts over land rights, ownership and other issues are usually resolved in favour of men. Local conflict resolution vehicles discourage challenges to the traditional status of women, reflecting the overall social pressure discouraging women from exercising their land rights in a land dispute. In the family, husbands usually make the final decision on the timing of harvest (for acacia, rubberwood and scattered trees) and on buyers of the timber. They also usually decide how to spend the sales income.

Women participate prominently in the rosewood value chain as hired labourers, but are often paid less for the same work and have less job security than men. For example, a female labourer is typically paid VND 120,000–150,000 (roughly USD 6-7) for a day of sanding work, whereas a male labourer receives VND 170,000-200,000 (USD 7.5-9 US) for the same work. Female labourers are also more disadvantaged as regards access to higher paid jobs. For example, male labourers are perceived to be more skilful than females, and thus are more often hired for wood sawing and carving. At the national scale, among the 9.8 million labourers operating in the informal sector without work contracts, about 5.7 million (58 %) are women.[4]

6. Policies and support measures for SmEs are not effectively implemented or accessible for SmEs

The Law on Forest Protection and Development (now the Forestry Law, which comes into force on 1 January 2019) and subsequent decrees have stipulated various kinds of support, including support for tree growers. This includes favourable loans for establishing timber plantations, capacity building in cultivation techniques, development and quality control of seedlings, and establishment of market connections for tree growers. Other kinds of support include the development and encouragement of SmEs participating in wood processing and trade. A recent Law on Support for Small and Medium Enterprises, which entered into force on 1 January 2018, also outlines various types of support.

However, experience shows that much support for small and medium enterprises outlined in the laws either does not materialise or is inaccessible to the SmEs. For example, for many years, acacia and rubber growers have complained about the low quality of seedlings – a result of an enduring weak enforcement mechanism to control seedling quality. Lacking quality control, growers have to place their plantations in the hands of seedling providers. In principle, households can access Government loans for establishing plantations but, as mentioned, the loan size and repayment periods are inappropriate. The Law on Support to Small and Medium Enterprises highlights support for SmEs, but very few SmEs in the value chains covered by this study meet the legal requirements[5] as they have not registered as household businesses or enterprises. They are therefore not eligible for support.

[5] The Law defines small and medium enterprises as employing fewer than 200 regular employees who are covered by social security, having a total investment of no more than 100 billion VND (roughly USD 4.4 million) and with a total income in the preceding year not exceeding 300 billion VND (USD 13.2 million)

2. Recommendations

For each of the four value chains and for the cross-cutting issue of gender, the following tables summarise the current situation, policy issues and options, and actions required.

Value chain 1. Imported rosewood used in wood villages for domestic and export markets

Current situation	• The scale of the value chain is large, in both the volume of rosewood used and the number of participating SmEs. There are approximately 340 wood villages in Vietnam, with 24,000 households and 100,000-200,000 hired labourers working in these villages. The total amount of imported wood used by wood villages is 1.4-1.75 million m3 roundwood equivalent. • Among these villages, approximately 34 % use imported rosewood for manufacturing timber products for export and for domestic markets. On average, each village hosts 1,000-3,000 households that use about 13,500 m3 roundwood equivalent of imported rosewood species. The total volume of rosewood used by these villages for export amounts to 459,000 m3. • At the household level, there are two levels of legality risks associated with the use of imported rosewood. First, lack of evidence proving the legality of the wood (for example, lack of CITES permit, tax invoice, sale contract). Second, all transactions between households using the wood and traders providing wood to the households, and between households as sellers of timber products and buyers, occur informally and without legal documents. • Households in wood villages operate in precarious environments (for example, the lack of business registration, production space, labour contracts, and the violation of environmental regulations). This adds another layer of legality risk to timber products.
Policy issues and options	• Activities by households in wood villages are largely informal, and many are illegal. • Policy support to formalise the informal sector is necessary to ensure operators are able to demonstrate legal compliance. Formalisation requires a step-wise and comprehensive approach to ensure minimal disruption and impacts on households. It includes requirements for households to comply with existing regulations. For example, households are required to register their business and control their production inputs and outputs. Formalisation also needs to provide strong incentives to households, such as technical and legal advice, tax exemption, and loans with favourable conditions to motivate them to shift from being informal to formal entities. Policies should also facilitate switching from high-risk to low-risk timber. This could be done by supporting collaboration between wood processing companies and households in wood villages, or through public procurement policies that mandate the use of legally certified products made by households in wood villages.

	• It is important to encourage households to collaborate with each other to establish collective legal entities, such as cooperatives so they can shift to the formal model and operate under the Cooperative Law. Collaboration with each other and forming a legal entity can also help reduce transaction costs and facilitate participation of households in policy-making processes.
Actions required	• The Ministry of Industry and Trade, in collaboration with the Ministry of Agriculture and Rural Development (MARD) should design a comprehensive support programme to formalise wood villages. This programme should outline specific roles of different agencies and allocate sufficient budget to implement those roles. The two Ministries should provide clear guidelines on legality procedures for households. The Ministry of Labour and Social Invalid Affairs can help to improve the capacity, knowledge and skills of people working in SmEs in, for example, the areas of legal requirements, tree planting and wood processing techniques. The Ministry of Information and Communication can help communicate legal requirements on fire protection and prevention, environment protection, labour use and work safety, and the use of legal timber. • Development agencies have potential to provide technical support to emerging models (for example, establishing cooperatives, collaboration between processing companies and households) and to facilitate the upscaling of the models nationwide. Timber associations can play an important role in connecting the companies and households. • NGOs and mass organisations (for example, Farmer's Union, Women's Union) could help with communication by, for example, reaching out SmEs with information on legal requirements concerning registration and the legality of the wood, among others.

Value chain 2. Domestic acacia plantation timber for domestic and export markets

Current situation	• 1.4 million households hold 3.4 million hectares of forestland, of which 1.6 million hectares are plantation forests • 86.3 % of forestland is held by smallholders with land-use certificates; the rest lack land-use certificates and legal evidence showing their legality status for the land. • The total volume of acacia timber harvested by smallholders is approximately 9.6-10 million m3 per year. • Average household income derived from acacia timber is USD 780-920 per year, which is too little for households to live on. • About 70-80 % of acacia timber produced by smallholders is small timber (diameter less than 12 cm) sold to the wood chip industry. The remaining 20-30 % is larger timber (12 cm and above) used to make furniture with more added value than wood chips. • There are many reasons preventing households from lengthening their plantation cycles for more added value. These include poverty, household financial liquidity, low quality of seedlings and natural calamity risks (for example, wind). • Most households sell the timber to traders. About 98 % of the sales occur informally and without legal evidence, which traders do not request. • Demand for acacia timber has been high and increasing, mainly due to the expansion of wood chip and furniture companies. Acacia is considered to be a low legal risk timber, and thus is used intensively for export products intended for the United States, the EU and other environmentally-sensitive markets.
Policy issues and options	• The Government should provide further land access to households so that they can establish acacia plantations. Increasing household land access could be implemented by the Government transferring land currently used ineffectively by state forest companies and/or commune People's Committees (three million hectares). • A specific strategy for supporting household acacia plantations should be developed. The strategy should identify conditions and prioritise the area and the households with financial resources for long-term investment that should focus on large tree production or those who are not ready for that. The Government should adopt a step-wise approach when implementing the strategy, with different kinds of support for different groups of households depending on their resource availability.

	• To support the shift of production from smaller to larger diameter trees (for furniture manufacturing), the Government should help address constraints that smallholders face (for example, difficulty in access to long-term loans, low quality of seedlings, risk of natural calamity). Lessons learned from smallholder group certification could be used for establishing support for establishment of smallholder cooperatives, and for collaboration between wood processing companies and smallholders.
Actions required	• The shift from smaller to larger diameter timber requires different kinds of support. For example, the Bank for Social Policies, the Agricultural Bank should create a tailored credit line that prioritises large tree production by SmEs. The State Insurance Agency and Ministry of Finance should work with the MARD to establish an insurance programme for acacia plantation. MARD, the Ministry of Labour, Invalids and Social Affairs, Farmer's Union, and Vietnam Cooperative Alliance should develop clear guidelines and support the formation of smallholder cooperatives. Financial and technical support from international development agencies is important for piloting the switching of models and future scale-up. • Timber associations can play an important role in connecting companies and smallholders. VIFORES and local timber associations such as Binh Duong Forest Association (BIFA), the Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA), and Binh Dinh Timber and Forest Products Association should act as facilitators, connecting wood processing companies and tree plantation smallholders. • The Ministry of Finance, the Ministry of Industry and Trade and MARD should work on a public procurement policy that mandates the use of legal timber, including acacia, by Government agencies. • MARD, the Ministry of Finance and provincial and district authorities should provide financial and technical support for collaboration between wood processing companies and smallholders.

Current situation	• The country’s total rubber plantation is 974 000 hectares. Rubber trees are grown on forestland (therefore rubberwood is considered as a forest product), agricultural land (on which rubber is an agricultural crop), and household swidden/farmland (on which it can be either a forest product or agricultural crop). The Forest Protection Department is mandated to control the legality of wood grown on forestland, whereas the district and commune People’s Committee is responsible for controlling the legality of the wood from agricultural land. • There are 263,876 households with a total area of 409,300 hectares of rubber plantations, or 43 % of the national rubber plantation area. Most (87 %) of these households have rubber plantations of three hectares of less. • Total rubberwood produced by these households is 1.3 million m3 per year or almost 40 % of total national production (which is 3.3 million m3) • Market demand for rubberwood for both domestic and export consumption has been rising. • Most smallholders sell the wood to traders informally. There is no effort from either side to obtain official documents proving the legality of the wood. • Data on the area of rubber grown on forestland and on agricultural land are unavailable. • There is a Vietnam Rubber Association, but the members are all large-scale companies most of which belong to the state-owned Vietnam Rubber Group. Rubber plantation smallholders are not members of the association. There is no organisation representing rubber plantation smallholders.
Policy issues and options	• The Government should provide support to clarify the legality of smallholder rubberwood. A comprehensive survey is needed to identify the smallholder rubber area grown on forestland and agricultural land. The survey data would provide a foundation for verification and certification. • The commune People’s Committees should be mandated to verify and certify the legality of the wood produced by smallholders. • The Government should facilitate the collaboration between wood processing companies and rubber plantation smallholders by requesting local Government officials (at province, district, and commune) to facilitate the collaboration (for example, providing information on land tenure, land certificate, guaranteeing the legality status of the households on the land, organising smallholders into a group/collective entity to reduce transaction cost).

	• Support should be provided to rubber plantation smallholders to form cooperative entities (for example, rubber plantation smallholder associations or cooperatives) so that they can gain a legal status and enter into business relationships (for example, with wood processing companies) • All traders should be required to record their inputs and outputs, and to comply with requirements for proving legality of the wood. • The public procurement policy should also encourage the use of rubberwood.
Actions required	• The MARD should direct its research organisations to undertake a comprehensive survey to identify the current situation of rubber plantation by smallholders (e.g. area of plantation, type of land, years of plantation, socioeconomic status of households, networks of traders). • The Ministry should develop guidelines and procedures on verification and certification of the legality of rubberwood grown on forestland and agricultural land, and communicate these guidelines and procedures to local authorities, including commune People's Committees via different channels (for example, branch offices from province to district, mass media). • The Vietnam Rubber Association, Farmer's Union, Vietnam Cooperative Alliance, local authorities, development agencies and NGOs should provide technical and financial support to rubber plantation smallholders to establish their collective entities (for example, cooperatives or being part of Vietnam Rubber Association). • Timber associations should help connect wood processing companies and rubberwood smallholders.

Value chain 4. Domestic scattered trees for domestic and export markets

Current situation	• 55 million scattered trees are planted in Vietnam each year. • 3.3 million m3 of timber per year are harvested from this source, accounting to 14 % of the total timber plantation harvest (23.7 million m3). • Almost 25 % of wood processing companies use timber from scattered trees. • Scattered trees grow on various types of land, including residential land, garden land, agricultural land and forestland, and common land such as river banks and school yards. • At present, a legal framework for verifying and certifying legality of the scattered trees does not exist. However, the legality definition in the EU-Vietnam VPA explains the requirements to support verification of legality of the wood from this source. • Households sell the wood to traders without legal evidence.
Policy issues and options	• The Government should issue guidelines and procedures for the verification and certification of wood legality. These guidelines and procedures should be simple so that they can be easily adopted by local authorities and households. • The Government should formalise transactions between traders and tree growers through simple legal requirements that traders and tree growers can comply with. For example, legality evidence from timber harvest, sale and process should be obtained by the households and traders, as required by the current VPA.
Actions required	• In consultation with other agencies and local authorities, MARD should issue guidelines and procedures for verification and certification of wood legality. • The commune People's Committee should be the agency in charge of legality verification and certification, with support from the district People's Committee and technical staff from district departments of forest protection and agriculture, • MARD, the Ministry of Industry and Trade and the Ministry of Finance should collectively work on requirements for formalising transactions between traders and tree growers. The requirements should be sufficiently simple for enforcement agencies (for example, commune People's Committee) to follow.

Gender inequality in SmEs

The four value chains studied have some distinct gendered elements, but overall there are some common observable patterns:

- Each of the value chains studied is male dominated at all stages (60 % male, but still a considerable female workforce). It appears that most enterprises are male-owned, although there are no clear figures available on male or female ownership of SmEs.
- From overall figures relating to ownership of small and medium enterprises and microenterprises, women own 21 % of the total, with most of them being microenterprises. It is probable that there is much lower female ownership and entrepreneurship in SmEs.
- Women play a limited role in any intermediary position and are mainly engaged as workers, minimising their exposure to business networks and capability to engage in major decision-making processes.
- Women tend to do less physical work than men, focusing on wood finishing activities such as sanding and polishing, packing materials for despatch, and back office services, including financial management and sales. Gendered work segregation increases the likelihood of gender pay gaps and difficulties of ensuring women get fair pay.
- Female workers are paid less than their male counterparts for equivalent work (for example, labourer wages of USD 9-11 for men and USD 8 for women). Men retain the major areas of decision making including accessing finance, identifying markets and buyers, and making investment decisions for expansion of family-owned businesses.
- Strong cultural perceptions still constrain the role women can play in decision making and entrepreneurship, and create biases against women as business owners despite a generally more supportive environment for women's engagement in business. Women often do not have their names recorded on the land-use certificates, preventing them from accessing commercial loans where land is required as collateral. This acts as a considerable barrier to women developing their own businesses or asserting their rights to decision making over major financial decisions.
- From wider business surveys, it is apparent that banks do not have tailored support to women entrepreneurs, and women are perceived as more risky and potentially costlier to support than men, resulting in lower levels of lending to women, and poorer female access to bank loans. There is no evidence provided in this study concerning women's voice in wider representational organisations, such as timber associations.
- However, from other studies in Vietnam, it is clear that women's more limited exposure to the formal networks and spheres of operation, including membership of trade associations, reduces women's capacity to access information and relationships necessary to build their own professional expertise within the business.
- Women's business clubs, developed by the Vietnam Women's Union, provide important support to women, and access to information and social networks. However, the more specialised sector-based associations — including those in the forest product sector— remain male dominated and have not adapted their operations to the needs of women entrepreneurs or to specific gender-related issues.

Current situation	• There are robust policies for gender equity in Vietnam, as reflected in the Gender Equity Law, the National Strategy on Gender Equity, and the country's ratification of international conventions relating to gender equity. In principle, these legal frameworks show a strong policy commitment to gender equity in the workplace and domestic spheres. • However, enforcement of these policies has been weak. Gender imbalance and inequity is found at all stages of the four studied value chains, for example in the issuance of land-use certificates, domestic decision making, wage payments, job security and access to jobs. This is mainly attributable to the social beliefs and structures perpetuating the status quo.
Policy issues and options	• Specific policies and measures for gender equity that improve the productivity and quality of women's employment – such as access to land, credit and other production resources – are needed. • Gender mainstreaming is needed in all Government policies and programmes targeting SmEs, including policies and measures for increasing land access for smallholders, forming collective entities, accessing credit, collaboration between smallholders and wood processing companies, and formalising enterprises and employment.
Actions required	• The Vietnam Women's Union, representing the legal and legitimate rights and interests of the Vietnamese Government, should ensure all SmE policies, programmes and support includes a strong gender dimension. • The Vietnam Women Entrepreneurs Council (VWEC) of the Vietnam Chamber of Commerce and Industry should encourage access to business development services, particularly targeted to women in the SmE sector to support their growth as entrepreneurs and their capabilities to support female workers, in particular to improve their conditions. • The VWEC should also encourage the participation of women in forest product associations to ensure these associations represent men and women entrepreneurs equally. This should include support to training on gender equality in these associations, which remain male dominated both in terms of membership and understanding of the sectoral interests and issues.

	• The Ministry of Labour, Invalids and Social Affairs, in collaboration with the Vietnam Women's Union and other organisations such as the International Labour Organization and development agencies, should design a comprehensive training programme targeting women, especially as regards improving their work skills, their legal status and their power in the workplace and the home. • Some campaign is also required to ensure women have their names on the land-use certificates as well as men, and that women receive equal pay for equal work.

About the EU FLEGT Facility

The EU FLEGT Facility supports the European Union, its Member States and partner countries in implementing the EU FLEGT Action Plan. The European Forest Institute has hosted the Facility since 2007. The Facility has its headquarters in Barcelona, Spain, with additional offices in Brussels, Belgium; Joensuu, Finland; and Kuala Lumpur, Malaysia.

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