



15/12/2015

Thematic Expert Group on Plantation

1

Topics

1. Overview on plantation management in Laos
2. Problems on Plantation Management
3. Solution
4. The work of Thematic Expert Group on plantation

15/12/2015

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2

1. Overview on plantation management in Laos

- In 1989, Lao government had set up a policy on forest restoration, protection and plantation
- Decree No.117 on forest management and utilizations mentions that: state allocates forest and land to each household in the area of 2-3 hectares and for each village 100-500 hectares for protection, restoration and plantation.
- In 1994, government issued the decree No. 186/PM on forest and land demarcations for forest protection and plantation.
- In 1996 the order No. 03/PM regarding land management and land-forest allocation and the guideline No. 0822/MAF on land-forest allocation for management and utilization were issued.

15/12/2015

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3

1. Overview on plantation management in Laos

- In 2000, regulation No. 0196/MAF concerning the development and promotion of long-term plantations and the directive No 1849/MAF concerning the registration of plantation, the directive No. 0115/MAF and notification No. 1374/MCAF were issued.
- In 2005, government had approved the forest strategies until 2020 and it aims to achieve 500.000 hectares of plantation areas.
- In 2007, National Assembly had approved the amended forest law which is the fundamental legislation for forest work as well as promotion tool for plantation investment.

15/12/2015

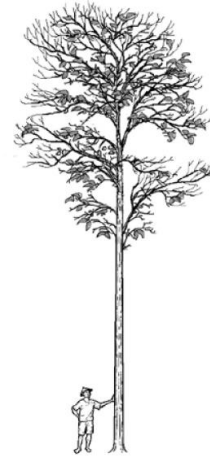
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4

2. Problems on Plantation Management

Plantation Registration

- Lack of knowledge/understanding on registration
- Registration procedures contain many steps
- Borrowing other's registration certificate to harvest and sell timbers from plantations
- Currently the payment for plantation registration fee is not yet unified nationwide due to the lack of legislation on this issue
- The plantation registration fee is now still depending on the potentials of individual province. However the fee is not more than 200,000 kip per a plantation and a batch (especially in Khammuan and Sayabouly Province)



15/12/2015

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5

2. Problems on Plantation Management

Land tax for plantation

- Previously, land tax was implemented based on the decree of Prime Minister No. 50/PM concerning Land tax. There are 3 types of land to be paid for tax:
 - Construction land;
 - Agriculture land (paddy fields, gardens and farms)
 - others.
- According to the decree 03/PM concerning land tax payment specified that if plantation area is more than 1 Rai with 80% survival rate, it exempts for tax collection.
- Currently, some provinces are still collecting tax from plantation owners

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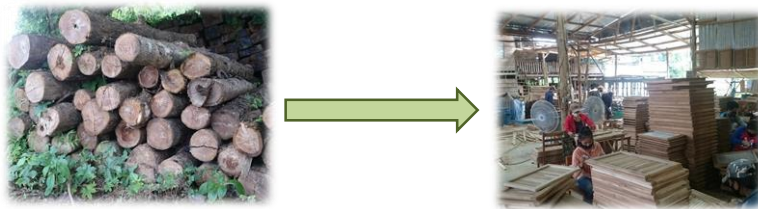
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6

2. Problems on Plantation Management

Timber Movement

- Timber from plantation is directly transported from log landing 1 to timber processing factory.



- In some provinces, selling timber from plantation is supposed to pay loyalty fee as similar to selling timber from natural forest.

15/12/2015

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7

3. Solution

- Simplify the plantation registration procedure
- Provide tools and equipment for efficient registration and lower cost
- It is necessary to improve the decree No. 096/PM in order to promote plantation in Laos
- Strong efforts must be put together by Thematic Expert Group on Plantation in order to develop Timber Legality Definition for plantation

15/12/2015

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8

4. The work of Thematic Expert Group on plantation

- Thematic Expert Group on Plantation is established. The members are consisting of DOF, various divisions from Sayabouly Province, CSO, plantation owners and wood processing sector.
- Timber legality Definition on Plantation from the points of harvest to export is being developed from December 2015 to June 2016



15/12/2015

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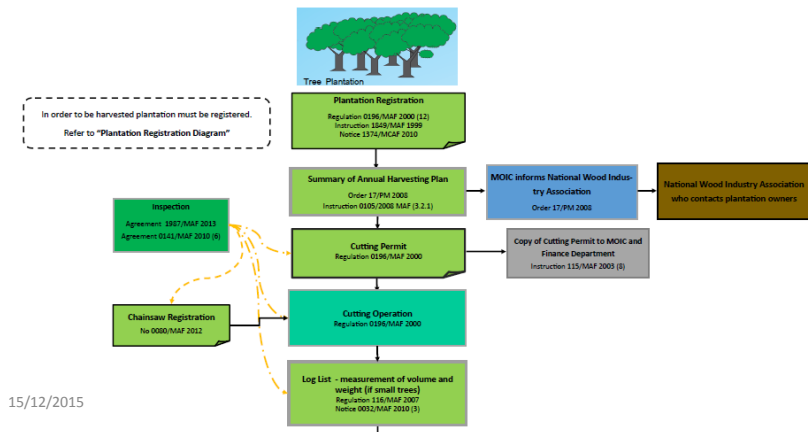
9

4. The work of Thematic Expert Group on plantation

Flow chart of plantation

- legislation on plantation is compiled to be the basis for development of Timber Legality Definition on Plantation. For example:

Harvesting and transport procedure



15/12/2015

10

4. The work of Thematic Expert Group on plantation

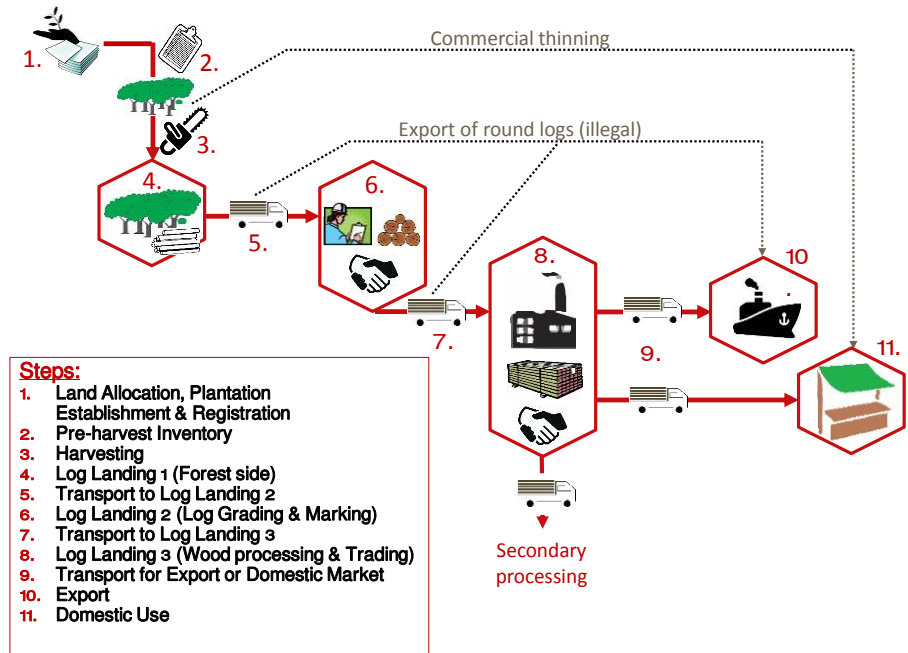
Work plan

No	Project activities	Locations	Responsible	Outputs	Dec	Jan	Feb	Mar	Apr	May	Jun
1	Establishment of a thematic expert group with relevant stakeholders	Luang Prabang	DoF/ Plantation Promotion and Investment Division	TEG established	x						
2	Identify laws and regulations inclusive the responsible bodies related to plantation	Vientiane Capital	DoF/ Plantation Promotion and Investment Division	Laws and regulations identified	x	x					
3	Assessment of practice in the field of plantation in the pilot province Sayaboury	Sayaboury	Plantation Promotion and Investment Unit SAY	Reports of actual application of legislation is available			x	x			
4	Analyse laws and regulations related to plantation	Vientiane Capital/	DoF/ Plantation Promotion and Investment Division	Laws and regulations reviewed			x	x			
5	Draft the TLD plantation based on the laws and regulations analyzed	Vientiane Capital/ Sayaboury	DoF/ Plantation Promotion and Investment Division	Draft of TLD is available				x	x	x	x
6	Testing the draft of TLD	Sayaboury/ Vientiane Capital	Plantation Promotion and Investment Unit SAY	TDL tested						x	x

15/12/2015

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11



15/12/2015

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16



15/12/2015

Thematic Expert Group on Plantation

13