



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Prime Minister

No. 15/PM

Vientiane Capital, date 13.05.2016

Order

**On Strengthening Strictness of Timber Harvest Management and Inspection,
Timber Transport and Business**

To: Ministers, Heads of ministry-equivalent organisations, Governor of Vientiane Capital and Provincial Governors nationwide.

- Based on the Law on Government (amended version) No. 69/NA, dated 15 December 2015
- Based on the Forestry Law No. 06/NA, dated 24 December 2007
- Based on the Conference of Prime Minister-Deputy Prime Minister, dated 05 May 2016.

In order to strengthen the implementation of forest management, timber business, timber extraction, timber processing, and timber trade to have strict compliance to the laws and regulations issued inviolably by the Government, to simultaneously prevent, oppose, and resolve the negative phenomena within the forest sector in order to reduce and incrementally eliminate them.

Prime Minister is issuing the following orders:

1. The ministries, relevant sectors and local authorities in all levels shall increase their dedication and responsibility in implementing their duties, authorities, and responsibilities in accordance with defined laws and regulations, particularly laws and regulations related to forest governance, timber extraction, timber transport, and timber business.
2. Suspend the export of logs, planks, processed timber, split wood, roots, stumps, knots, branches, and standing trees or decorative trees that are harvested from natural forest, strictly and under all circumstances, including the timber previously approved by Government but not yet implemented; logs must be processed to finished products based on the standard set by the Ministry of Industry and Commerce (according to the Decision No. 2005/MOIC.DoIH, dated 28/9/2015) prior to granting approvals for export.

3. Prohibit importing of illegal timber and non-timber forest products for the purpose of exporting those products to third countries.
4. Continue the implementation of the Prime Minister's Order No. 31/PM, dated 5 November 2013 regarding the Temporary Suspension of Logging in Production Forest and carry on the development of production forest allocation plan and report to the Government for consideration.
 - 4.1 Timber extraction in infrastructure areas such as: new road development areas, hydropower construction areas, expected flooding areas, mineral extraction areas, etc. must be surveyed, registered for timber amount and volume in detail prior to reporting to the Government to integrate into annual timber extraction plan and submit to the National Assembly for further consideration.
 - 4.2 In the case that logging approval is attained, logging must be strictly supervised and inspected based on the approved timber amount, volume, and area. In case the logging exceeds the approved amount or extends beyond the approved area, the logs will be confiscated, [offenders will be] fined and conducted a prosecution according to the law.
 - 4.3 Prohibit project developers or construction contractors from carrying out timber extraction in the infrastructure development projects; the State has direct responsibility for timber harvest and sales. It is prohibited to use timber to directly finance infrastructure development projects or use timber to underwrite a project.
5. In infrastructure development areas, mineral extraction areas, and [food] production areas that are not yet approved by the Government, it is strictly prohibited to conduct the surveying and extraction of timber.
6. Halt proposals and approvals to collect or accumulate branches, short logs, dead logs on the ground, and it is not permitted to grant timber to resolve a **benefits package** for any individual.
7. The Ministry of Agriculture and Forestry shall be the focal agency to collaborate with relevant sectors and local authorities to inspect and collect detailed information such as: timber amount, volume and outstanding obligations in log landing 2 that were previously approved by the Government for extraction, and then report to the Government for consideration and assign the relevant sectors to conduct timber auction to sell timbers to the National Wood Processing Industry Association and Lao Furniture Association or other operators for processing into finished products for selling in domestic markets or exporting.
 - 7.1 For logs harvested beyond the approved quota, confiscate as State assets and strictly prosecute of the offenders.
 - 7.2 For logs extracted without approval and in violation of the law and still remaining at log landing 1 must not be collected or accumulated since the phenomenon will create gaps for further illegal logging.
8. Timber extracted for generating energy (such as: firewood, charcoal), using as fences, scaffolding are allowed to harvest specifically in the allocated areas under management of [local] people and allocated village use forest or harvested from

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infrastructure development projects approved by the Government which completed the detailed survey and included in the annual timber extraction plan.

9. The Ministry of Agriculture and Forestry shall collaborate with local authorities to research and promote investment in timber extraction by using the potential of the State and operators to establish an organisation or group for timber extraction as a professionally conducted, regular unit in conjunction with carrying out forest protection and restoration under the supervision of local authorities and relevant sectors.
10. The Ministry of Industry and Commerce shall act as the focal agency to collaborate with relevant and local sectors to urgently complete modification of wood processing factories. Simultaneously, [MIC] shall provide direction to the National Wood Processing Industry Association and Lao Furniture Association to revise their roles and strengthen their operation mechanism in order to implement the domestic wood processing promotion policy to create value-added and quality product that meet the demand of the domestic and international markets.
11. The Ministry of Agriculture and Forestry shall take the initiative, in collaboration with the Ministry of National Defense and other related sectors, to conduct patrolling of areas adjacent to at-risk borders, [areas] with illegal logging, timber extraction locations, timber transportation roads, log landings, sawmills, wood processing factories, furniture factories, log warehouses, factories using timber as a source of energy, and other relevant locations as reported. In case of any violations or crimes, investigations and inspections must be conducted to take civil and criminal measures; for serious cases, formal complaints must be compiled and submitted to the prosecutor for indictment. Simultaneously, inspections of import, trade, possession and utilization of timber harvest equipment, machines and vehicles without any permission of relevant sectors must be conducted. If there is any concealment for the purpose of hidden use, the materials will be confiscated and the offenders will be prosecuted.
12. The Ministry of Agriculture and Forestry, Ministry of Natural Resources and Environment, Ministry of Industry and Commerce, and Ministry of Finance shall commit to upgrading their working units and personnel which are responsible for forest management and timber business at central and local levels through harmonized cooperation to implement regulations, implement their own responsibilities in, sincere, strict, and transparent manners. This is to protect and promote good, honest and capable people, while [acting] strictly with malefactors conspiring to reap benefits for themselves and break laws and regulations.
13. The Ministry of Natural Resources and Environment shall take the initiative in collaboration with the Ministry of National Defense, Ministry of Public Security, Ministry of Agriculture and Forestry and local authorities in strengthening surveillance and security to prevent illegal logging in protection forest and national and local conservation forests. In the case that illegal logging is discovered in these areas, measures should be seriously and strictly against the offender.

14. International border checkpoints, local checkpoints, customary checkpoints and other checkpoints along the borders are strictly prohibited from approving or facilitating the export of timber and non-timber forest products stated in point 2 and 3 of this order.
15. The Ministry of Agriculture and Forestry to take the initiative in collaboration with the Ministry of Industry and Commerce, other relevant sectors, and local authorities to be responsible for inspection of the implementation of this order and report to the Government periodically in order to address the potential problems in timely manner.
16. Ministers, heads of ministry-equivalent organisations, the Governor of Vientiane Capital, Provincial Governors nationwide shall deeply study this order, as well as quickly expand the order into one's own work and implement it effectively. In case any sector or local authority fails to comply with this order, the leading committee of that particular sector or authority shall take responsibility to the Government based on laws and regulations.
17. This order is effective from the date it is signed. Previous orders, decisions, notices and legislations, including those of local authorities, in conflict with this order are eliminated.

Prime Minister of Lao PDR

Mr. Thongloun Sisoulith