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Forest Management

Lao PDR Forests are divided into three kinds of areas: (i) Production Forest; (ii) Conservation Forest, and (iii) Protection Forest. Production Forest Area (PFA) covers 34% (3.2 million ha) of Laos PDR forested area. Protection forests make up 29% (2.8 million ha), and Conservation Forest Areas or National Biodiversity Conservation Areas (NBCAs, which include some non-forested area) account for a total of 5.3 million hectares (22.6%) of total land area. However, several areas mapped as protection forests are being used for agricultural production and even include major town areas and as such are already under alternative land use.

The 1991 Lao Constitution and the 2007 Forestry Law define all natural forestland as the ultimate property of the national community, which is being represented by the State. This includes communal village forestland. Plantation forests, however, are the property of individuals or organizations. Due to loopholes in the legal forestry framework, an unclear definition of legality and complex permitting requirements exist; it is not always clear whether logging is legal or illegal in Laos.

The development of the FSC system has so far been limited by the lack of domestic manufacturers with a Chain-of-Custody certificate but efforts are being made to better link certified forest management areas to domestic wood processors. A total of 82,760 hectares of the Production Forest Area are currently FSC certified.

Transparency

According to <u>Transparency International's 2013 Corruption Perceptions Index</u>, which measures perceived levels of public sector corruption in countries around the world using a score of 0-100 (where 0 is highly corrupt and 100 is completely clean). Lao PDR is ranked 140th out of 177 countries assessed. It has scored a corruption index of 26 out of 100, meaning it has a very high perception of corruption. Lao PDR has performed consistently poor on Transparency International's Corruption Perception Index. Forestry has been one of the most affected sectors by corruption with illegal logging and cross-border trade accounting being a major driver for deforestation in the country. Access the 2012 Corruption Index for Lao PDR.

The World Bank Worldwide Governance Indicators (WGI) is a set of governance indicators for all world economies. These indicators are important tools in terms of risk assessment. The WGI country reports are based on the six following aggregate governance indicators: Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. Countries are ranked for each of the six governance indicators on a scale from 0 to 100, where 0 corresponds to lowest rank and 100 corresponds to highest rank (better governance). Access the Lao PDR Governance Indicator Data Report ('96-'12).

The sector has long confirmed that transparency and access to information in Lao PDR are

lacking. In response and to build business confidence that trade barriers in Lao PDR are not raised arbitrarily, efforts to improve access to trade-related laws, regulations, measures, restrictions, licensing, tariffs, current events, etc. are being made. The <u>Lao PDR Trade Portal</u> is a major step toward increasing access to key Laotian trade materials. The database provides detailed process maps for businesses either importing or exporting; full listings of national standards by product; required procedures for border clearance; downloadable forms and application materials, among other resources.

Laws and Regulations

Forestry Laws

In Lao PDR, regulations and policies related to timber logging and exports aim to conserve existing natural forests and shift the country towards participatory, sustainable forest management, and are seen as welcome developments. Unfortunately, to be effective they need to be implemented differently. So far, the country's forest management and related governance strategies are lacking and need to be revised.

At present, much of the related Laos PDR laws provide a loopholes for the government to approve projects and actions that otherwise are prohibited under the statute. Clauses like "unless approved by the government" or "unless determined in special cases to be in the interest of the national community" line many of the texts and provide significant room for selective interpretations of Laotian forest policies. The current Lao PDR legal forestry framework with its hazy definitions of legality and complex permitting requirements is not always clear what constitutes illegal logging.

Constitution of the Lao People's Democratic Republic

The 2003 Lao Constitution (Articles 19) provides that all organizations and citizens have an obligation to protect the environment and natural resources of Lao PDR, including its land surfaces, underground resources, forests, animals, water reserves, and the atmosphere.

Forestry Law 2007

The main law related to forestry in Laos is the 2007 Foresty Law.

This is the main law addressing forestry issues in Lao PDR. It lays out measures and regulations for the sustainable management, conservation, development, use and inspection of forest resources and forest land. The text addresses the need for stable forest resources to ensure protection of the Laotian people, environment, and water resources.

The Law classifies forests into three categories: protection forests; conservation forests; and production forests. These areas include all forest types: dense forests, degraded forests, cleared forest land and village use forests. The Law also details the requirements for management and use of these areas, and lays out the operators' rights and obligations, including possession and use rights, benefit responsibilities, transfer rules, customary rights of local people and leasing rights.

It also articulates several prohibited acts and the powers and duties of forest management. Under the law, the government performs inspections, and the law articulates the responsibilities of the agencies performing them (i.e. Ministry of Agriculture and Forestry, the Provincial or Vientiane Capital Agriculture and Forestry Offices, the District or Municipal Agriculture and Forestry Offices, and the village Forestry Units).

Forest Categories (Forestry Law 2007, Articles 9-12)

Protection Forests Protection Forests are those areas selected to protect Laotian natural resources, such as water, river ecosystems, soil quality, protection from natural disasters, and environmental conservation, etc.

Conservation Forests Conservation Forests are those areas classified for the purpose of conserving nature, preserving plant and animal species, ecosystems and other valuable areas of natural, historical, cultural, eductional, scientific significance.

Production Forests Production Forests are both natural forests and planted forests that are classified for use and production. These areas are designated as such to support the production of wood and forest products, and to satisfy the needs of national socio-economic development where necessary. Note: all of these forest areas may include land cover that is dense forest, degraded forest, bare forestland or land for village use. They are not strictly forest spaces. The state may act in allocating forestland for rational usage, to individuals, communities and organizations. Customary utilization is defined as the use of forest and forest products that has been carried out for a long time in accordance with laws and regulations (Article 42). Customary utilization of forest and forest products need to be carried out in accordance with the village management plan, in compliance with national laws and regulations (Article 42). Village forests are poorly recognized and not included in the three forest types as described in the current version of Lao forest law. Village forests are considered as forest lands within Provinces and Districts, and are not classified as Production, Protection or Conservation where timber can be harvested and sold. Village use forests are the forest areas located within village areas and allocated for village management, preservation and utilization according to the land and forest allocation plan.

Preservation of Production Forests (Forestry Law 2007, Article 25)

The intent of this Article is to ensure that Production Forests are maintained in a way to protect the abundance of forest resources. There are 7 requirements: clear demarcation of the area; surveying and classifying protection areas within Production Forests; development planning; approved management implementation, legal logging and harvesting only; systematic monoitoring and evaluation on plan implementation, and implementing regulations and measures for forest preservation.

Logging and Harvesting of Forest Products (Forestry Law 207, Article 49)

The government permits logging only in Production Forests. Prior to logging, the forest area must be inventoried, surveyed, and sustainable management plans must be developed. In addition, logging and harvesting forest products must adhere to the following rules (not a complete list):

- Assign forestry staff at logging sites for managing, monitoring and controlling the logging in line with principles and regulations;
- Use logging units that are officially established;
- Logg only in the areas stated in the approved plans by the government;
- Log only the species and trees marked and stamped to be cut by the Forest and Forestland Management Organizations;
- Fell trees in accordance with the technical prescriptions and collect all harvested trees for maximum utilization;
- Apply the selective cutting system to ensure natural regeneration, minimizing impacts on

the natural environment and society,

• Haul, transport and delivery of logs must be undertaken through the roads and at the log landings or log yards set.

Decree on Sustainable Management of Production Forest Area, No 59/2002

This Decree identifies and establishes the management responsibilities for Production Forest Areas. It aims to establish principles that create sustainable management systems in all Lao PDR PFAs.

Forest and Forestland Inspection Forms (Forest Law 2007, Article 115)

There are three types of forest inspections conducted by the Government: regular inspection, inspection with advance notice, and impromptu inspection. The regular inspection is fixed and annual. The inspection with advance notice is conducted when necessary, but notice is given at least 24 hours in advance. Lastly, the impromptu inspection is conducted ugently and withou advance warning to the operator.

According to the Forestry Law 2007 and as stipulated in the 2002 Prime Ministerial Decree No 59 on Production Forest Management, and Prime Minister's Order (PMO) No 17, commercial logging can only occur within the territorial boundaries of Lao PDR's 51 National Production Forest Areas (PFAs), with approved pre-harvest inventory and sustainable forest management plans in place. In reality, only a few of the 51 PFAs have sustainable forest management plans in place.

PMO No. 17/PM (2008)

Contrary to PMO No 17, where commercial logging can only occur within the territorial boundaries of Lao's 51 National Production Forest Areas (PFAs), with approved pre-harvest inventory and sustainable forest management plans in place, PMO No 30 (Section 12) (Prime Minister's Order on strengthening for forest and wood business management, No 30, 2007) only requires a logging survey in advance of harvesting development areas and PMO No 25 (Section I/3) (Prime Minister's Order on the management of forest activities and wood business, No 25/PM, 2004) only requires government endorsement. All three orders (PMO No 17, 30 and 25) are thought to be still in force.

Environmental Protection Law, No 02-99/NA

The Environmental Protection Law specifies necessary principles, regulations and the measures for managing, monitoring, restoring and protecting the environment. Its basic principles state that in all cases forest impacts and environmental remediation measures will be its priority consideration, while restoration options will be secondary. Part II also details the prevention of environmental degradation and gives details on the environmental impact assessment process.

Decree on Environmental Impact Assessment, No 112/PM

This Decree was designed to: disseminate and implement Article 8 of the Law on Environmental Protection; lay down the principles and rules of the EIA, and adopt measures on establishment, functions, management and monitoring conducted in the EIA. Part II of the Decree details the EIA procedure.

Decree on State Land Lease or Concession, No 135/PM

This decree lays out the principles, procedures and measures on granting state land for lease or concession purposes, aiming to ensure uniform management and use throughout Lao PDR. Under the Decree, Lao citizens, foreign residents, stateless peoples, foreigners, organizations, state economic units, collective organizations, individuals, embassies or international organizations, domestic and foreign investors are all permitted to hold a state land lease or concession. The Lessee has to pay the rental fee in accordance with the rate specified in the law and regulations. The concessionee must pay the fees, cost for natural resources (royalties), tax, custom fees and other expenses as specified in the law.

Forestry Sector Strategy 2020 (FS2020)

This is the official guide for the sustainable management and development in Lao PDR's forestry sector. It also includes the National Growth and Poverty Eradication Strategy (NGPES), which is the leading document for Lao PDR's overall national rural development program. FS2020 presents a significant policy goal in the Forest Strategy that aims to restore Lao PDR forest cover to 70% by the year 2020. The policy identifies the need for natural regeneration of over 6 million hectares of unstocked forests. Its development and promotion are through the Ministry of Agriculture and Forestry.

Forest Resources Inspection Strategy Action Plan

Established in 2013, this document supports the FS2020 and details the required Department of Forest Inspection's responsibilies and plan of action. It was designed to help address illegal logging, timber and wildlife smuggling, and related corruption issues in Lao PDR.

Prime Minister Orders & Decrees

Orders by the Prime Minister in both 2002 and 2007 explicitly stated that raw logs are banned from export and that only finished timber products can be exported. Although Lao PDR's forestry legislation Article 22.4 of the Lao Prime Minister's Order No 30 (2007; on the Enhancement of Forest and Timber Business Management) appears to uphold the ban on the export of roundwood, sawn-wood, and semi-finished products sourced from natural forests, under economic agreement arrangements most companies try to obtain special logging permits which allow for an exemption from this ban.

- PM Decree No 46/PM (2001) provides incentives and measures for all timber industries to source timber from plantations. The goal of this policy is to ensure that any timber supply beyond the sustainable amount supplied from the state production forests under the management plan will be from forest plantations.
- PM Order No 18/PM, 2002 states that foreign direct investment in the timber industry is only allowed to utilize wood from their own plantations.
- PM Order No 31, 2006 covers the strict strengthening for forest and wood business management and improvement of finished wood products industry.
 PFAs became legal land status through PM Decree No 59/PM (2002) on Sustainable Management of Production Forest and the ministerial regulations No 0240/MAF.2003 of the Ministry of Agriculture and Forestry on establishment and sustainable management of production forests; and No 0060/2003 which defines principles for logging and harvesting of

forest products.

• PM Decree No 164/1993 established the national biodiversity conservation area (NBCA) system. NBCAs are the only managed, national-level areas devoted to nature conservation with no other national parks, wildlife or bird sanctuaries, aquatic reserves or similar areas in Lao PDR.

Processing/Manufacturing Laws

After harvest, all logs are brought to the first landing place or log yard. Once the quantity of wood at these log yards reaches roughly 2,000 cubic meters of wood, the operator must invite the department officials from the Lao Ministries of Agriculture and Forestry, Industry and Trade, and Finance (usually three per Ministry) to the site. The officials will come, measure the logs, classify them by species, and record the data. Then the logs are assigned a price.

Processing of Timber and Forest Products (Forestry Law 2007, Article 50)

Timber processing in Lao PDR is to follow the laws of the Processing Industry. Facilities are to be upgraded to reach a standard level of wood recovery and production quality that meets the needs of an industrializing and modernizing country. Most logs are processed in the province of harvest, although this can vary. Usually logs are transported by truck but occasionally floating barges down the Mekong might also be used.

The Forestry Law also states that it is illegal to cut, purchase, sell and transport any natural timber from protected or considered a special species due to near extinction. At present, these species include, but are not limited to: May Dou Lai (*Pterocarpus macrocarpus sp.*), May Kha Nhoung (*Dalbergia cochinchinensis*), May Padong (*Shorea hippocras*), May khamphi (*Dalbergia bariensis*), May Longleng (*Cunninghamia sinensis*), May Champa Pa (*Michelia champaca*).

Industrial Processing Law No 10/PO 1999

This law looks at the establishments, operations, and administration of industrial and handicrafts processing activities. Its main objective is to expand the processing and handicrafts industry. It also looks at the inter-relations of the processing industry with agro-forestry, encouraging the transformation of the natural economy of farmers into a goods-based economy, as well as the economic structures of the agro-forestry, industry and services sectors to increase the living standards of the multiethnic people.

Log Export Ban

Since 1999, all timber must be processed in Lao PDR. Unfinished wood products such as logs, timber, sawn timber, tree roots, semi-finished wood products and ornamental plants are not permitted to be exported. However, implementation and enforcement of this policy have largely failed as most processing facilities in Lao lack wooden material. The Lao log export ban does not apply to plantation timbers.

Special permits, such as the —debt repayment and —development permits, are often used to allow for an exception to the timber export ban. As a result, the majority of Laos' exports flowing to Vietnam are as logs and presumably fall under these special exemptions to the ban.

Transport Laws

Transport of Timber and Forest Products (Forestry Law 2007, Article 53)

Under Article 53, operators are obligated to comply with resource tax laws, ensure that their products are marked and stamped appropriately, and have the necessary transport documents with them at all times. Timber and other forest products must pass through only pre-determined routes, stop at each weight checkpoint and do so during a select period of the year and at the right time.

Export Laws

In order to obtain an Export License for wood products subject to non-automatic licensing, which includes wood products from non-plantation, natural forest only, it is necessary to show to the Ministry of Industry and Trade (DIMEX) the purchase agreement, a log list, a wood concession receipt. To obtain an Export License for wood products subject to automatic licensing (i.e. plantation wood), it is necessary to show DIMEX the purchase agreement, a Certificate of Origin issued by the Ministry of Agriculture, and Forestry, the export stamp logbook and a log list.

All goods exported from Laos must be declared to Customs.

A declaration is made by submitting a duly completed and signed ACDD Form together with the following minimum supporting documents:

- 1. A commercial invoice or contract of sale document from the supplier of the goods
- 2. Transport documents
- 3. Packing List (if available)
- 4. Certificate of Origin
- 5. Any export licenses or permits obtained from other ministries

Tax Laws

After each tree is recorded and the documents are provided to the operator, the trees receive a hammer mark stamp to certify their origin and legality. The company has to pay royalties, which are calculated based on the species and volume harvested, and is then allowed to take the logs out of the forest.

Trade Laws

FLEGT-VPA

As a wood and wood products exporting country, Lao PDR expressed interest in joining the VPA process with the EU to expand its market. As a result, Lao PDR began negotiations for a VPA with the EU in 2012. Several meetings have taken place since then and the process is ongoing.

ASEAN Trade in Goods Agreement (ATIGA)

Lao PDR is a participant in the ATIGA, including nine other ASEAN members: Brunei, Cambodia,

Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam. Exports from Laos destined to these markets are subject 0% tariff rates for most agricultural and industrial products since 2010.

Lao PDR is a participant in the following conventions: CBD (acceded), UNFCCC (Non-annex I Party), Kyoto Protocol (acceded), ITTA (non-member), UNCCD (ratified), Ramsar (Contracting Party), World Heritage (ratified), NLBI (Member State), and ILO 169 (not ratified).

CITES

<u>CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora)</u> is an international agreement among governments whose purpose is to ensure that international trade in wild animal and plant species does not threaten the survival of these species. A total of 180 countries have agreed to the CITES regulations, which is a legally binding agreement. It is up to each CITES Party to draft its own domestic legislation in order to comply with its CITES obligations.

See current list of member countries here

Lao PDR became Party to CITES in 2004. Lao PDR has two agencies responsible for implementing CITES. The CITES Management Authority in the Department of Forestry is responsible for CITES import permits, export permits and re-export certificates. The Scientific Authority (NSTA) is responsible for providing advice to the CITES MA.

CITES listed Species Found in Lao PDR: These Appendix-II listings are NOT a ban on trade. To conduct international commercial trade in these listed species, it is necessary to ensure all the proper CITES documentation from the exporting or re-exporting country are compiled and accurate.

Aquilaria spp. Aquilaria spp. are species that produce agarwood, a fragrant wood extremely valuable for incense, perfume and traditional medicine.*Aquilaria spp.* are spread across Southeast Asia. Particular species such as *Aquilaria crassna* and *Aquilaria baillonii* can be found in Lao PDR. The species have been over-harvested which led to their listing in CITES. With wild populations being critically endangered, the use of and interest in *Aquilaria spp.* as a plantation species has grown in Lao PDR. The CITES listing for *Aquilaria spp.* applies to all parts and derivatives, except seeds; seedling or tissue cultures obtained in vitro, in solid or liquid media, transported in sterile containers; and cut flowers of artificially propagated plants.

Gyrinops spp. Gyrinops spp. are other species that can produce agarwood. The species *Gyrinops vidalii* is found in certain regions of Lao PDR. The CITES listing for *Gyrinops spp.* applies to all parts and derivatives, except seeds; seedling or tissue cultures obtained in vitro, in solid or liquid media, transported in sterile containers; and cut flowers of artificially propagated plants.

Dalbergia cochinchinensis Listed in 2013, Thailand Rosewood is found in Cambodia, Thailand, Vietnam, and Lao PDR. This valuable wood has been subject heavy unchecked illegal logging in the Dangrek Mountains between Cambodia and Thailand. The logs cut on the Cambodian side are usually smuggled into Thailand by the hundreds. It is also listed as vulnerable in Vietnam by the IUCN Red List. Being highly valued in the wood carving and furniture industry, it is a popular wood in Vietnam.

For more information on CITES and Lao PDR, see the following resources:

- A review of CITES Appendices I and II Plant species from Lao PDR (2006)
- Domestication of *Aquilaria spp.* and rural poverty socio-economic and genetic aspects of the planting boom in the "Wood of the Gods" (2004)
- Heart of the matter: Agarwood use and trade and cites Implementation for Aquilaria malaccensis (2000)
- <u>Review of significant trade Aquilaria malaccensis (2003)</u>
- CITES Tree Species (2013)
- <u>Species+ Database</u>
- **<u>CITES Country Profile: Lao PDR</u>**
- **<u>CITES Species Checklist</u>**
- U.S. Fish & Wildlife Service Notice Letter: CoP16 Listing of Dalbergia spp (2013)

Forest Resources

In 2010, the Lao People's Democratic Republic (Lao PDR) had an estimated forest cover of 9.5 million hectares, approximately 40% of the land area. It is predominantly mountainous and home to many highly diverse ecosystems. Like many of its neighboring Asian countries, Lao PDR has many endemic species in the Greater Mekong subregion. Even though new regulations and policies over the last decade have tried to conserve these existing natural forests and promote a shift towards participatory, sustainable forest management, forest cover is still declining rapidly. Between 1992-2002, approximately 134,000 hectares per annum were lost and forest quality seriously diminished. When combined with its local industrial activity, the loss of forests has turned Lao PDR into a net emitter of CO2. The main drivers of deforestation and degradation in Lao PDR include: conversion to plantations and cash crops; hydropower development; mining operations; infrastructure development; illegal logging, and shifting cultivation. Of these, wood extraction and shifting cultivation are among the most important drivers of forest degradation.

Forest Products

Lao PDR is highly dependent on forest products both from an industry and a subsistence standpoint. Forestry is the second largest economic sector after agriculture, and it accounts for approximately 11% of total government tax revenues. Based on import data from receiving countries, Lao PDR is exporting a total of 800,000 cubic meters to 1.1 million cubic meters of timber and timber products per annum. This far exceeds the national annual allowable cuts and national level quotas, which currently stand at 150,000 cubic meters per year. This is in part because much of the exported timber comes from infrastructure conversion areas, which are not included within these national quota limitations. There is little transparency regarding the allocation or extent of infrastructure clearance quotas for hydropower, mining, plantation, or highway development.

While official trade statistics estimate that Laos exports approximately 250,000 cubic meters of timber and wood products per year to Vietnam, NGOs estimated that this number is actually more like 600,000 cubic meters of wood per year. Aside from Vietnam, Lao PDR also exports a large amount to Thailand; although, China is catching up as an export destination. Despite a log and sawnwood export ban like several of its neighbors, Lao PDR country trade statistics show that

Vietnam still imports a mix of logs and sawnwood. Vietnamese firms and labor force also play an important role in the Laotian logging, timber processing and wood export sector. Lao timber is often bartered in exchange for official Vietnamese development support or for official debt-repayment purposes.

Teak is the dominant plantation species and is planted by numerous small-holder farmers. Eucalyptus and rubber trees are also being planted for pulpwood and latex production.

The Government of Lao PDR are currently negotiating the terms of its <u>Voluntary Partnership</u> <u>Agreement (VPA) with the European Union (EU)</u>. VPAs are part of the comprehensive EU Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan and aim to ensure that timber exported to the EU is verified legal. Laos aims to improve opportunities for its timber industry abroad by participating in the FLEGT-VPA process, which it believes will give it access to the EU market, diversify its timber products, and increase revenue from timber exports.

Production Status

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Other export destinations include Japan, North and South Korea, EU, USA, and Australia. To a lesser extent, Lao PDR also ships to Malaysia, Cambodia, and Singapore. Even though it has a roundwood export ban and is trying to promote value-added timber processing, the export of secondary or finished products such as indoor and outdoor furniture is extremely limited as the country struggles to compete against more advanced manufacturing centers in Vietnam and China.

Vietnamese firms and labor force play an important role in the Laotian logging, timber processing and wood export sector. Lao timber is often bartered in exchange for official Vietnamese development support or for official debt-repayment purposes. The most common valuable timber species are Maidu, Thai rosewood (*Dalbergia cochichinensis*), *Dalbergia cultrate, Dalbergia oliveri* and Pyinkado (*Xylia xylocarpa*). These are often used for expensive indoor furniture and obtain premiums in East Asian markets. Lao PDR has some of the last remaining stands of rosewood and it will be difficult for Lao PDR to control trade in these species. Outdoor furniture products are typically made from less valuable timber species, such as Keruing and Mersawa (*Anisoptera cochinchinensis*).

More information:

- Forest Trends Report: Baseline Study 2 Lao PDR (2011)
- EFI Report: Study for Understanding Timber Flows & Control in Lao PDR (2012)
- Forest Trends Report: Timber markets and trade between Laos and Vietnam A commodity chain analysis of Vietnamese driven timber flows (2010)

• Office of Prime Minister, et al. Report: Research Evaluation of Economic, Social, and Ecological Implications of the Programme for Commercial Tree Plantations: Case Study of Rubber in the South of Laos PDR (2009)

Recent events:

- Vientiane Times: Poor Management Deprives Gov't of Taxes (2013)
- <u>Vientiane Times: Logging, tax avoidance top 2013 corrupt activities (2014)</u>
- Vientiane Times Article: Concerns over illegal logging in Laos remain (2014)
- <u>Vientiane Times Article: Laos, China to conserve border forests (2014)</u>

Contacts

Industry Associations

Lao Tree Plantation and Cash Crop Business Association

This Association aims to promote good management practices, and to provide members with access to information on laws and regulations, and relevant technical and market information.

Lao Furniture Association (LFA)

The LFA's main objective is to represent and promote the interests of its member companies. It is supported by the German group, GIZ, which assists LFA in strengthening the human resource capacity of LFA and improving the Training Center by addressing its management needs and the staff of furniture companies.

Lao Wood Processing Industry Association (LWPIA)

The LWPIA publically represents and assists members involved in the processing of timber and timber products.

Lao PDR Trade Portal

This Trade Portal assists traders by providing all information relating to import and export into and from Laos. The Portal is hosted by the Department of Import and Export within the Ministry of Industry and Commerce. Its website provides useful information for traders easily accessible online.

Civil Society Organizations

Land Issues Working Group (LIWG)

The LIWG represents around 40 organizations and promotes awareness and understanding of the social, economic and environmental impacts of land-related projects, including forestry.

Community Knowledge Support Association

The Community Knowledge Support Association was founded in 2006 as the coordination body for Indigenous Knowledge and Peoples Network (IKAP) for Lao PDR. It has been working in areas of

REDD+ in partnership with Asia Indigenous Peoples Pact (AIPP) since 2012, and has led to the formation of the Lao REDD+ Network.

Lao Biodiversity Association

This group is a non-profit association based in Vientiane. It works for biodiveristy protection and sustainable development, contributes to poverty alleviation, and supports the country's efforts to address climate change. It partners with government agencies at multiple levels and coordinates with international institutions to develop and research conservation projects in the Lao PDR.

Responsible Asian Forests and Trade (RAFT)

Lao PDR's RAFT's network is dedicated to building the capacity of communities to achieve FSC certification; increase access to improved livelihood benefits from responsible forestry and trade; build the capacity of factories to demonstrate compliance with timber legality laws of major markets, and developing and dispersing training manuals and tools.

<u>UNDP Lao PDR Project" > United Nations Development Programme (UNDP)</u>

In Lao PDR, UNDP works to ensure that all people benefit from national development. It supports growth which creates more and better economic and social opportunities, without harming the environment.

Government Ministries

Ministry of Industry and Commerce (MOIC)

MoIC oversees the wood processing industry, monitoring the sale, transport, processing and export of logs, processed timber and finished wood products.

Ministry of Natural Resources & Environment (MONRE)

MONRE manages designated Protection and Conservation Forest Areas.

Ministry of Agriculture and Forestry

The Ministry of Agriculture and Forestry is responsible for agriculture and forest resources and for helping develop and implement forest policy and law, track forest monitoring, and create forest regeneration strategies. In the management of the forest, forestland, and various forestry activities, the Ministry also has the following rights and duties:

- To disseminate, give instructions and guidance, monitor and inspect the implementation of forestry laws and regulations;
- To do scientific and technical research related to forestry and to establish the network of statisticial information and data collection,
- To coordinate with concerned organizations in the implementation of forest and forestland activities
- To cooperate with foreign countries regarding forestry activities;
- To summarize reports on the results of the implementation of forestry activities across the country and submit to the government regularly;
- To execute other rights and duties as provided in the laws and regulations.

Department of Forestry (DOF)

DOF is a department of the Ministry of Agriculture and Forestry. Its key roles include forest management, protection, and sustainable development. It works on developing and implementing forest policy and law, forest monitoring systems, and forest regeneration strategies.

Water Resources and Environment Administration (WREA)

WREA is responsible for abiding by the national environment policy, including coordinating responsibility on environmental and forestry management.

Lao National Mekong Committee (LNMC)

The LNMC promotes the sustainable use and management of water and other natural resources in Mekong basin.

National Agricultural and Forestry Research Institute (NAFRI)

NAFRI undertakes integrated agriculture, forestry and fisheries research.

Forestry and Forest Inspection Organization

The Forest and Forestland Inspection Organization is responsible for the following:

- Inspecting the implementation of laws and regulations related to the forest;
- Inspecting activities and projects related to forests, forestland and forest resources including related business operations
- Conducting investigations or interrogations related to forests
- Contacting and coordinating with concerned authorities at the central and local levels in the implementation of rights and duties;
- Providing a summary report on inspections from time to time to relevant authorities
- Executing other rights and duties as provided in the laws and regulations.

Tools and resources

- <u>REDD desk country profile: Laos</u>
- Forest Trends Report: Timber Markets and Trade Between Laos and Vietnam (2010)
- EFI: Study for Understanding timber flows in Lao PDR (2012)
- Forest Trends Report: Baseline Study 2 Lao PDR: Overview of Forest Governance, Markets and Trade (2011)
- EU-FLEGT Facility Country Profile: Laos
- FAO Country Profile: Lao People's Democratic Republic
- Chatham House Illegal Logging Portal: Laos

Citations