



ກະຊວງອຸດສາຫະກຳ ແລະ ການຄ້າ
Ministry of Industry and Commerce



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Implementation of Prime Minister Order 15 and FLEGT Go Hand-in-Hand

Implementation of Prime Minister Order No. 15 and the Lao-EU FLEGT process go hand-in-hand. This was highlighted at the annual FLEGT meeting held in Attapeu province on 7 and 8 February 2017 with participation of representatives from government agencies, National Assembly, timber industry, academia, and civil society organisations.

“FLEGT supports the implementation of Prime Minister Order No. 15 in many aspects”, said Mr. Souksamay Chanthamath, Vice Governor of Attapeu. “As part of the FLEGT process a master plan to strengthen the Lao wood processing industry is being developed and a training centre to enhance the capacity of its companies on value adding processing is being established, thereby supporting the Prime Minister’s order to modernise the domestic timber sector. A mandatory national Chain of Custody (CoC) system - input-output monitoring for timber in particular - is being drafted to strengthen the operations at company-level, thereby further contributing to a modernised wood processing sector.”

According to Mr. Khamphout Phandanouvong, Director General of Department of Forest Inspection, and the Head of the National Support and Development Committee, additional areas where FLEGT supports implementation of Prime Minister Order No. 15 are:

- Timber flow monitoring in the FLEGT pilot provinces of Attapeu, Khammouane and Sayaboury will provide real-world experiences that will improve the systems for recording and managing data along the timber supply chain as well as help to coordinate handling of confiscated timber by the many Government agencies involved.
 - The regulation 0112 for timber harvesting in conversion areas is being revised and tested in pilot provinces to improve demarcation of conversion areas for infrastructure and plantations, to improve inventory of timber and monitoring of harvesting operations.

Lao PDR is now starting to see the results of stronger forest governance on illegal logging after the announcement of the Prime Minister Order No. 15 in May 2016. The Lao-EU FLEGT process (Forest Law Enforcement, Governance and Trade) is the key initiative contributing to the implementation of PM Order 15.

Check out FLEGTlaos.com

Video on “The work of Thematic Expert Groups in the Lao-EU FLEGT VPA process” can be viewed [here](#)

You can download the presentations on the following workshops [here](#):

- Consultation Meeting on Decision on Management and Monitoring of Timber Input and Output in Wood Processing and Trading, on 17 February 2017
 - Meeting of Thematic Expert Group on Conversion Area, on 17 March 2017
 - Introduction Meeting of the Training and Development Center (TDC) for Lao Wood Processing Sector, on 23 March 2017

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Thematic Expert Group on Conversion Timber Reviews Feedback from EU

At a Thematic Expert Group (TEG) workshop on the 17 March 2017, the legality standard for wood from conversion areas was discussed for the first time since the first draft was presented at the Technical Working Group in December 2016. This standard defines how trees can be legally harvested from forest land that has been converted to other land types for development projects such as mining; hydropower dams; plantations; and infrastructure or road construction.

"By reviewing laws and regulatory instruments for conversion areas to remove inconsistencies and clarifying roles and responsibilities across different ministries involved, the legality of timber from converted forest areas will be better understood and the movement of such timber will be better monitored and traced," said the workshop's chair, Mr. Bounpone Sengthong, Deputy Director General of the Department of Forestry, Ministry of Agriculture and Forestry. "The thorough legal timber definition will surely enhance understanding among relevant ministries, civil society and private sector, including project investors and developers, especially when it comes to law enforcement practices", he added.

The TEG members later considered feedback and questions from the EU. This included a session of group brainstorming to respond to the EU's questions that evoked a number of constructive conversations on important issues, such as the concession process required prior to legal timber harvesting, challenges faced in conducting forest surveys, and the role of impacted communities. Participants acknowledged that in the past, timber exported as conversion area timber sometimes came illegally from outside the conversion areas, and that the Timber Legality Assurance System (TLAS) must prevent this problem moving forward.

New Task Force Supports FLEGT Process

With the FLEGT VPA negotiations gaining momentum and participation becoming increasingly multi-stakeholder, the government of Lao PDR has formed a special Task Force to support coordinating FLEGT-related operations and to integrate the initiative with relevant government offices.

An agreement issued by the Minister of Agriculture and Forestry appoints ten individuals from two Ministries, the National University of Laos, and the National Assembly who will work to align their respective organisations with the FLEGT process and bring their experience and capacities to improve upon the progress already made.

Dr. Khamfeua Sirivongs, Deputy Director of Forest Technique Standard Development Division, Department of Forestry, and Head of the Standing Office and Vice Chair of the new Task Force, explained, "the Task Force members will encourage and support more effective work by the stakeholders by liaising between the National Steering Committee and the Thematic Expert Groups; and help with the work, such as coordination."

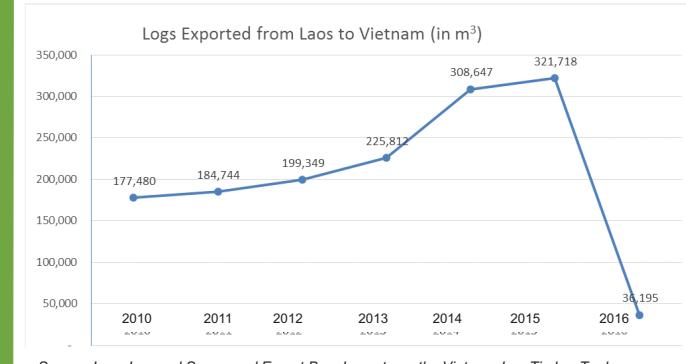
The agreement states that the task force will divide the work appropriately among themselves; study and gain an understanding of many aspects and concepts of FLEGT; contribute to the Timber Legality Definition (TLD), Timber Legality Assurance System (TLAS), and Chain of Custody (COC); participate in the various meetings and workshop; and draw these elements back into their respective ministries and departments for adoption.

The members of the committee are:

- **Chair:** Mr. Thongphanh RATANALANGSY: Deputy Director General – Depart of Forest Inspection, Ministry of Agriculture and Forestry (MAF)
- **Vice Chair:** Dr. Khamfeua SIRIVONGS: Deputy Director of Forest Technique Standard Development Division, Department of Forestry, MAF
- **Vice Chair:** Mr. Phoxai INTHABOUALY: Deputy Director of Product Source Certification Division, Department of Import and Export (DIMEX), Ministry of Industry and Commerce (MOIC)
- Dr. Phommy INTHICHACK: Director of International Cooperation Division, Department of Planning and Cooperation, MAF
- Dr. Kaisone PHENGSOOPHA: Faculty of Forestry

Lao Wood Exports to Vietnam Continue to Drop

Exports of logs from Lao PDR to Vietnam plummeted by 89% in 2016 (compared to 2015), according to Vietnamese custom data. This continuous drop is following the Prime Minister Order 15/PM from May 2016 on banning all exports of logs and semi-finished wood products.



Source: Laos Log and Sawnwood Export Ban: Impacts on the Vietnam-Lao Timber Trade [http://forest-trends.org/publication_details.php?publicationID=5515]

Science National University of Laos (NUOL)

- Mr. Thongdam KHOUNOUDOM: Director of Products Standard Division, Department of Industry and Handicraft, MOIC
- Mr. Khamphou PHOUYYAVONG: Deputy Division Head of Planning and Cooperation NAFRI MAF
- Mr. Somchith PHOMTHAVONG: Deputy Head of Environment Division, Natural Resources and Environment Department, National Assembly
- Mr. Souliphone KONGXEANGCHIT: Deputy Division Head of Statistics and Planning Department of Department of Industry and Handicraft; MOIC
- Ms. Nilapha VORACHITH: Forestry Officer, DOFI, MAF