



©GIZ/Maniphet Chounlamany

Issue 1 / 2018

3rd National Steering Committee on FLEGT VPA with European Union

On 19 January 2018, the National Steering Committee (NSC) for the Lao-EU FLEGT process convened for a third time to review the progress and achievements of the various components and activities of the National FLEGT action plan. The committee, meeting in Pakse, heard from presenters and participants that the Voluntary Partnership Agreement (VPA) process has been challenging but continues to gain momentum through the cohesive collaboration of the diverse network of stakeholders.

Dr Phouangparisak Pravongviengkham, Vice Minister of Agriculture and Forestry; Mr Saikham Ounmixai, Vice President of Government Inspection and Anti-Corruption Authority; Mr Somchay Phetsinouane, President of the Khammouane Provincial People's Council, Mr Bouasone Vongsongkhone, Vice Governor of Champasak Province, and Mr Souksamay Chanthamath, Vice Governor of Attapeu Province all jointly chaired the NSC meeting. Over 70 individuals involved in the FLEGT work, including representatives from the private sector and civil society, joined the meeting to share their experiences and perspectives on the progress of the VPA.

The Director General of the Department of Forest Inspection, Mr Linthong Douangphachanh - who recently replaced the outgoing Mr Khamphout Phandanouvong - presented the achievements and progress of the FLEGT VPA process in Laos, including challenges and lessons learned. Other agencies reported on various aspects of the FLEGT work under their responsibility.

Representatives from the business sector spoke, asking the committee to be mindful of the challenges placed on businesses trying to comply with legality, and pointed out that there are high costs to develop the resources and capacities needed for an industry that can compete in a global market. Co-chairs acknowledged the important role of the private sector and encouraged the businesses to contribute their perspective to the timber legality definition (TLD) and legislative process to ensure that policies were in line with the realities of the industry.

Civil Society representatives later presented a summary of their contributions to the VPA process and identified areas in the TLD where they were pleased that changes to the standards had addressed some of their concerns about social and environmental impacts. The CSOs pointed out that civil society would continue to promote community participation to help ensure respect for the rights and benefits of Lao people as defined by the law.

The NSC members were pleased to hear the significant achievements and successes of the FLEGT work so far, but recognized that the work moving forward to achieve the ambitious FLEGT road map and work plan would require dedication and close cooperation by all those engaged in the work.

Standing Office Upgraded to Division with More Impact

The FLEGT Standing Office, the coordination secretariat of the Lao Government for the FLEGT VPA negotiations, has been upgraded to the Legislation and Forest Inspection Policy Division, under the guidance of the Department of Forest Inspection, Ministry of Agriculture and Forestry.

The new division will still be managed by Dr. Khamfeua Sirivongs. Additional government staff will be assigned

Standing Office Upgraded to Division with More Impact (Cont.)

to the secretariat. This is an important step to enhance the capacity of the secretariat to effectively coordinate the stakeholders as part of the FLEGT process.

This elevation is the outcome of long years of work focusing on the Lao-EU FLEGT process, with the objectives to improve forest governance, minimise illegal logging activities, and promote legal timber trade, in which the work of the FLEGT process is in line with and supports the Prime Minister Order No. 15 issued in May 2016.

Consultation Workshop on the Use of Remote Sensing

Representatives from various provincial/national authorities and international organizations came together in Vientiane on 18 December 2017 to discuss the use of remote sensing technologies as part of an operational logging and degradation monitoring system.

Forest degradation is caused by a number of drivers, such as unsustainable logging, livestock grazing and forest fires. In principle, such disturbances can be detected on 5–30 m resolution remotely sensed data. However, the use of satellite based monitoring options requires fairly high levels of technical knowledge and operational capacities and has consequently proven to be especially challenging to implement in developing countries.

Since recent developments such as cloud computing have made satellite based monitoring more feasible, a number of projects in Laos have started to prepare their own individual monitoring approach using remote sensing to track forest degradation. The proposed system, a standardized approach incorporating remote sensing data in field work and reporting procedures, envisages forest mapping through a combination of two satellite based options.

The use of remote sensing was also brought up during the FLEGT National Steering Committee meeting on 19 January where the roles and responsibilities of involved government agencies could be clarified. Participants agreed to implement a trial phase in the FLEGT pilot provinces Khammouane and Attapeu.

Mandatory Timber Auction Strengthens Competitiveness of Lao Timber Industry

One of the main changes enforced by Prime Minister Order 15 is that all timber has to be auctioned at log landing 2. To this end all related data management for compliance monitoring and verification becomes very important to ensure the legality of the auctioned timber for further processing.

Based on an assessment of Mr. Lutz Kulenkampff, an international expert provided by ProFLEGT, a component of ProFEB, timber auction in Laos can be improved in many ways, ranging from management to technical aspects, to increase its transparency and competitiveness. In a joint workshop with the Department of Import and Export (DIMEX), Ministry of Industry and Commerce (MOIC), the following main recommendations were presented:

- + Grade the logs according to qualities, diameter classes and species by batches between 25-40 m³ in the log yard and give the potential buyers the chance to inspect the batches in advance;
- + Organise event as an open (oral) auction with many potential buyers and independent observers to ensure transparency and minimise collusion;
- + Move the auction from provincial to regional level or even national level if possible;
- + Set up the Marketing and Sales Division in DIMEX to become the point of contact and centre of expertise for all national and international potential clients concerning all issues of timber marketing and sales in Laos;
- + Include lesser known timber species (LKTS) to be part of future auctions.

DIMEX appreciated the suggestions and will work on the adjustment of relevant regulations in order to make the timber auction more attractive for the private sector and to achieve better results with them.



Logs harvested and stored at Log Landing 2 awaiting for further timber auction process

Contact:

Legislation and Forest Inspection Policy Division
(FLEGT Standing Office)
Department of Forest Inspection
That Dam Campus,
Chanthabouly District
Vientiane Capital, Lao PDR
Telephone: +856-21-255 264
Fax: +856-21-255 263
Email: info@flegtlaos.com
www.FLEGTlaos.com