

# Lao People's Democratic Republic Peace Independence Democracy Unity Prosperity

National Assembly

No. 64 /NA

Vientiane Capital, date 13 June 2019

## **FORESTRY LAW**

(Revised)

#### CHAPTER I GENERAL PROVISIONS

## Article 1 (revised) Objectives

This Forestry Law **determines** the principles, regulations and measures for the management, protection, development, utilization and inspection of forests and forestland, for promoting tree plantations, regenerating and increasing forest resources; as such the law **aims** to make forest resources rich, increase forest cover, provide resources for tourism and promoting their sustainable use in people's livelihoods; this will **ensures** the protection of soil quality, air quality, water resources, biodiversity, and environmental protection in a green and sustainable manner; and thereby **contributes** to the socio-economic development of the country.

#### **Article 2 (revised) Forests**

Forests are an invaluable national resource with a unique ecology, comprising biodiversity, water sources and land with various tree species growing naturally or planted in an area of at least zero point five (0.5) hectares and a crown cover of at least 20 percent (20%).

#### **Article 3 (revised) Interpretation of Terms**

The terms applied in this law have the following meanings:

- **1. Forest resources** refer to both living and non-living organisms, comprising soil, plants, trees, water, aquatic animals, wildlife and other resources present in forest areas;
- **2. Natural forest regeneration** is the natural recovery of vegetation by seed, root or shoots of the various tree species growing in the forest areas and can be assisted by ground clearing and/or thinning to promote the tree growth;

- **3. Forest regeneration through enrichment planting** is the supplementary planting of tree species that are suitable for the purpose and objective of forest regeneration in natural forest regeneration areas, particularly in areas where the desired tree species are scattered, irregularly distributed, at risk of disappearing or already locally extinct;
- **4. Regeneration forests** are forest areas regenerated from a degraded condition into rich natural forests;
- 5. Dry Dipterocarp forests are natural forest areas with low tree density and a specific forest ecology; they perform the function of maintaining groundwater in areas with shallow soil layers and a hardpan beneath the soil surface. The main tree species growing in these forest areas have thick bark and small diameter trunks resistant to drought and forest fire. In addition, these forests are also an area for the collection of food, traditional medicine and other products used by local people;
- 6. Fallow forests are those forest areas where slash and burn cultivation has been practiced, or areas where other forms of encroachment occurred many years previously;
- 7. Tree crown refers to branches, twigs and leaves that grow out from the main trunk;
- 8. Village forest area is an area under village management which includes all forest categories designated according to forestland use and allocation plans at the village level, including Village Use, Conservation and Protection Forests;
- **9. Land and forest land allocation at the village level** refers to the allocation of forest land parcels within the village management area, giving responsibility to the village authority for management, protection, development and utilization;
- 10. Forestland is all land with or without forest cover, which is designated by the State as forestland;
- 11. Forestland development refers to the rehabilitation of degraded forestland to become productive forestland;
- 12. Conversion of forestland is the change of forestland to another land-use category for a different purpose;
- 13. Lease or concession of forestland is the utilization of forestland for carrying out business activities such as forest regeneration, planting of trees and NTFP, ecotourism, mining, hydropower dam construction, reservoir construction and for the provision of forest ecosystem services;
- **14. Protection, Conservation and Production forestlands** are land categories with or without forest cover which are designated by the state as Protection, Conservation and Production forestland:
- 15. Degraded forestland is a forestland area that has been heavily and continuously disturbed for many years and will take a number of decades to regenerate naturally<sup>1</sup>.

<sup>&</sup>lt;sup>1</sup> In this context "Regenerate" refers to the natural regrowth of trees without human intervention into mature forest.

- Degraded forestlands have a tree crown cover of no more than 10%, and a standing tree volume of no more than 20m³/ha, measuring only those trees of over 10 cm in diameter:
- 16. Barren forestland refers to forestland areas where forests have been heavily and continuously disturbed for many years causing the areas to become covered by grass (for example cogon grass and, bamboo grass) and shrubs, where trees cannot regenerate naturally;
- 17. Non Timber Forest Products are all kinds of plants growing naturally or planted, and can include other products such as trunks, stems, vines, tubers, roots, buds, shoots, leaves, flowers, fruits, grains or seeds, bark, oil, resin, mushrooms, honey, medicinal plants, etc.;
- **18.Desired tree species** refer to saplings or young trees of various species that are growing naturally or are planted in the forest which can provide wood and/or a seed source in the future:
- **19.Planted trees** refers to all species of tree planted systematically at set spacing or randomly scattered.
- **20.Tree list I** refers to species that are rare, have medicinal properties, are at risk of extinction, grow or can be cultivated only in a particular area, have slow growth, have a unique wood texture, and produce a highly durable wood. This list also includes all species listed in the CITES Appendices, such as *Dalbergia cochinchinensis*, *Cunninghamia Sinensis*, *Pterocarpus macrocarpus*.
- **21.Tree list II** refers to tree species that grow and can be cultivated in specific areas, have slow natural growth and produce wood of medium durability, such as *Dipterocarpus sp*, *Vatica harmandiana*.
- **22.Tree List III** refers to tree species that grow and can be cultivated in most areas, that have a good natural growth rate and produce wood of low durability, such as Alstonia rostrata Fischer, Mangifera sp, Samanea saman.
- **23.NTFP List I** refers to NTFP species that are rare, have medicinal properties, are at risk of extinction, grow and can be cultivated only in specific areas, have slow growth rates and are listed in the CITES Appendices, such as *Coscinium fenestratum*, *Amomum xanthioides*, *Bauhinia Sp*.
- **24.NTFP List II** refers to NTFP species that grow and be cultivated only in specific areas and have slow natural growth rates, such as *Eurycoma harmandiana*, *Crotonnanus Gagnepain*, *Diospyros mollis*.
- **25.NTFP List III** refers to NTFP species that grow and can be cultivated in most areas and have good natural growth rates, such as *Broussonetia papyrifera*, *Thysanolaena latifolia*, *Pandanus amaryllifolius*.

- 26. Wood and non-timber forest products are forest products that have gone through processing stages to transform them from their original form into finished products or semi-finished products by using machinery and/or human labour;
- 27. Forest development is the regeneration of degraded forests, and reforestation after logging or other destruction using technical and scientific methods to improve forest quality, enlarge forest area and increase forest canopy cover;
- 28. Ecosystem refers to the interrelationship between living organisms and non-living things that exist in nature;
- 29. Biodiversity means the diversity of ecosystems comprising the type and number of species of living organisms, such as plants, animals, insects and micro-organisms in a particular space in nature;
- 30. Forest ecosystem services are processes provided directly by forests, such as the provision of wood, NTFPs, food and animal habitats; and indirectly through the protection of water resources, the forest environment, wildlife and aquatic animals, the sequestration and storage of forest carbon, and the provision of resources for ecotourism, research, etc.;
- 31. Payment for forest ecosystem services refers to payments as an obligation of individuals, legal entities, or organizations that receive forest ecosystem services. Payments may include materials or money for use in sustainable forest management and forest resource protection;
- **32. Log landing I** refers to the holding place of logs that are removed from the place of felling in the harvest area according to the logging plan;
- **33. Log landing II** refers to the holding place of logs transported from log landing I, where the log list is prepared, logs are graded by quality, and the trading of logs takes place;
- **34. Log landing III** refers to the place within a wood processing plant for holding logs that have been transported from log landing II;
- **35. Forest and forestland activities** include the management, protection, development, and utilization of forests and forestland:
- **36. Cutting circumference size** refers to the circumference or diameter of trees in Production Forests that the State permits for logging to supply raw materials to wood processing plants;
- 37. Forestry marking hammer refers to the hammer that is marked with a circle, a star and the Lao letters P and M in the center of the star and a number code above the star. The hammer is used to mark standing trees, logs, sawn timber, tree stumps and burl wood<sup>2</sup> that is to be transported to a wood processing plant or to other provinces within the country;

<sup>&</sup>lt;sup>2</sup> Burl wood is an abnormal tree growth or gall that produces a grain pattern of high economic value

- **38. Destruction of forest and forestland** refers to all means of cutting, clearing, or burning of trees, killing trees by any means, and degrading forestland by the use of chemicals or other methods which damage forests and forestland;
- **39. Forest and forestland encroachment** refers to conversion, encroachment, occupation, utilization and other actions in forests and forestland that are not in compliance with laws and regulations;
- **40. Legal wood and wood products** refer to wood and wood products that are harvested, transported, imported, processed, and traded in accordance with government regulations and international treaties to which Lao PDR is a signatory.
- **41.Forest development village** refers to a village that has the capacity and takes the responsibility to manage, protect and develop forests located within the village management area in line with green and sustainable development principles.
- **42.Forest carbon** refers to carbon dioxide (CO<sub>2</sub>) which forests absorb, and is measured in tonnes of carbon per hectare.
- **43.White charcoal** refers charcoal produced from recently-cut wood by using a technique of burning at temperatures over 1000 degrees centigrade. It is a hard and strong charcoal that produces less black smoke while burning.

## Article 4 (revised) Ownership of Forest and Forestland

Natural forest and forestland is the property of the Lao Nation. The State is the designated authority to centrally manage forest and forestlands in a uniform manner throughout the country with the participation of all organisations and the people in the management, protection and utilization of forests and forestland in accordance with the law.

Forests and trees planted in designated areas by individuals, legal entities, organizations, and investors, using their own labor and/or funds, are legally recognised by the State Forestry and Forestland Management Organization, and shall become the property of the planters or investors.

Naturally occurring trees in rice paddies, gardens and the residential land of individuals, legal entities or organizations that have received the rights to use the land in accordance with the law and regulations, are the property of these individuals, legal entities or organizations. Trees naturally occurring or planted on public land are the property of the State.

## Article 5 (revised) State Policy on Forestry and Forestland

The State promotes investment in the management, protection, development and utilization of forest and forestland, in accordance with the National Socio-Economic

Development Plan, the National Land Management Master Plan and the Forestry Strategy. The State also promotes investment in building facilities and the technical base for protecting the environment, water sources, biodiversity and peoples' livelihoods, including the provision of stable, sedentary livelihoods for those who live in forest areas.

The State encourages individuals, legal entities and organizations to carry out the management, protection and development of all forests categories in degraded and barren forestland areas to become rich and fertile forests for environmental protection, for tree planting and for raw material supply to industrial and handicraft processing factories. This will be promoted through a range of policy incentives such as the provision of credit, exemption or reduction of taxes and duties, in accordance with the law.

The State encourages and promotes the utilization of forests as sites for tourism, recreation, study and research, forest carbon trading, forest ecosystem services provision and others purposes, in accordance with the law.

The State acknowledges legal operation of forestry-related businesses by establishing certification systems and wood and wood product legality assurance systems, in accordance with internationally recognized forest management standards.

## Article 6 (revised) Principles of Forestry and Forestland

Forestry and forestland management shall be implemented according to the following principles:

- 1. Ensuring centralized and uniform management throughout the country;
- 2. Ensuring consistency among State policies, the constitution, laws, the National Socio-Economic Development Plan, national defence and security needs, the National Land Management Master Plan and the Forestry Strategy;
- 3. Ensuring the protection, regeneration, and development of forests, forestland, water resources, biodiversity and the environment to be rich and in line with green and sustainable development with the participation of the people;
- 4. Ensuring benefits to the State, to organizations and to individuals engaged in the protection and development of forests and forestland in accordance with laws and regulations;
- 5. Ensuring the effective and efficient use of forests and forestland without negative impacts on the environment;
- 6. Being in line with international conventions and treaties to which Lao PDR is a signatory.

## Article 7 Obligations in the Protection and Development of Forests and Forestland

Plantation, protection, conservation and development of forest and forestland areas is the duty of all citizens, households and organizations from all sections in society.

Individuals, legal entities, and organizations have the obligation to protect and develop forests, forest resources, forestland, water resources, biodiversity and the environment in accordance with the law, and to refrain from causing degradation, depletion or erosion of forests and forestland, and to prevent forest fires and any form of forest and forestland destruction.

## Article 8 (new) Scope of the Law

The scope of this law covers national and international individuals, legal entities, and organizations that engage in forestry activities in Lao PDR.

## Article 9 International Cooperation

The State promotes good relations and cooperation with foreign countries, regional and international organizations in forestry and forestland through the exchange of experiences, information, science, technology, human resource development and participation in and execution of international conventions and treaties to which Lao PDR is a signatory.

#### CHAPTER II FORESTRY STRATEGY

#### Article 10 (new) Forestry Strategy

The Forestry Strategy is the fundamental policy concerning the management, protection, development and utilization of forest and forestland towards green and sustainable development in order to increase forest cover to 70 percent (70%) of the total land area.

The Forestry Strategy consists of strategies at the national and provincial levels.

## Article 11 (new) Forestry Strategy at the National Level

Then Ministry of Agriculture and Forestry, in coordination with concerned ministries, organizations and local administration authorities, formulates and amends the National Forestry Strategy periodically within their area of responsibility in line with the National Socio-Economic Development Plan, the National Land Management Master Plan, the National Plan for Rural Development and Poverty Eradication, and national and international Sustainable Development Goals.

The Government endorses the Forestry Strategy at the central level based on proposals from the Ministry of Agriculture and Forestry.

## Article 12 (new) Forestry Strategy at the Provincial Level

Provincial Agricultural and Forestry Offices, in coordination with the Provincial Office of Natural Resources and Environment, concerned sectors and district administration authorities, formulate and amend Provincial Forestry Strategies periodically within their area of responsibility in line with the National Forestry Strategy, the local<sup>3</sup> forest management plan, and the local social and economic development plan.

Provincial Administration Authorities approve the Provincial Forestry Strategy based on proposals from the Provincial Agriculture and Forestry Office.

## Article 13 (new) Content of the Forestry Strategy

The main components of the Forestry Strategy are as follows:

- The overall situation of forestry and forestland such as the development of policy for forest and forestland, the status of the management, protection, development, promotion and utilization of forest and forestland, the key roles of forest and forestland in national socio-economic development and in adapting to climate change;
- 2. Challenges and opportunities for the development of forest and forestland;
- 3. Policy, action plans, projects and priority implementation plans for forest and forestland;
- 4. Mechanisms for implementation, monitoring and evaluation.

## **Chapter III Forest Categories**

#### **Article 14** (revised) Forest Categories

Forests in Lao PDR are classified into three categories for the purpose of management, protection, development and utilization as follows:

- 1. Protection Forests;
- 2. Conservation Forests:
- 3. Production Forests.

Each forest category may consist of areas of dense forest, dry dipterocarp forest, regeneration forest, and degraded forest as prescribed in the Forest Management Plan.

<sup>&</sup>lt;sup>3</sup> In this instance "local" refers to village and district level plans.

## **Article 15** (revised) Protection Forests

Protection Forests are forests classified for the function of maintaining water resources, river banks and road sides, for preventing soil erosion and improving soil quality, for protecting strategic areas for national defence and security, safeguarding against natural disasters and providing environmental protection and other functions.

Protection Forests comprise national, provincial, district and village Protection Forests, as specified in a specific regulation.

## **Article 16** (revised) Conservation Forests

Conservation Forests are forests classified for the purposes of conserving nature, preserving and propagating plant species, aquatic animals and wildlife species, protecting forest ecosystems and sites of natural, historical, cultural, touristic, environmental and educational value and for scientific research experiments.

Conservation Forests consist of national, provincial, district and village conservation forests which as specified in a specific regulation.

Conservation Forest areas are rich in biodiversity, have unique natural scenery, are of outstanding importance at national, regional and global levels and may be proposed as wildlife conservation areas, national parks, regional or world heritage sites.

### **Article 17** (revised) Production Forests

Production Forests are forests including natural forests and planted forests designated for the supply of wood and NTFPs as commodities to satisfy the requirements of national socio-economic development and people's livelihoods.

## Article 18 Conversion of Forest Categories<sup>4</sup>

The conversion of Protection Forest or Conservation Forest to become Production Forest requires approval by the National Assembly based on a proposal from the Government.

The conversion of Production Forest to become Protection Forest or Conservation Forest, and conversion of Protection Forest to become Conservation Forest, or conversion of Conservation Forest to become Protection Forest requires approval by the Government based on a proposal from the Ministry of Agriculture and Forestry.

<sup>&</sup>lt;sup>4</sup> Conversion refers to the reclassification of forest land to another land use category.

The conversion of Protection Forest or Conservation Forest at the provincial level to become national Protection Forest or national Conservation Forest requires approval by the Government based on a proposal from the Ministry of Agriculture and Forestry with the agreement of the provincial administration authority and endorsement by the People's Provincial Assembly.

The conversion of Protection Forest or Conservation Forest at the district level to become provincial Protection Forest or provincial Conservation Forests requires approval by the Ministry of Agriculture and Forestry based on a proposal from the provincial administration authority, and endorsement by the Provincial People's Council.

The conversion of Protection Forest or Conservation Forest at the village level to become district Protection Forest or district Conservation Forest requires approval by the provincial administration authority based on a proposal from the Provincial Agriculture and Forestry Office with the agreement of the district administration authority.

#### CHAPTER IV Forestry Activities

## Section 1 Forest Management

#### Article 19 (revised) Forest Management

Forest management comprises the following activities:

- 1. Forest inventory;
- 2. The designation and approval of protection, conservation and production forest areas;
- 3. Forest management planning;
- 4. Timber harvesting inventory in Production Forest areas;
- 5. Timber harvesting inventory in forest land conversion areas;
- 6. NTFP harvesting inventory;
- 7. Formulation and approval of logging plans in natural forests;
- 8. Formulation and approval of NTFP harvesting plans in natural forests;
- 9. Logging in Production Forests;
- 10. Logging in forestland conversion areas;
- 11. Felling of planted trees;
- 12. Harvesting of NTFPs;
- 13. Measuring and grading of timber;
- 14. Timber auctioning and trading;
- 15. NTFP trading;

- 16. Transportation of timber from natural forests;
- 17. Domestic transportation and export of planted trees;
- 18. Transportation of NTFPs;
- 19. Management of vehicles and machinery for logging, skidding and transportation;
- 20. Village forest management planning;
- 21. Management of trees in urban areas and on the land of individuals, legal entities or organizations;
- 22. Registration of planted forest, planted NTFPs and planted trees;
- 23. Establishing and managing genetic resources of tree and NTFP species;
- 24. Timber and wood product legality assurance;
- 25. Research experiments;
- 26. Forest data and information management;
- 27. Any other necessary activities.

## Article 20 (Revised) Forest Inventory

A forest inventory is the collection of data, the assessment of forest condition, forest cover, changes in the use of forest and forest resources, tree species, timber volume, biomass, forest carbon sequestration and regeneration of trees and NTFPs.

Forest inventories comprise forest cover change inventories, national forest inventories and inventories of protection, conservation and production forests. Each type of inventory is prescribed in specific regulations.

The Government assigns the Ministry of Agriculture and Forestry, in collaboration with concerned organizations, to lead the inventory of forests and forest resources for planning the management, protection, development and sustainable utilization of these resources.

# Article 21 (New) Designation and Approval of Protection, Conservation, and Production Forest Areas

The Ministry of Agriculture and Forestry, in collaboration with relevant ministries, organizations and local administration authorities, designates protection, conservation and production forest areas as prescribed in Article 15, 16 and 17 of this law in line with the prevailing Forestry Strategy, the National Socio-Economic Development Plan, the National Land Management Master Plan, the National Plan for Rural Development and Poverty Eradication and National Sustainable Development Goals.

The approval of the designation of Protection, Conservation and Production Forest areas shall be conducted in accordance with Article 110 and 115 of this law.

Principles, standards and conditions in the designation and approval of protection, conservation and production forests are prescribed in specific regulations.

## **Article 22** (revised) Forest Management Planning

Forest management planning is to set forest development plans according to protection, conservation and production forest categories based on data collected from field surveys, with the aim of ensuring a balance among forest ecosystems, sustainable use of timber and NTFPs and the participation of local people in forest management as prescribed by the State.

Protection Forest management planning involves delineating the forest area into Total Protected Zones, and Controlled Use Zones as prescribed in Article 70 of this law.

Conservation Forest management planning involves delineating the Conservation Forest area into Total Protected Zones, Controlled Use Zones, and Buffer Zones as prescribed in Article 71 of this law.

Production Forest management planning involves defining areas for harvesting, rehabilitation, plantation, conservation and environmental protection.

For villages located within Protection, Conservation and Production Forests, village forestry management planning shall be done as prescribed in Article 39 of this law.

## Article 23 (revised) Timber Harvesting Inventory in Production Forests Area

Timber harvesting inventories in Production Forests are to define the timber volume, number and species of trees in the Production Forest area which has been allocated and submit to the Government for consideration and approval for logging.

Timber harvesting inventories in Production Forests Area shall be conducted as follows:

- 1. Inventory and enumeration of standing trees of all species with sufficient circumference for cutting, together with maps showing the location of these trees according to regulations;
- 2. Selection, marking and stamping<sup>5</sup> of the trees to be cut according to regulations to ensure regeneration of desired tree species and prevent negative impacts on the environment;

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<sup>&</sup>lt;sup>5</sup> This refers to use of the forestry marking hammer

- 3. Identifying logging roads and skidding trails and locating log landing 1;
- 4. Formulate and submit annual harvest plans to the Government for approval.

## Article 24 (new) Timber harvesting inventory in Forest Land Conversion Areas

Timber harvesting inventories in forestland conversion areas shall only be conducted in areas that are approved by the Government and shall be done by the agriculture and forestry sector<sup>6</sup> as follows:

- 1. Demarcate the area for timber harvesting;
- 2. Survey and collect data on tree species, number of standing trees, and estimate the volume of timber according to technical standards;
- 3. Summarize the data from the survey and report to the Government for consideration.

## Article 25 (revised) NTFPs Harvesting Inventory

The NTFP harvesting inventory involves data collection on the types and quantity of NTFPs in protection, conservation and production forests and forestland conversion areas.

NTFPs harvesting inventories shall be conducted by the agriculture and forestry sector, in coordination with other relevant sectors, as follows:

- 1. Conduct an inventory in areas approved by the State;
- 2. Collect data on NTFPs types, quantity and volume according to technical standards;
- 3. Use the data from the inventory to make annual NTFP harvesting plans and propose for approval as described in Article 27 of this law.

## Article 26 (New) Formulation and Approval of Logging Plans in Natural Forests

Formulation and approval of annual logging plans in natural forest shall be conducted in accordance with the following procedures:

 Vientiane Capital or Provincial Agriculture and Forestry Offices formulate logging plans based on inventory data as prescribed in Article 23 and 24 of this law. These plans are then proposed firstly to the provincial administration authority for consideration, and then to the Provincial People's Council for approval before submission to the Ministry of Agriculture and Forestry.

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<sup>&</sup>lt;sup>6</sup> This is done by provincial and district levels

- 2. The Ministry of Agriculture and Forestry summarizes the annual logging plans of the provinces and Vientiane Capital and submits these to the Government for consideration before submission to the National Assembly for approval.
- 3. The Government approves the annual logging plan following endorsement by the National Assembly.
- 4. The Ministry of Agriculture and Forestry notifies Vientiane Capital or Provincial Agriculture and Forestry Offices and relevant sectors of the annual logging plan for them to implement in accordance with the approved plan;
- 5. Vientiane Capital or Provincial Agricultural and Forestry Offices issue logging permits as notified by the Ministry of Agriculture and Forestry to legally registered enterprises with logging capability.

The Ministry of Agriculture and Forestry approves the logging plan for medicinal trees from natural forests based on agreement with the Ministry of Health.

# Article 27 (New) Formulation and Approval of Harvesting Plans for NTFPs from Natural Forests

The agriculture and forestry sector formulates annual harvesting plans for NTFPs from natural forests based on NTFP inventory data as prescribed in Article 25 of this law.

Approval of harvesting plans for NTFPs from natural forest shall be conducted as follows:

- 1. For NTFPs in List I, harvesting plans shall be approved by the Ministry of Agriculture and Forestry based on the approval of the Government.
- 2. For NTFPs in List II, harvesting plans shall be approved by Vientiane Capital or Provincial Agricultural and Forestry Offices, based on the approval of the Provincial Administration Authority.
- 3. NTFPs in List III can be harvested seasonally without obtaining permits, but should be harvested in a manner that ensures sustainability.

Approval of harvesting plans for medicinal NTFPs growing in natural forests and in forest ecosystems shall be approved by the Ministry of Agriculture and Forestry in agreement with the Ministry of Health.

Planted medicinal NTFPs which are duly registered, can be harvested without going through a technical approval process.

# Article 28 (Revised) Logging from Production Forests

The Government allows logging in Production Forests areas where there is a sustainable forest management plan and a survey has been conducted in accordance with Article 23 of this law.

Logging in Production Forest areas shall be conducted as follows:

- Appoint forestry staff to be stationed in the logging areas in order to manage, monitor and inspect the logging operation in accordance with regulations;
- 2. Use legally registered enterprises with logging capacity, experience and standards;
- 3. Conduct logging in the correct area and follow the plans as approved by Government;
- 4. Remove only those trees which are marked or stamped "PM" for logging by the Forest and Forest Land Management Organization<sup>7</sup>;
- 5. Log trees in the right season in accordance with technical methods and fully use all parts of the felled tree<sup>8</sup>;
- 6. Use the system of selective cutting and harvest trees according to the pre-determined rotation period; ensure natural regeneration of the desired tree species; prevent impacts on the natural environment and society; and limit the destruction of surrounding trees;
- 7. Log skidding and transporting to the log landing should follow logging roads;
- 8. After logging, any waste must be cleared, and activities for rehabilitation or re-planting must be implemented;
- 9. After completing logging operations according to the plan, a declaration of closure of harvest shall be issued for the forest area and measures for management and rehabilitation shall be implemented so that logging can be conducted in the next harvest rotation period.

## Article 29 (New) Logging from Forestland Conversion Areas

The Government allows logging in approved forestland conversion areas where a survey has been completed according to Article 24 of this law. Logging must be conducted as follows:

1. Appoint a committee responsible to manage, monitor and inspect the logging in accordance with regulations;

<sup>&</sup>lt;sup>7</sup> The Forest and Forestland Management Organization in Lao PDR comprises:

<sup>1.</sup> The Ministry of Agriculture and Forestry;

<sup>2.</sup> Provincial Agriculture and Forestry Office;

<sup>3.</sup> District Agriculture and Forestry Office;

<sup>4.</sup> Agriculture and Forestry SubUnit under the Village Economic and Financial Unit.

<sup>&</sup>lt;sup>8</sup> This refers to top and branches

- 2. Formulate a logging plan and identify skidding trails and locate log landing sites;
- 3. Employ legally registered enterprises with logging capacity, experience and standards;
- 4. Conduct the logging in the correct area and follow the plan approved by Government;
- 5. Fell the trees following technical procedures, extract and use all parts of the felled trees;
- 6. Skid the felled logs and hold the at Log Landing I and then transport to Log Landing II for measuring, quality grading, and listing as prescribed in Article 32 of this law.

## Article 30 (Revised) Felling of Planted Trees

For the commercial felling of planted trees of all species in registered plantation forests or those certified as planted trees as specified in Article 41 of this law, the owner of the plantation forest or planted trees can cut such trees following technical procedures without the need to conduct a survey or apply for a permit. However, before felling, the owner shall present the plantation forest registration document or planted tree certificate to the District Agriculture and Forestry Office to confirm the rights and to notify the felling location, tree species and number of trees. This information will be used for monitoring and record keeping purposes.

In the case of felling planted trees for public or household use, the resource fee, restoration fee and other obligations are exempted, and the volume of timber or weight of timber shall be reported to the village administration authority.

### Article 31 (New) Harvesting of NTFPs

The Government allows the harvesting of NTFPs in Production Forest areas, forestland conversion areas, controlled use zones within Protection Forest and Conservation Forest areas, land areas of individuals, households, legal entities and organizations where the Government has legally granted land-use rights and in village use forests which have been allocated by the State.

Harvesting of each NTFP species shall be conducted in accordance with the approved plan, area and technical standards, and should ensure sustainability.

## Article 32 (Revised) Measuring of Logs and Quality Grading of Timber

Measuring of logs is the measurement of diameter or circumference and length of logs in order to calculate the log volume.

Quality grading of timber is the assessment of log quality into types a, b, c or no type, based on the characteristics of the timber.

Logs held at the Log Landing II shall be measured accurately, graded for quality and recorded in the log list of the agriculture and forestry sector and the list shall be handed over to the industry and commerce sector for them to register it as state asset with the finance sector. The logs can then enter the bidding process.

The principles and methods for measuring and grading the quality of logs are prescribed in a specific regulation.

## Article 33 (New) Timber Auction and Trading

Trading of logs harvested from production forests, forest conversion areas as prescribed in article 28 and 29 of this law, and timber confiscated by the State, shall go through an open bidding process with approved factories<sup>9</sup> that meet the required standards so as to ensure maximum benefit to the Government. Bidding for timber shall be conducted widely, publicly, transparently, and fairly, giving all bidders the opportunity to purchase timber for their factories. Money obtained from the bidding shall be transferred to the State Treasury.

The trading of timber owned by individuals, legal entities or organizations is the responsibility of the owner of the planted forests or trees.

## Article 34 (New) Trade in NTFPs

All types of NTFPs that can be processed domestically can be traded or sold to processing factories that meet required standards with the aim of supporting domestic processing industries and ensuring maximum benefits to the State and the people.

For NTFPs that are planted by individuals, legal entities or organizations, NTFP trading is the responsibility of the planters or investors.

#### Article 35 (Revised) Transportation of Timber from Natural Forest

Transportation of timber from natural forests within the country shall be conducted in accordance with the law governing issues such as: the log list, the grading of quality, payment of royalties and the payment of fees and taxes. Each log, square log, sawn wood, stump and burl wood must be marked and stamped as "PM" and must be accompanied by permission documents for transportation from the agriculture and forestry sector<sup>10</sup>.

## Article 36 (new) Domestic Transportation and Export of Planted Trees

<sup>&</sup>lt;sup>9</sup> "Factories" here refer to wood processing plants

<sup>&</sup>lt;sup>10</sup> This refers to Agriculture and Forestry authorities at all levels

Transportation of all species of planted trees can be done without applying for a permit but the owner of such planted trees shall report the volume or weight of wood being bought or sold to the District Agriculture and Forestry Office so that they can monitor and record the information.

Planted trees can be exported as logs but must follow relevant regulations as well as international conventions and treaties to which Lao PDR is a signatory.

## Article 37 (New) Transportation of NTFPs

Transportation of NTFPs shall comply with regulations governing issues such as: paying government fees, natural resources fees, taxes, and having transport permits from the agriculture and forestry sector.

For the transportation of NTFPs that are in List I and List II, a permit from the Provincial Agriculture and Forestry Office shall be obtained. For the NTFPs in List III, a permit from the District Agriculture and Forestry Office shall be obtained.

The transportation of NTFPs, which are planted and managed with capital and/or labour invested by individuals, legal entities or organizations, which are certified by the District Agriculture and Forestry Office will be exempt from forest rehabilitation fees and resource fees.

The transportation of medicinal NTFPs shall be based on agreement with the Health Sector<sup>11</sup>.

# Article 38 (Revised) Management of Vehicles and Machinery for Logging, Skidding and Transportation

The import and sale of vehicles for skidding and transporting logs and logging machinery shall be approved by the industry and commerce sector, based on the agreement with the agriculture and forestry sector.

Possession of logging machinery shall be registered with the concerned District Agriculture and Forestry Office who will monitor and control its use.

The import, distribution, possession and use of all kinds of timber processing machinery shall require the permission of the industry and commerce sector<sup>12</sup> as prescribed in the Processing Industry Law.

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<sup>&</sup>lt;sup>11</sup> This refers to Health authorities at all levels

## Article 39 (new) Village Forestry Management Planning

Village forestry management planning is the management of forest and forestland within the management area of the village, which is operated both within and outside Protection, Conservation and Production Forest areas; the village shall take leadership in the management and protection of the forests, planting and the rehabilitation of degraded forests, the prevention and control of forest fires and encroachment into forest and forestland, with the aim of making village forests rich and supporting the village to become a forest development village <sup>13</sup>.

Village forest management planning measures are prescribed in specific regulations.

# Article 40 (new) Management of Trees in Urban Areas and on Land of Individuals, Legal Entities and Organizations

Naturally occurring trees or trees planted in urban areas, parks, along the roads, and other public areas are managed and protected by district and village administration authorities in accordance with their responsibilities in coordination with the agriculture and forestry sector. The aim is to create public benefits such as recreational sites, scenic beauty and environmental protection.

For naturally occurring trees in rice paddies, gardens and residential or construction land of individuals, legal entities or organizations within villages for which the Government gives the legal right to use the land, and where efforts to manage and protect have been made, the Government acknowledges their ownership by assigning the Village Agriculture and Forestry Sub-unit<sup>14</sup> to collect information, register the trees and submit the information to the village authority for issuing a certificate to be acknowledged by respective District Agriculture and Forestry Office.

## Article 41 (new) Registration of Planted Forest, Planted NTFPs and Planted Trees

Tree and NTFP Plantations owned by individuals, legal entities, or organization shall be registered with the agriculture and forestry sector to verify ownership and origin of the wood<sup>15</sup> and the NTFPs. The aim is to facilitate the management, protection of planted trees and NTFPs and to implement the policy of promoting such plantations according to the Law.

<sup>&</sup>lt;sup>12</sup> This refers to Industry and Commerce authorities at all levels

<sup>&</sup>lt;sup>13</sup> Refer to Article 3, Paragraph 41

<sup>&</sup>lt;sup>14</sup> Refer to Article 152

<sup>&</sup>lt;sup>15</sup> This is the basis for chain of custody and timber legality assurance.

Information on planted trees of individuals, legal entities or organizations shall be collected and registered with the village administration authority to verify ownership, and origin of the wood.

The steps and details for the registration of tree and NTFP plantations and certification of planted trees are prescribed by specific regulations.

# Article 42 (New) Establishment and Management of Genetic Resources of Tree and NTFP Species

The sources of genetic material of trees and NTFPs are forests or trees and NTFPs in natural and planted forests, which the State designates a source of genetic material for trees and NTFP species.

The agriculture and forestry sector, in collaboration with other relevant sectors, delineates areas, establishes and manages the sources of genetic material for trees and NTFPs.

## Article 43 (new) Timber and Wood Product Legality Assurance

Timber and wood product legality assurance is a system for the management of timber and wood supply chains, inspection and certification of their source through all processes of surveying, harvesting, transporting, importing, trading, processing and distribution domestically and for export.

The Ministry of Agriculture and Forestry, in coordination with other concerned ministries and organizations, shall develop the timber and wood product legality assurance system in accordance with the law, other relevant regulations and international conventions and treaties to which Lao PDR is a signatory.

## Article 44 (revised) Research Experiments

The objectives of research is for the purpose of propagation, breeding, genetic improvement of trees and plants, improving growth and value addition of timber and NTFPs in terms of quantity and quality. In addition research is conducted to identify models and technical standards to improve the efficiency of the protection and development of forests.

Individuals, legal entities, households and organizations can conduct studies, research and the recording and registering of plant, tree and NTFP species that grow naturally. They

can also invest in establishing institutions or technical research centres following the approval by the relevant sectors.

## Article 45 (New) Forest Data and Information

Forest data and information include documents, figures, statistics, maps, satellite images, wood and NTFPs specimens and other information on forests and forestland stored in database systems including electronic files, document libraries, information centres and by other means.

Forest data and information is used to conduct research, develop policy, formulate the Forestry Strategy and design programmes, plans and projects on forest and forestland. The agriculture and forestry sector, in cooperation with concerned sectors and local administration authorities, shall develop, manage, use and widely disseminate the information to all sections of society.

#### Section 2 Protection of Forests

## Article 46 (revised) Protection of Forests

The protection of forest consists of various management activities, including:

- 1. Management of Protection Forests;
- Management of Conservation Forests;
- 3. Management of Production Forests;
- 4. Conservation of tree and NTFP species;
- 5. Prevention and control of pests, diseases and other plants enemies;
- 6. Forest fire prevention and control;
- 7. Restriction of uncontrolled shifting cultivation.

#### Article 47 (revised) Management of Protection Forests

Management of Protection Forests is to conserve water sources, prevent soil erosion, maintain soil quality, protect strategic areas for national defence, prevent natural disasters, protect the environment, etc.

Management of Protection Forests shall be done as follows:

1. Survey, demarcate and install physical markers in accordance with the agreement of relevant sectors and local administration authorities:

- 2. Survey and collect information on topographic conditions, slopes, water sources and socio-economic data to identify Totally Protected Zones and Controlled Use Zones;
- 3. Develop maps showing boundaries, locations, and forest status of Protection Forests;
- 4. Plan and define measures for the management and rehabilitation of Protection Forests;
- 5. Manage Protection Forests according to the plans and prescribed measures with the participation of local people;
- 6. Systematically conduct monitoring, inspection and evaluation of the implementation of the management plan.

## **Article 48** (Revised) Management of Conservation Forests

The management of Conservation Forests is to maintain the richness of the forests and to conserve plant and wildlife species, biodiversity and ecosystems with high natural, historical and cultural values. The aim is to protect landscapes of scenic beauty and to develop national parks which are suitable for tourism and for scientific research.

The management of Conservation Forests shall be conducted as follows:

- 1. Survey, demarcate and install physical markers in accordance with the agreement of relevant sectors and local administration authorities:
- 2. Survey and collect information on topographic conditions, slopes, water sources and socio-economic data to identify Totally Protected Zones, Controlled Use Zones and Buffer Zones in other nearby forest categories;
- 3. Develop maps showing boundaries, locations, and forest status of Conservation Forests;
- 4. Plan and define measures for management and rehabilitation of Conservation Forests;
- 5. Manage Conservation Forests according to plans and prescribed measures, with the participation of local people:
- 6. Systematically conduct monitoring, inspection and evaluation of the implementation of the management plan.

## Article 49 Management of Production Forests

The management of Production Forests aims to maintain forest quality and abundance in order to supply timber and NTFPs as sustainable commodities that contribute to national socio-economic development and poverty eradication of the multi-ethnic Lao population.

The management of Production Forests shall be conducted as follows:

- 1. Survey, demarcate and install physical markers in accordance with the agreement of relevant sectors and local administration authorities;
- 2. Survey and collect information on the status of land and forest use, wood volume and tree and NTFP species to develop production forest management plans as prescribed in Article 22 (paragraph 4) of this law;
- 3. Plan and define measures for management and development according to the production forest management plan especially for conservation and environmental protection areas, plantation and rehabilitation areas and logging and NTFP harvesting areas;
- 4. Manage Production Forests according to prescribed plans and prescribed measures, with the participation of local people;
- 5. Carry out logging and harvesting of NTFPs in accordance with the law;
- 6. Systematically conduct monitoring, inspection and evaluation of the implementation of the management plan;
- 7. Follow the law, regulations and prescribed measures for the management of production forests.

## Article 50 Conservation of Tree and NTFP Species

The conservation of tree and NTFP species, particularly prohibited species, rare species and those at risk of extinction that are identified under List I aims to increase their abundance.

Conservation of tree and NTFP species shall be conducted as follows:

- 1. Survey of tree and NTFP species;
- 2. Define seed-source areas and record and register the tree and NTFP species;
- 3. Planning for conservation and protection with the participation of the local people;
- 4. Follow the law, regulations and measures for conservation of these species:
- 5. Conduct any other activities as necessary.

# Article 51 (revised) Prevention and control of pests, diseases and other plant enemies;

The prevention and control of pests, diseases and other plant enemies is to prevent the outbreak and spread of pests, diseases weeds and other plant enemies, and control measures need to be implemented in a timely and effective manner.

Prevention and control of pests, diseases and other plant enemies shall be conducted as follows:

- 1. Study the causes of outbreaks and the spread of tree pests, diseases and other plant enemies;
- 2. Prevent and control tree pests, diseases and other plant enemies within outbreak forest areas;
- 3. Designate disease-free zones and pest control zones in and around the outbreak area;
- 4. Establish a research center for the prevention and control of tree pests, diseases and other plant enemies and issue certificates of production, management, distribution and utilization of pest and disease-free tree seeds;
- 5. Strictly prohibit of the import or transport of tree seeds infected with pests, tree diseases and other plant enemies;
- 6. Conduct any other activities as necessary.

## Article 52 (revised) Prevention and Control Forest Fires

Forest fire prevention and control is to protect forests and forest resources from destruction by fire.

Forest fire prevention and control shall be conducted as follows:

- 1. Define regulations and necessary measures on forest fire monitoring, surveillance, prevention and control;
- Conduct dissemination and education activities to raise awareness about the causes and danger of forest fires so that villagers can take the initiative in forest fire monitoring, surveillance, prevention, control and extinguishing fires that occur in their respective village;
- 3. Collect information, define areas at risk and plan for forest fire prevention before the high- risk season begins;
- 4. When forest fires occur, all parties are encouraged to use available vehicles, equipment and labour to extinguish the fire, and then follow prevention measures in accordance with the Law on the prevention and control of fire hazards;
- 5. Conduct any other activities as necessary.

## Article 53 (Revised) Restriction of Uncontrolled Shifting Cultivation

Restriction of uncontrolled shifting cultivation shall be carried out by promoting and disseminating relevant policies and laws to the people to stop them practicing uncontrolled shifting cultivation and to encourage them to change to stable, sedentary livelihoods.

Government and local administration authorities take the initiative in managing and allocating land and forest to villagers living in forest areas, for permanent settlement and sustainable livelihoods by promoting production and family income generation as prescribed in Article 71 (para. 3) and Article 118 of this law.

## **Section 3** Forest Development

## **Article 54** Forest Regeneration and Tree Plantations

Forest regeneration and tree plantations are designed to protect and develop the national forest resource in order to meet the demand for timber and NTFPs in a sustainable manner. The aim is to conserve water resources, soils, aquatic animals and wildlife to maintain a balanced environment, as these are important sources of revenue for the Government, organizations and individuals.

## Article 55 (Revised) Procedures for Forest Regeneration

Forest regeneration can be conducted following two approaches, namely natural regeneration and enrichment planting, both of which can be undertaken in fallow forests and degraded natural forest areas by applying various measures such as prevention and control of forest fire and forest and forestland encroachment.

Forest regeneration shall be conducted as follows:

- 1. Survey the status of desired tree species in the forest area to be regenerated;
- 2. Delineate the area and demarcate with boundary markers;
- 3. Select native tree species appropriate for the ecosystem in the forest area;
- 4. Formulate forest regeneration plans or a project which promotes income generation for local people;
- 5. Strictly carry out the approved management and maintenance plan;
- 6. Register the regenerated forest in accordance with regulations.

## Article 56 Plan for Forest Regeneration and Tree Plantations

The Forest and Forest Land Management Organization, in collaboration with local administration authorities and concerned sectors, is responsible for formulating short, medium and long-term plans for forest regeneration and tree plantations in their local area. In addition, they are required to specify the tree species that will be planted, the location, the land area, the required budget and the people who will plant, regenerate and maintain the area.

# Article 57 (Revised) Identification of Forest Regeneration Areas, Tree Plantation Areas and the Selection of Tree Species for Planting

The Forest and Forestland Management Organization, in collaboration with other concerned parties, local administration authorities and local people in the area, shall survey and identify the area for forest regeneration and tree plantations.

The area for forest regeneration shall target degraded natural forest and young fallow forest areas. Forest plantation areas shall target degraded forestland and barren forestland allocated for that purpose and the land of individuals, legal entities and organizations who have received land use rights according to the Law.

Identification and selection of tree species that are to be planted shall be based on local soil and climatic conditions and the actual requirements of the local people.

## Article 58 (Revised) Promotion of Forest Regeneration Activities

The State promotes individuals, households, legal entities, and organizations to rehabilitate degraded natural forests, young fallow forests in areas allocated by the Government, through natural regeneration and enrichment planting approaches to rehabilitate the forest. Such actions can benefit from State promotion policies, such as honorary awards, the recognition of the right to protect, benefit from timber and NTFP use, forest carbon trade and forest ecosystem services, in accordance with regulations.

#### Article 59 (Revised) Tree and NTFP Planting

The planting of trees and NTFPs within or outside Protection, Conservation and Production Forests can be carried out in degraded forestland that cannot be regenerated naturally without human intervention or on barren forestland allocated by the State. Such planting shall be managed in accordance with regulations, including the selection of planting areas, site preparation, selection of tree and NTFP species, the importation of seeds, collection of seeds, production of seedlings, planting of trees and NTFPs, maintenance, the prevention of fire, pests and diseases and the registration of the planted forest.

#### Article 60 (revised) Promotion of Tree and NTFP Planting

The State encourages individuals, households, legal entities, and organizations to plant trees and NTFPs for protecting the environment and for commercial use by setting appropriate policies for planting trees, and for domestic and foreign investment.

The policies are based on the plantation target of each forest category as follows:

- 1. Planting of trees and NTFPs for commercial use can be carried out in degraded forest area and barren forestland in production forest areas allocated by the State, and on the land of individuals, legal entities and organizations for which the State has issued land use rights. For planted forests that have been registered in accordance with regulations, the owners can benefit from policies on the exemption of land use fees, forest and forest resource fees, the ability to transfer, inherit and collateralize planted trees and receive compensation in the event that the State needs to utilize the land for other purposes. Banks will be encouraged to provide long term loans with preferential interest rates, and other benefits in accordance with the Law.
- 2. The planting of trees for the purpose of environmental, water resource and biodiversity protection, for community benefit in urban and rural areas and for enhancing forest ecosystem services, can be carried out in degraded forest areas and barren forestland in protection, conservation and riparian forests and other areas allocated by the State. Such planted trees cannot be harvested or utilized for commercial purposes. Such trees can only be used for customary use and must come only from Controlled Use Zones. The policy and the rights of and the benefits to the tree planters are provided in specific regulations.
- 3. NTFPs planted in the Controlled Use Zones of Protection Forests and Conservation Forests allocated by the State can be utilized but should not impact negatively on water resources, biodiversity or the environment.

#### Section 4 Forest Utilization

#### Article 61 Utilization of Forests, Timber and NTFPs

Utilization of forests, timber and NTFPs is classified into 4 categories as follows:

- 1. Utilization of forests, timber, and NTFPs for public benefit;
- 2. Utilization of forests, timber, and NTFPs for household use;
- 3. Customary utilization of forests, timber, and NTFPs;
- 4. Utilization of forests, timber, and NTFPs for business purposes.

Utilization of forest, timber and NTFPs of all categories shall avoid negative impacts on forests, NTFPs, the natural environment and society.

#### Article 62 (revised) Utilization of Forests, Timber, and NTFPs for Public Benefit

Utilization of forest for public benefit such as for scientific research, ecotourism, recreation, sacred forests, cemetery forests, environmental protection and trade in forest carbon can be conducted in Protection, Conservation and Production forests, as allocated by the State.

Timber can be used for community benefits, such as construction of village offices, meeting halls, schools, health centres, temples and bridges. Logging for such purposes is allowed only from village use forests with the approval of the Provincial Agriculture and Forestry Office in accordance with the annual logging plan of provinces or the Vientiane Capital, as approved by government.

Non-commercial use of NTFPs such as for medicinal use, decoration, exhibition, etc. is allowed in allocated forest areas. Commercial utilization shall follow the regulations as stated in Article 65 of this Law.

## Article 63 (revised) Utilization of Forests, Timber, and NTFPs by Households

The State allows villagers to use timber from village use forests for constructing and repairing houses, particularly for families in need, such as poor families who as yet have no house, families with very old houses, with houses which have collapsed or have been damaged or destroyed by natural disasters. Such use must be approved by the District Agriculture and Forestry Office, following a proposal from the village authority, in accordance with regulations.

Natural grown trees in rice paddies, gardens and residential or construction land of individuals for which the State has given them the legal right to use the land and if such trees have been registered as prescribed in Article 40 of this law, the owner can use and benefit from these trees. Such individuals or households need to obtain harvesting approval as follows:

- For timber in List I, harvesting approval shall be obtained from the Ministry of Agriculture and Forestry based on a proposal from the respective Provincial Agriculture and Forestry Office;
- 2. For timber in List II and III, harvesting approval shall be obtained from the Provincial Agriculture and Forestry Office in accordance with a proposal from the relevant District Agriculture and Forestry Office.

Planted trees<sup>16</sup> belonging to households, with certification or a plantation registration certificate, can be utilised<sup>17</sup>. Felling and transportation of such timber shall comply with Article 30 and 36 of this law.

Utilization of NTFPs for consumption, those that grow seasonally and those that are used every day can be harvested<sup>18</sup>. In the case of harvesting for commercial purposes, Article 65 of this law shall be followed.

## Article 64 (revised) Customary Utilization of Forests, Timber and NTFPs

Customary utilization of forests, timber and NTFPs is the use of forests, timber, and NTFPs in a manner that people have practiced for a long time within village forest areas. Such utilization shall be in accordance with the forest management plans and the Law.

## Article 65 (revised) Utilization of Forest, Timber and NTFPs for Business Purposes

Utilization of forests, timber and NTFPs for business purposes is the use of forests, timber, and NTFPs for tourism, recreation, forest ecosystem services, forest carbon trading, supplying timber and NTFPs to the processing industry, and for other commercial purposes.

The use of timber for commercial purposes is allowed in production forests with an approved management plan, in forestland conversion areas, in forest areas that the State allocates for village use, on the land of individuals, legal entities, or organizations who have received the rights to use the land in accordance with the law.

The use of NTFPs for commercial purposes is allowed in forest areas allocated by the State, forestland conversion areas, on land of individuals, legal entities, or organization who have received the rights to use the land in accordance with the law.

#### CHAPTER V FORESTLAND

## **Section 1 Management of Forestland Uses**

## Article 66 Categories of Forestland

Forestland in Lao PDR is classified into three (3) management categories as follows:

<sup>&</sup>lt;sup>16</sup> Planted trees refers to all species of tree planted systematically at set spacing or are randomly scattered

<sup>&</sup>lt;sup>17</sup> Utilisation of such trees does not require any further approval

<sup>&</sup>lt;sup>18</sup> Such harvesting does not need any official approval

- 1. Protection Forestland;
- 2. Conservation Forestland;
- Production Forestland.

These three categories can cover regeneration forest areas, dry Dipterocarp forests, degraded forests, barren forestland and village use forest areas.

## Article 67 (Revised) Management of Forestland

The Ministry of Agriculture and Forestry is authorised to manage forestland use, cooperate with other relevant ministries, organizations and local administration authorities to formulate management plans for each forestland category, conduct studies and formulate regulations governing the management, protection, development and utilization of these types of forestland, including utilization for the purpose of protection of the environment, and then submit these to the Government for consideration and approval.

## Article 68 (New) Survey of Forestland

The survey of forestland is done to determine forestland of various categories inside and outside Protection, Conservation and Production Forest areas, to identify the area for forest regeneration and tree plantations aimed at environmental protection, sustainable maintainance of forest ecosystems, increasing forest cover to 70% of the country's total land area, and identifying areas for lease or concessions for planting trees and NTFPs.

The survey of Forestland shall be carried out as follows:

- 1. Collect information and assess forestland condition and the changes in forestland use;
- 2. Collect information on the use of forestland;
- 3. Define the area and formulate a forestland use plan;
- 4. Produce forest and forestland maps for the prescribed area;
- 5. Register the forestland;
- 6. Conduct other tasks as required.

The Ministry of Agriculture and Forestry, in coordination and cooperation with other concerned ministries, organizations, and local administration authorities, takes the lead in surveying forestland in order to formulate sustainable management, protection, developement, and utilization plans.

## Article 69 (revised) Protection of Forestland

The protection of forestland involves the delineation of each forestland category and issuing regulations and measures for protection and development of the forestland, as described under the Land Law and other relevant laws.

## Article 70 (revised) The Management of Protection Forestland

The management of protection forestland involves the zonation of Protection Forestland into Totally Protected Zones and Controlled Use Zones as well as the formulation of plans and management measures to prevent any current or future occurrence which may result in soil erosion, deteriation in soil quality, changes in wetland ecosystems, the drying of water sources and impacts on strategic national defense and security areas and on the environment.

The management of totally protected zones and controlled use zones in Protection Forests is the same as that for Conservation Forests as prescribed in Article 71 (paragraph 2 and 3) of this Law.

## Article 71 (revised) Management of Conservation Forestland

The management of Conservation Forestland involves the zonation of Conservation Forestland into Totally Protected Zones, Controlled Use Zones, and Buffer Zones. Management also involves formulating plans and measures to prevent encroachment, destructive activities that may adversely affect the forest ecosystem and cause damage to flora and fauna, biodiversity, cultural and historical values, natural heritage or other values.

<u>Totally Protected Zones</u> are forest areas with high biodiversity values, important habitats and areas for the reproduction of key aquatic and wildlife species, river headwater areas, riparian forests and other areas that are important for environmental protection. In these areas, it is prohibited to conduct any activities except those for scientific research or walking trails for ecotourism.

<u>Controlled Use Zones</u> are forest areas which the State allocates to villages inside and adjacent to Conservation Forests to sustainably manage and protect biodiversity and thereby receive appropriate benefits. These areas can be used for eco-tourism, for harvesting NTFPs from the natural forest, for agriculture production and for planting trees and NTFPs. Controlled Use Zones are allocated by the State to support family income generation, but on the condition that the felling of naturally grown trees for commercial purposes is prohibited.

<u>Buffer zones</u> are area with or without forest, which are part of Conservation Forestland or are areas around Conservation Forestland which the State allocates for villages to use and

manage to prevent encroachment in and around Conservation Forests, and to prevent negative impacts on the forest ecosystem in Conservation Forest areas.

## Article 72 Mangement of Production Forestland

The management of Production Forestland involves planning controlled use zones<sup>19</sup> for their sustainable use in accordance with the management plans of the respective Production Forest. In addition, it also involves formulating measures for managing, protecting and preventing all activities that may lead to encroachment, destruction or conversion of Production Forestland into another land category, and activities that may have adverse impacts on forest ecosystems and the environment, causing damage to natural resources.

## **Section 3 Development of Forestland**

## Article 73 Development of Forestland

The Ministry of Agriculture and Forestry is authorized to develop forestland through coordination with other concerned sectors, local administration authorities and all sectors of society, including Lao citizens, to contribute to forestland development by developing policies, guidelines and measures related to the protection, conservation and rehabilitation of forestland to improve its condition and increase its value in a balanced manner with the forest ecosystem.

#### Article 74 (revised) Development of Protection Forestland

Development of Protection Forestland involves activities aimed at improving and rehabilitating soil quality by the regeneration of fallow forest areas and degraded forest areas, or by planting trees on barren forestland or by establishing ground cover plants to enrich forest condition in balance with the forest ecosystem.

## Article 75 (revised) Development of Conservation Forestland

Development of Conservation Forestland refers to all activities in all land areas in Conservation Forests aimed at soil quality improvement, restoring and rehabilitating the forest and planting ground cover species to maintain forest ecosystems, conserve flora and fauna, biodiversity, cultural and historical values, natural heritage and other assets in Conservation Forestland.

### Article 76 (revised) Development of Production Forestland

<sup>&</sup>lt;sup>19</sup> Refers to areas identified for harvesting, rehabilitation, plantation, conservation and environmental protection as prescribed in the article 22 (Para 4) of this Law.

Development of Production Forestland refers to all activities for improving soil quality and rehabilitating and restorating forestland in Production Forest areas to make them rich. The focus is on planting tree species that are suitable for soil and climatic conditions in order to increase the quality and quantity of timber and NTFPs to promote socio-economic development and improve the living conditions of local people.

#### Section 4 Utilization of Forestland

## Article 77 Categories of Forestland Utilization

Forestland utilization in Lao PDR is classified into three categories as follows:

- 1. Utilization for public benefit;
- 2. Utilization for household benefit;
- 3. Utilization for business purposes.

Utilization of all categories of forestland shall not cause negative impacts on the forest, soil quality, the natural environment or society.

#### Article 78 Utilization of Forestland for Public Benefit

Utilization of forestland for public benefit refers to the use of forestland for tree planting to improve the environment and enhance landscape, touristic and recreational values with the approval of relevant authorities.

#### Article 79 (revised) Utilization of Forestland by Households

Utilization of forestland for household benfit refers to the use of degraded forestland or barren forestland according to the households' availability of labor and capital for forest regeneration and the planting trees or NTFPs in land areas allocated by the State.

## Article 80 (Revised) Utilization of Forestland for Business Purposes

Utilization of forestland for business purposes is allowed only on forestlands which are allocated by the State and such use shall be in accordance with the Enterprise Law and other relevant laws.

#### Article 81 (revised) Conversion and the Nature of Conversion of Forestland

Conversion of forestland to another land category can be carried out when it brings the greatest benefit to the nation and livelihoods of the people and when it is in line with National and local Land Management Plans, the National Socio-Economic Development Plan and land

use plans at sector and local levels. Forestland conversion shall ensure that there are no serious impacts on the natural environment or society and when it follows the principles regarding leases and concessions as prescribed in Article 87 of this Law

Conversion of forestland can be either temporary or permanent in nature.

Permanent conversion of forestland refers to conversion to another land category to serve a particular long term objective, for example, the conversion of forestland for hydropower development, reservoir impoundment, sites for power pylons and mobile phone transmission masts and for resettlement. Forestland conversion is not required along electric power lines or roads.

Temporary conversion of forestland refers to conversion to another land category to conduct a specific action. When such an action is completed, the area must be converted back to forestland, for example, mining areas, roads to construction sites and temporary construction sites.

The timber and forest resources, which are felled or harvested in these forestland areas, belong to the State.

## Article 82 Obligations in Converting Forestland

In all cases, persons who receive approval to permanently convert forestland shall be responsible for paying technical service feess, forestland conversion fees, forest ecosystem service fees, biodiversity compensation fees and the cost of compensatory tree-planting.<sup>20</sup> The conversion of forestland to reservoir impounment will be exempt from forestland conversion fees.

For the temporary conversion of forestland, the person who receives the approval shall be exempt from paying conversion fees, but shall be responsible for paying technical service fees, forest ecosystem service fees, biodiversity compensation fees and the cost of tree planting offsets and land reclamation. For the conversion of forestland to open-cast mining areas, forestland conversion fees must be paid.

In the case that the State needs to convert forestland that was allocated to an individual or organization to use for a prescribed purpose, to use for another purpose with greater benefit to the country, the Government will make compensation in accordance with regulations.

# Article 83 (Revised) State Institutions with the Authority to Make Decisions on the Conversion of Forestland

The following State institutions that have the authority to approve the conversion of forestland:

<sup>&</sup>lt;sup>20</sup> This can be either in the form of a set fee or by covering the cost of the treeplanting offsets.

- 1. National Assembly;
- 2. Government;
- 3. Provincial People's Council.

## Article 84 (New) Decision of The National Assembly

The National Assembly has the authority to make decisions on the conversion of National Protection and National Conservation Forestland, Production Forestland and Provincial Protection and Conservation Forestland to other land categories, based on a proposal from Government.

## Article 85 (New) The Decision of Government

The Government has the authority to make decisions on the conversion of forestland categories to other land categories based on a proposal from the Ministry of Natural Resources and Environment with the agreement of the Ministry of Agriculture and Forestry and local administration authorities for the following:

- 1. Conversion of District Protection and Conservation forestland:
- 2. Conversion of degraded forestland that cannot be regenerated naturally covering areas between one hundred and one thousand hectares per one activity<sup>21</sup>;
- 3. Conversion of barren forestland that cannot be regenerated naturally covering areas between two hundred and ten thousand hectares per one activity.

If the forestland areas to be converted are greater than the areas specified in 2 and 3 above, the Government shall submit a proposal for approval by the National Assembly.

## Article 86 (New) The Decision of The Provincial People's Council

The Provincial People's Council has the authority to make decisions on the conversion of forestland categories to other land categories based on a proposal from provincial administration authorities for the following:

- 1. Conversion of Village's Protection and Conservation Forestland;
- 2. Conversion of degraded forestland that cannot be regenerated naturally for areas covering less than one hundred hectares per one activity;
- 3. Conversion of barren forestland of areas covering less than two hundred hectares per one activity.

<sup>&</sup>lt;sup>21</sup> Refers to one time approval per investment project

#### Section 5 Lease or Concession of Forestland

## Article 87 (Revised) Lease or Concession of Forestland

A lease or concession of forestland is allowed only in areas designated for that purpose, and shall follow the procedures below:

- Study socio-economic information and the suitablity of natural conditions such as soil, climate, elevation, rainfall, water resources, land use rights and local labor availability; survey the status of forest and forest resources; consult and agree with local people; and study any other issues as necessary;
- 2. Conduct an economic-technical feasibility analysis and formulate a report to be approved by the agriculture and forestry sector and other relevant sectors;
- 3. Conduct an environment and social impact assessment, formulate a report including appropriate mitigation measures and obtain approval from the concerned authorities;
- 4. Formulate an action plan which focuses on protecting water resources and the environment, and includes plans for land preparation and village development, promotes people's participation in the plan, describes the technology and the benefit sharing mechanisms to be used, etc.

Whoever is granted a lease or concession for forestland shall pay lease or concession fees, technical services fees, tree planting fees and reforestation fees, and shall be responsible for the costs of land reclamation and any other fees in accordance with the law.

Timber and forest resources in the lease or concession shall remain the poperty of State except for trees planted by individuals, legal entities or organizations who retain ownership of these.

#### Article 88 (New) Lease or Concession of Forestland for Ecotourism

A lease or concession of forestland for ecotourism activities in national Protection and Conservation Forest areas and Production Forest areas is allowed only in areas which are allocated by the State, and must be approved by the Government based on a proposal from the Ministry of Agriculture and Forestry with the agreement of relevant ministries and provincial administration authorities.

A lease or concession of forestland for ecotourism in District and Provincial Conservation and Protection Forest areas is allowed only in areas allocated by the State and must be approved by the provincial administration authority based on a proposal from the

Provincial Agriculture and Forestry Office with the agreement of related sectors at provincial and Vientiane Capital levels and the district administration authorities.

The lessee or concessionaire shall pay fees for ecosystem services and other fees to the Forest Protection Fund in accordance with the Law.

### Article 89 (New) Lease or Concession of Forestland for Regenerating Forests and the Planting of Trees and NTFPs

A lease or concession of forestland to regenerate forest or plant trees and NTFPs for commercial purposes is allowed in areas of degraded forestland and barren forestland inside Production Forests areas according to the forest management plan and in compliance with the following approval procedures:

- The Government shall approve areas of more than ten thousand hectares per investment project within a timeframe of not more than fifty years, which can be extended for a maximum of an additional 30 years on a case-by-case basis following a proposal from the Ministry of Agriculture and Forestry, with the agreement of the local administration authorities;
- 2. The Ministry of Agriculture and Forestry shall approve areas between one hundred and ten thousand hectares per investment project within a timeframe of not more than fifty years that can be further extended for up to 30 years on a case-by-case basis following a proposal from the Department of Forestry, with the agreement of relavant sectors and the local administration authorities:
- 3. Provincial administration authorities shall approve areas of less than one hundred hectares per investment project within a timeframe of not more than fifty years that can be further extended for up to 30 years on a case-by-case basis following a proposal from the Provincial Agriculture and Forestry Office with the agreement of the relevant provincial or Vientiane Capital offices and sectors.

### Article 90 (New) Lease or Concession of Forestland for Activities Based on Forest Ecosystem Services

A lease or concession of forestland for activities based on forest ecosystem services<sup>22</sup> is allowed only in areas allocated by the Government, and must be conducted in accordance with the following:

<sup>&</sup>lt;sup>22</sup> This Article provides the basis for Payment for Forest Ecosystem Services (PFES) under which any business or commercial operation shall pay for the benefits it receives from ecosystem services, such as watershed protection for hydropower companies, biodiversity values for ecotourism operators, scenic values for nature tourism, etc.

- A lease or concession of forestland for activities based on forest ecosystem services within National Conservation and Protection Forest areas and Production Forest areas is allowed only in those areas allocated by the Government, and must be approved by the Ministry of Agriculture and Forestry with the agreement of relevant ministries and provincial administration authorities.
- 2. A lease or concession of forestland for activities based on forest ecosystem services within District and Provincial Conservation and Protection Forest areas is allowed only in those areas allocated by the Government, and must be approved by the provincial administration authority based on a proposal from the Provincial Agriculture and Forestry Office with the agreement of relevant sectors at the provincial or Vientiane Capital level, and the district administration authority.

The lessee or or concessionaire shall fulfill their obligations and share the benefits in accordance with the law.

#### Article 91 (New) Concession of Forestland for Mineral Extraction Operations

The National Assembly shall approve the concession of forestland for large scale mineral extraction projects based on a proposal from the Government. Concessions for other mining projects are based on the decision of Government. Procedurse and timeframes for the concessions shall be governed by the Law on Minerals.

The concessionaire shall be responsible for paying all fees as stated in Article 82, paragraph two of this law.

### CHAPTER VI Forestry Businesses and their Operations

#### **Section 1** Forestry Businesses

#### Article 92 (Revised) Types of Forestry Business

Types of forestry business include the following:

- Production of tree and NTFP seedlings;
- 2. Tree and NTFP planting;
- 3. Wood processing;
- 4. Charcoal production;

- 5. Processing of NTFPs;
- 6. Export of timber, wood products, tree species and NTFPs;
- 7. Import and transit of timber, wood products, tree species and NTFPs;
- 8. Sale of NTFPs:
- 9. Sale of wood products;
- 10. Ecotourism;
- 11. Trade in forest carbon:
- 12. Other forest-related businesses.

#### Article 93 (Revised) Production of Tree and NTFP Seedlings

Individuals, households, legal entities, and organizations are encouraged to undertake tree and NTFP seedling production to meet market demand and forest development needs.

#### Article 94 (Revised) Tree and NTFP Planting

Individuals, households, legal entities, and organizations are encouraged to engage in commercial tree and NTFP planting to supply raw materials to industrial processing factories according to the policy described in Article 60 of this Law.

Planting trees and NTFPs shall be carried out in designated sites in accordance with the principles as described in Article 57 of this Law.

For individuals, households, legal entities and organizations that intend to operate commercial tree plantations on land for which they have legal-use rights, can do so without obtaining further approval.

#### Article 95 (New) Wood Processing

Individuals, households, legal entities and organizations are encouraged to use technology and innovation in timber processing for value addition following modern industrial practices, aimed at producing finished products that meet standards for domestic consumption and for export.

The establishment, expansion and relocation of timber processing factories, charcoal kilns and factories that use wood as an energy source shall require the agreement of the agriculture and forestry sector before applying for a permit from the industry and commerce sector. Such enterprises need an assured supply of raw material, and should not be reliant on raw materials from natural forests.

The management of charcoal kilns and the transportation of charcoal within the country and for export are specified in specific regulations.

#### Article 96 (New) Charcoal Production

Individuals, households, legal entities and organization are encouraged to use modern technology and innovation in producing white charcoal, white charcoal products and wood pellet pressed charcoal from sawdust for export. Black charcoal production using raw materials from natural forest is not permitted for export, but can be produced for domestic use if the source of the raw material is managed correctly in accordance with relevant regulations.

Individuals, legal entities and organizations that have a business permit to produce and export white charcoal shall have their own plantation forest or encourage people to plant and regenerate natural forests to ensure a sustainable supply of raw materials and shall not depend on the raw materials from natural forests.

The management of harvesting and transport of firewood for white charcoal production is prescribed in specific regulations.

#### Article 97 (Revised) Processing of NTFPs

Processing of NTFPs is promoted by the Government in order to add value to finished products for domestic use and for export.

NTFPs processing factories shall follow the Law on Industrial Processing and ensure appropriate quantity and quality by following modern industrial practices.

The establishment of NTFP processing factories shall have the approval of the agriculture and forestry sector. The establishment of factories for medicinal NTFPs shall have the approval of the Ministry of Health. Both medicinal and non-medicinal NTFP processing factories shall be managed in accordance with the Law on Industrial Processing.

#### Article 98 (Revised) Export of Timber, Wood Products, Tree Species and NTFPs

The Government promotes the export of finished wood products by requiring the industry and commerce sector to collaborate with the agriculture and forestry sector and the finance sector in defining the list of wood products approved for export.

The export of NTFPs is allowed only for those species that cannot be processed within the country and for non-restricted species for which the agriculture and forestry sector, in collaboration with the health sector and other related sectors, determine to be on the list of NTFP species allowed for export.

The export of timber, wood products, tree species and NTFPs shall follow the laws, international conventions and treaties to which Lao PDR is a signatory.

The Government does not permit the export of logs, square logs, sawn wood, tree roots, stumps, burl wood, branches, whole living trees and ornamental trees from natural forests including black charcoal from wood from natural forests.

#### Article 99 (Revised) Import and Transit of Timber, Tree Species and NTFPs

The Government allows the import of timber, tree species and NTFPs to meet domestic production needs, following a policy of exemption or reduction of taxes and duties according to the law. The import of timber requires legal approval and certification from the country of origin;

The import of tree species and NTFPs, must undergo inspection by the plant quarantine office and other relevant offices, in accordance with the Plant Protection and Plant Quarantine Law,

The import and transit of timber, tree species, crop species, wood products and NTFPs must follow the law and international conventions and treaties to which Lao PDR is a signatory.

#### Article 100 (Revised) Sale of NTFPs

The sale of NTFPs within and outside the country, including medicinal plants not listed in List I, shall be approved by the industry and commerce and other relevant sectors and shall follow the law and international conventions and treaties to which Lao PDR is a signatory.

#### Article 101 (New) Sale of Wood Products

The Sale of all kinds of wood products within and outside the country shall be approved by the industry and commerce sector. The source of timber shall be certified by the Agriculture and Forestry sector and must follow the law and international conventions and treaties to which Lao PDR is a signatory.

#### Article 102 (Revised) Ecotourism

The Government promotes individuals, households, legal entities and organizations to conduct ecotourism businesses in scenic sites, biodiversity areas as designated in Protection, Conservation and Production forests, and shall not cause negative impacts on the

environment. Persons who obtain permission for ecotourism activities shall fulfil their obligations by paying forest ecosystem services fees in accordance with the Law.

#### Article 103 (New) Trade in Forest Carbon

Forest carbon trading refers to the payment by legal entities and organizations to those who manage, develop and protect the forest from destruction in order to allow the sequestration of forest carbon at agreed levels that are certified by the international organization concerned.

The Government defines policies, strategies and laws for promoting and managing trade in forest carbon, consistent with international conventions and treaties to which Lao PDR is a signatory.

The Government encourages individuals, legal entities and organizations to conduct trade in forest carbon under international mechanisms for carbon trade, based on agreements with the Agriculture and Forestry sector and the granting of a business license by relevant sectors as prescribed in Article 104 of this law.

# Section 2 Operation, Suspension and Cancellation of Forestry Businesses Article 104 (New) Operation of Forestry Businesses

Individuals, legal entities or organizations that intend to operate a forestry business are required to submit an application to the One-Stop Investment Service Office as specified in the Law on Investment Promotion or to the Industry and Commerce sector as specified in the Law on Enterprises, and shall obtain technical approval from the Agriculture and Forestry sector in coordination with other relavant sectors.

#### **Article 105** (New) Conditions for Forest Business Operations

Forest business operations shall meet the following conditions:

- 1. Have appropriate capital, offices or buildings, equipment and vehicles in line with technical standards;
- 2. Have technical staff with appropriate experience and skills related to the business;
- 3. Conduct economic and technical feasibility studies;
- 4. Meet any other necessary conditions.

#### Article 106 (New) Suspension of Business Operations

Forestry business operations will be suspended in the following cases:

- 1. The business operator proposes the suspension of operation;
- 2. The Forest and Forestland Management Organization orders the suspension in order to conduct an inspection for any of the following reasons:
  - The business is not being operated according to its approved goals and objectives;
  - The business is not being operated in accordance with relevant laws;
  - The business is causing socio-economic damage and/or damage to the environment;
  - The Business has not operated continuously for a period of two years.

In the case of potential suspension, the business operator shall be given a certain time period to find a way to solve the problems or make improvements to normalize the situation. If the concerned business operator does not make the required improvements within 30 days, the operator will be issued with a second warning and if after another 30 days if improvements have not been made, the Agriculture and Forestry sector will order a technical suspension until the business operator makes the required improvements, and they will notify both the authority that gave approval and the the authority that issued the business license.

#### **Article 107** (New) Cancellation of Business Operations

Forestry business operations will be cancelled in the following cases:

- 1. The business operator proposes to cancel the business with reasonable justification;
- 2. The Forest and Forestland Management Organization orders the cancellation of the business for any of the following reasons:
  - The operator violates laws and forest-related regulations and causes serious damage to society, the economy or the environment;
  - The operator has been suspended two times with no improvements being made;
  - A court makes a legal decision to cancel the license or the operator is declared bankrupt;
  - The business has not operated for a period of two years following its approval.

### Article 108 (New) Appeal Against Suspension or Cancellation of Forest Business Operations

Individuals or legal entities whose businesses are suspended or cancelled as prescribed in Article 106 and 107 of this law, who believe that their actions are legally correct, can appeal to a higher level authority within a 20-day period to reconsider their decision regarding the suspension or cancellation.

CHAPTER VII Scope of Protection and Development of Forest and Forestland

Section 1 Scope of Protection and Development of Forest and Forestland

#### by the Central Level

### Article 109 (revised) Forest and Forestland Developed and Protected by Central Level Authorities

The Ministry of Agriculture and Forestry, in collaboration with concerned ministries such as the Ministry of Natural Resources and Environment, Ministry of Industry and Commerce, Ministry of Energy and Mines ing, Ministry of Public Works and Transport, Ministry of Planning and Investment, Ministry of National Defence, and Ministry of Information, Culture and Tourism, shall protect and develop forest and forestland resources in a sustainable manner in accordance with the National Socio-Economic Development Plan, the National Land Management Master Plan, the National Forestry Strategy and the Environment Management Strategy.

## Article 110 (Revised) Approval of Forest and Forestland Areas Protected and Developed by Central Level Authorities

National Protection and Conservation Forests and Production Forests are approved by the Government based on a proposal from the Ministry of Agriculture and Forestry with the agreement of the Ministry of Natural Resources and Environment, and local administration authorities.

# Section 2 Scope of Protection and Development of Forest and Forestland Areas by the Local Level

### Article 111 (revised) Allocation of Forest and Forestland to Local Administration Authorities

After the classification and delineation of State forest and forestland areas <sup>23</sup>, the Government shall give authority for these forests and forestland areas to provincial, district and village administration authorities to be responsible for their management, inspection, protection, development and utilization, strictly in accordance with the law.

In the case of forest and forestland areas that cover two or more provinces, the concerned provincial administration authorities are required to collaborate with each other in the management, monitoring, protection, development and utilization within their respective administration area, and conduct such activities in accordance with the National Land Management Master Plan.

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<sup>&</sup>lt;sup>23</sup> This refers to Protection, Conservation and Production Forests approved by the Government

#### Article 112 Forest and Forestland Protected and Developed by Provincial Authorities

Provincial administration authorities allocate responsibility to different sector line agencies to manage, protect, develop and utilize forest and forestland areas according to their area of responsibility.

### Article 113 Forest and Forestland Protected and Developed by District Level Authorities

Provincial administration authorities allocate responsibility to district administration authorities and different sector line agencies as prescribed in Article 111 of this law to manage, protect, develop and utilize forest and forestland areas according to their area of responsibility.

In the case of forest and forestland areas that cover two or more districts, the concerned district administration authorities are required to collaborate with each other in the management, monitoring, protection, development and utilization within their respective area of responsibility, and conduct such activities in accordance with the National Land Management Master Plan.

#### Article 114 (Revised) Forest and Forestland Protected and Developed by Villages

District administration authorities allocate forests and forestland to village administration authorities to manage, inspect, protect, develop and utilize in accordance with village forest management plans as prescribed in Article 39 of this law.

Forests under village responsibility may be classified into three categories, namely Protection Forests that include water resources riparian forests, road side forests; Conservation Forests that include sacred forests and cemetery forests; and Village Use Forests. In addition, there is also unused land that is reserved as an area for the future production needs of the village.<sup>24</sup>

## Article 115 (Revised) Approval of Forest and Forestland for Protection and Development at the Local Level

The approval of the designation of forest and forestland areas under protection and development at the local levels shall be carried out as follows:

<sup>&</sup>lt;sup>24</sup> This reserve land is defined under the village Land Use Plan in order to meet future production needs such as for agriculture, housing and construction of village facilities.

- Protection Forests and Conservation Forests at the provincial level are approved by the Ministry of Agriculture and Forestry based on a proposal made by the Vientiane Capital or Provincial Agriculture and Forestry Offices with the agreement of Vientiane Capital or Provincial Natural Resources and Environment Offices;
- 2. Protection Forests and Conservation Forests at the district level are approved by the Provincial Governor or the Vientiane Capital Governor based on a proposal from the Agriculture and Forestry Office at the district level with the agreement of District Natural Resources and Environment Office at the district level:
- 3. Protection Forests and Conservation Forests at the village level are approved by the District Governor based on a proposal from the Agriculture and Forestry Office at the district level with the agreement of District Natural Resources and Environment Office at the district level and the village administration authority.

## Section 3 Persons Protecting and Developing Forest and Forestland Article 116 (revised) Allocation of Forest and Forestland

After the classification and delineation of forest and forestland areas, the State allocates forest and forestland areas to individuals, households, legal entities and organizations for management purposes.

#### Article 117 (revised) Persons Protecting and Developing Forest and Forestland

Persons protecting and developing forest and forestland shall be individuals, legal entities, and households, to which the State allocates forests and forestland in accordance with the law.

Persons protecting and developing forest and forestland comprise the following:

- 1. The Agriculture and Forestry sector to which the State has allocated forest and forestland for protection and development;
- A legal entity in any economic sector to which the State has granted a lease or concession for forestland, or for which it recognizes the legal entity's right to use and own planted forests, including the transfer of the rights to others to use planted forests and forest plantation areas;
- 3. Households to which the State has granted a lease for forestland, or for which it recognizes the household's rights to use and own planted forests, including the transfer of rights to others to use planted forests and forest plantation areas;
- 4. Any department of the armed forces to which the State has allocated forestland for protection and development;

- 5. Educational institutions, scientific research institutions, and training and skill development centres relevant to forestry to which the State has allocated forest and forestland for protection and development;
- 6. Other individuals, legal entities or organizations to which the State has allocated forest and forestland for protection and development.

#### Article 118 (revised) Provision of Sedentary Livelihoods

The Government and local administration authorities encourage and promote permanent settlement and sedentary livelihoods for people living within forest areas to develop the household economy through commercial production and economic cooperation in line with the potential and land use plans in each locality. These productive economic activities mainly include the cultivation of agricultural crops, livestock husbandry, tree and NTFP planting, and handicraft-making, all of which help to prevent uncontrolled settlement in forest areas, thereby helping to protect the forest and to stop uncontrolled shifting cultivation.

Support for the development of stable, sedentary livelihoods shall be conducted in accordance with relevant laws.

#### CHAPTER VIII Rights and Obligations of Forests and Forestland Users

#### Article 119 (Revised) Acquisition of Rights to Use Forests and Forestland

Rights to use forests, including natural forest, forestland, planted forest and forest plantation areas, may be acquired through:

- 1. The provision of rights to use State forest and forestland;
- 2. The transfer of rights to use planted forest and forest plantation areas:
- 3. Inheritance of rights to use planted forest and forest plantation areas.

#### Article 120 (Revised) The Provision of Rights to Use State Forest and Forestland

The provision of rights to use State forests and forestland is decided by the district administration authority who allocate forest and forestland to village administration authorities for long term and sustainable use according to village forest management plans, forest management and protection agreements and relevant laws.

### Article 121 (revised) The Transfer of Rights to Use Planted Forest and Forest Plantation Areas

The rights to use planted forests and forest plantation can be transferred by means of sale, hand over or exchange, and shall be made in accordance with the law.

The right to use natural forests and forestland cannot be transferred.

### Article 122 (revised) Inheritance of Rights to Use Planted Forests and Forest Plantation Areas

After the holder of the user rights has passed away the right to use planted forests and forest plantation areas can be inherited by children, husbands, wives, fathers, mothers, nieces, nephews or other relatives in accordance with the Law on Inheritance,.

The rights to use natural forests cannot be inherited.

#### Article 123 (Revised) Rights of Users of Planted Forests and Forest Plantation Areas

Individuals, legal entities and organizations with the right to use planted forests and forest plantation areas have the right to:

- Manage and protect forests and forestland;
- 2. Utilize forests and forestland;
- 3. Obtain usufruct rights for forests and forestland;
- 4. Transfer forests and forestland user rights;
- 5. Inherit forests and forestland user rights.

The rights to transfer and inherit forests and forestland, are prescribed in Article 121 and 122 of this law. The rights to customary use shall be practiced as described in Article 64 of this law.

#### Article 124 (Revised) Rights to Manage and Protect Forests and Forestland

Individuals, legal entities and organizations have the right to manage and protect forests and forestlands allocated by the State and to conduct activities in accordance with the law.

Government organizations have the right to manage, protect and utilize natural forests in accordance with the law, but have no rights of transfer or inheritance, except in cases as described in Articles 88, 89, 90 and 91 of this Law.

#### Article 125 (Revised) Rights to Use Forests and Forestland

Individuals, households, legal entities and organizations have the right to use forests, forestland, forest ecosystem services, and other values of forests in forest and forestland areas allocated by the State for conducting activities in accordance with the law.

#### Article 126 (Revised) Usufruct Rights for Forest and Forestland

Individuals, households, legal entities or organizations have usufruct right for forests and forestland which they have developed in forest and forestland areas allocated to them by the State. These usufruct rights allow the conduct of certain activities, such as selling timber and NTFPs which they have planted or rehabilitated and generating income from ecotourism or from trade in forest carbon. Tree and NTFP plantation registration certificates can be used as collateral or for the acquisition of shares in other businesses.

#### Article 127 Obligations of Forest and Forestland Users

The users of forests and forestland have the obligation to:

- 1. Implement the policies and laws related to forestry activities;
- 2. Plant, regenerate and develop forests and forestland on a sustainable basis;
- 3. Protect forests, forestland, water resources in forests, the environment, wildlife and aquatic animals;
- 4. Reclaim the land, plant trees, and regenerate the forest when mining or other activities have been completed;
- 5. Correctly use forests and forestland according to stated objectives, contractual obligations and the law;
- 6. Pay forest resource fees, royalties, lease or concession fees, forest ecosystem services fees and other duties related to forest and forestland in accordance with the law;
- 7. Contribute<sup>25</sup> to the Forest Protection Fund and they may also mobilize domestic and international contributions for the Forest Protection Fund:
- 8. Provide information on the use of forest and forestland and coordination and cooperation with other concerned sectors;
- 9. Use all available methods to prevent forest destruction, forest fires, illegal logging, illegal NTFP collection and illegal hunting of wildlife and aquatics animals;
- 10. Implement all other relevant obligations as prescribed by law.

#### Article 128 Loss of Rights to Use Forests and Forestland

<sup>&</sup>lt;sup>25</sup> Such contributions are normally in the form of taxes and royalties that are paid to the State, a certain proportion of which goes to the Forest Protection Fund.

Holders of the right to use forests and forestland shall lose theirs rights in any of the following cases:

- 1. Utilizing State forests and forestland in a manner inconsistent with established goals and objectives;
- 2. Not utilizing State forests and forestland within a period of 3 years;
- 3. Loss of rights to use forests and forestland due to the judgment of a court of law.

#### Article 129 Termination of the Right to Use Forests and Forestland

The rights to use forests and forestland of individuals, households or organizations shall be terminated in any of the following cases:

- 1. The voluntary renunciation of the rights;
- 2. The transfer of use rights to another person<sup>26</sup>;
- 3. The death of the holder of the user rights with no legal successors or the dissolution of the organization;
- 4. The need to return the rights to use the forestland to the State for the public benefit, in which case the State shall provide compensation for any loss in accordance with the law.

#### CHAPTER IX Forest Protection Fund

#### Article 130 (New) Forest Protection Fund

The Forest Protection Fund (FPF) is a State fund established to collect and mobilize funds from forestry activities and activities involving the use of forest resources, and to obtain contributions from other domestic and foreign sources.

#### Article 131 (revised) Sources of Funding

Sources of funding include the following:

- 1. State budget;
- 2. Forest resource fees or tree and NTFP planting fees;
- 3. A share of the income derived from the sale of timber and NFTPs harvested from any sources including Production Forests and forestland conversion areas;
- 4. A share of the income derived from the sale of timber or NFTPs confiscated by the State;

<sup>&</sup>lt;sup>26</sup> When the rights are transferred to another person, that person becomes the new holder of the rights

- 5. A share of the income from the conversion of forestland for use for other purposes;
- 6. A share of the income from the payment of forest ecosystem services, including that from ecotourism, trade in forest carbon, etc.
- 7. A share of the income from fines and fees for the compensation for damage to forests, forestland and forest resources:
- 8. Contributions from national and international organizations and financial institutions;
- 9. Contributions from national and international individuals, legal entities or organizations.

The collection of a shares of the income from the sources described in 3 to 7 above, is prescribed in specific regulations.

#### Article 132 (revised) Management and Use of the Fund

The management of the Forest Protection Fund shall be in accordance with the following principles:

- 1. The fund will be managed in a centralised and unified manner according to the state budgetary system.
- 2. Fund management will follow the objectives, and principles of efficiency and effectiveness.
- 3. All income and expenditure shall go through the National Treasury accounting system, and will follow principles and regulations of the state accounting system.
- 4. Management shall be in a manner that is efficient, fast, fair and transparent, and will ensure that expenditures are consistent with each year's annual plan.
- 5. The fund shall undergo regular inspections and audits in accordance with the law.

The Forest Protection Fund shall be utilized for the following functions:

- 1. Studies to formulate and revise policy, to plan strategy and to develop legislation on forest and forestland management.
- 2. Disseminating and integrating policies, laws, regulations and information on forests and forestland.
- 3. Technical training on forest activities.
- Scientific, technological and innovative research on forest protection and development.
- 5. Implementing programs, projects, monitoring and solving problems in regard to the management of forests, forestland, aquatic animals and wildlife.
- Protection and development of Protection and Conservation forests, National Parks, Production Forests, and forest management at the village level.

7. Planting trees and forest rehabilitation for economic and environmental protection goals.

#### CHAPTER X Prohibitions

#### Article 133 Prohibitions for Civil Servants and Forestry Officers

The following types of behaviour are prohibited by civil servants and forestry officers:

- 1. Abuse of their position and receiving bribes for their own benefit;
- 2. Abuse of authority causing damage to the State, collectives, or to the rights and interests of the people;
- 3. Abandoning their duties or behaving irresponsibly in their assigned tasks related to forestry activities;
- 4. Releasing state and official confidential information related to forests;
- 5. Falsifying documents such as signatures, seals, log lists, timber measurement data, timber quality grading, forest inventory data, forest inspection information and the wood stamping Forestry Marking Hammer;
- 6. Operate or taking part in businesses concerned with the harvest of or trade in timber and forest products;
- 7. Give the Forestry Marking Hammer to timber operators or unauthorized people including staff who do not have the relevant authority;
- 8. Moving, changing or destroying boundary markers or signs in Protection, Conservation and Production forest areas;
- 9. Engaging in violence, intimidation, threatening behaviour or other illegal actions;
- 10. Having logging machinery and log skidding vehicles in the possession;
- 11. Any other prohibited behaviour which violates laws and regulations.

#### Article 134 (Revised) Prohibitions for Business operators

The following types of behaviour are prohibited by domestic and foreign business operators:

- 1. Carrying out forest and forest resource inventories or harvesting timber and NTFPs without due permission;
- 2. Establishing veneer mills, sawmills, furniture factories and timber and NTFP processing factories without due permission;
- 3. Encroaching and destroying forests and forestland;

- 4. Claiming ownership of trees, forest NTFPs, forestland<sup>27</sup>, logging based on the in the previous year's logging plan, or logging before approval is received;
- 5. Harvesting trees and transporting seedlings or whole trees of any species from natural forests where this has not been approved;
- 6. Clearing of forest and forestland outside approved areas;
- 7. Moving, changing or destroying boundary markers or signs in Protection, Conservation and Production Forests areas.
- 8. Importing wood processing machinery and log skidding vehicles that are not up to standard.
- 9. Importing foreign labour, log skidding vehicles and logging machinery and equipment without approval;
- 10. Cutting, purchasing, selling and transporting any naturally-grown trees of protected species or trees which are nearly extinct as determined in the approved list of timber species <sup>28</sup>, without permission from the Government. Such tree species include: Dalbergia Odorifera, Dalbergia Cochinchinensis, Dyospiros Sp, Dalbergia Oliveri, Dalbergia Cultrata, Cunninghamia Sp, and Michelia Champaca;
- 11. Exporting timber and wood products that are on the banned export list (which is periodically revised by Government), including all kinds of black charcoal which uses wood from natural forests for processing;
- 12. Commercial trading in timber that the State approves for use for the public benefit of villages and households, as determined in Article 61 and 62 of this Law;
- 13. Transporting timber and NTFPs exceeding the permitted quantity<sup>29</sup>, number and size or during prohibited periods or in ways not in compliance with the authorised documents;
- 14. Offering bribes to civil servants, forestry officers and other people;
- 15. Falsifying documents, seals and the Forestry Marking Hammer;
- 16. Using violence or intimidating civil servants, forestry officers or other people;
- 17. Any other behaviour which violates the law.

#### Article 135 (Revised) Prohibitions for the General Population

The following types of behaviour by all people are prohibited:

1. Destructing Destroying forests by encroachment, clearing, cutting, burning, occupying, ring-barking,<sup>30</sup> using chemicals to kill trees or any other illegal actions;

order to kill the tree.

<sup>&</sup>lt;sup>27</sup> This refers to natural trees, NTFPs, forests and forestland.

<sup>&</sup>lt;sup>28</sup> Refers to Tree list I prescribed in Article 3, Section 20 of this Law

<sup>&</sup>lt;sup>29</sup> As measured in terms of weight.

<sup>&</sup>lt;sup>30</sup> Ringbarking or 'girdling' refers to removing a section of bark around the entire circumference of the tunk in

- 2. Establishing settlements in Protection, Conservation or Production Forest areas or conducting unauthorised production activities without permission;
- 3. Cutting purchasing, selling, transporting or harvesting natural timber without permission such as: Dalbergia Odorifera, Dalbergia Cochinchinensis, Dyospiros Sp, Dalbergia Oliveri, Dalbergia Cultrata, Cunninghamia Sp, and Michelia Champaca;
- 4. Cutting, purchasing, selling, transporting or harvesting certain medicinal timber or NTFP species, as listed by the Ministry of Health;
- 5. Claiming ownership of trees, forests, NTFPs and forestland;
- 6. Harvesting trees and transporting seedlings or whole trees of any species from natural forests including their use for construction poles and fuel-wood, from areas not approved by the Agriculture and Forestry sector;
- 7. Colluding with business operators, civil servants and forestry officers in illegal logging, encroachment or the destruction of forests and forest resources;
- 8. Buying and selling timber that the Government has approved for household use, as prescribed in Article 62 of this Law;
- 9. Falsify documents, seals and the Forestry Marking Hammer;
- 10. Employing violence or using the name of a senior government official to intimidate civil servants, forestry officers, or other people;
- 11. Moving, changing or destroying boundary markers and signs in Protection, Conservation and Production Forest areas;
- 12. Harvesting, collecting, purchasing or selling illegal NTFPs;
- 13. Any other acts which violate the law.

#### Article 136 (Revised) Prohibitions for Individuals, Legal Entities and Organizations

The following types of behaviour by individuals, legal entities or organizations are prohibited:

- 1. Acting above one's authority, using of violence or using the name of a senior government official to intimidate civil servants, forestry officers, or other people;
- 2. Taking advantage of ones position for their own or others' benefit;
- 3. Falsifying forest-related documents, seals and the Forestry Marking Hammer;
- 4. Operating logging businesses or trading in timber and NTFPs on their own or with other shareholders, without approval;
- 5. Permitting the conversion of forest or forestland to another category, and allowing a lease or concession without due legal process, or the exchange of timber in place of cash payment for government development projects;
- 6. Issuing permits for logging and NTFP harvesting;
- 7. Obstructing the work and official duties of government officers;
- 8. Importing illegal timber or NTFPs from abroad in order to transit them to a third country;

- 9. Exporting round logs, square logs, processed timber, sawn wood, tree roots, stumps, burl wood, tree branches, standing trees or ornamental wood harvested from natural forests:
- 10. Exporting NTFPs without permission from the relevant sectors;
- 11. Proposing and permitting the extraction of top and branches, logs or giving the timber to individuals as an incentive or reward;
- 12. Allowing or facilitating the export of illegal timber and NTFPs;
- 13. Any other type of behaviour which is in violation of the law.

#### CHAPTER XI Criminal Proceedings Relating to Forest and Forestland

#### Article 137 (New) Criminal Proceedings Relating to Forest and Forestland

Criminal proceedings relating to forest and forestland refers to the process whereby the investigation body of the Forestry Authority, the People's Prosecution Agency, the People's Court, and other parties involved in the legal process, investigate thoroughly and completely wrongful acts as a matter of urgency in order to subject offenders to prosecution and ensure justice and the correct application of the law.

#### Article 138 (New) Reasons for Opening an Investigation

Reasons for opening an investigation into a criminal case related to forest and forestland are as follows:

- 1. There is a claim or complaint regarding an offence from an individual, a legal entity or an organisation;
- 2. An offender turns himself in to the authorities;
- 3. The discovery of evidence of an offence by the investigation body or by the prosecution agency.

#### Article 139 (New) Investigation Procedures

The investigation of criminal cases related to forest and forestland must follow the correct investigation procedures and take preventive measures as prescribed in the Criminal Procedures Law.

#### Article 140 (New) Period for Investigation

The Investigation Body of the Forestry Authority shall proceed to investigate, summarize the investigation and prepare a case file, including exhibits, and send these to the People's Prosecution Agency within two months from the date of the order to open an investigation for a standard offence<sup>31</sup> and within three months for a serious crime<sup>32</sup>.

If there should be a need to further continue the investigation, the Head of the investigation body of Forestry Authority may propose to the People's Prosecutor Agency to extend the period of investigation. The People's Prosecution Agency may extend for periods of two months at a time for standard offences, but the aggregate period shall not exceed six months; and three months at a time for serious crimes, but the aggregate period shall not exceed one year. Each request for an extension shall be made at least fifteen days before the expiration of the period of the investigation.

In cases where the case file there is a returned of to the investigation body of the Forestry Authority for further investigation, the additional period for investigation shall not exceed two months from the date when the investigation body of Forestry Authority receives the case file.

In cases where there is a resumption of an investigation into a suspended or dismissed case, the investigation shall be performed in accordance with the provisions in paragraph 1 and paragraph 2 of this Article from the date of the order to resume the investigation.

#### Article 141 (New) Seizure and Confiscation of Assets

Timber, wood products and NTFPs seized or confiscated by the respective investigation body of the customs, police, military or anti-corruption authorities must be handed-over to the investigation agemcy of the Forestry Authority to proceed with the criminal case in accordance with the law.

In the event that the type, quantity and location of the assets and material evidence relating to the offence are known and will be useful to the criminal proceedings, the Head of the Investigation Body of Forestry Authority or the Head of the People's Prosecution Agency must issue an order to seize or confiscate such assets and material evidence.

In the event that the assets or material evidence to be seized or confiscated are likely to be damaged, the Head of the Investigation Body of the Forestry Authority or the Head of the People's Prosecution Agency must appoint a committee to deal with the issue.

<sup>&</sup>lt;sup>31</sup> In this context, a standard offence refers to an offence punishable by reeducation, a fine or imprisonment for a term of 3 months to 10 years.

<sup>&</sup>lt;sup>32</sup> In this context, a serious offence refers to an offence punishable by a fine and imprisonment for a term of 5 years to life.

In cases where there is evidence to verify that the assets and material evidence seized or confiscated are legally owned by the injured party, they shall be returned to such persons.

#### Article 142 (New) Preparation of Case Files to be Sent to the People's Prosecution Agency for Prosecution

When an investigation has been completed, if reliable evidence is found to prove that the accused person has committed an offence related to forests and forestland, the investigation body of the Forestry Authority shall make a summary of the investigation, together with exhibits and the name of the accused person, and send these to the People's Prosecution Agency for their consideration of whether to prosecute.

#### Article 143 (revised) Investigation Bodies of the Forestry Authority

The respective investigation bodies of the Forestry Authority comprise:

- 1. The Ministry of Agriculture and Forestry, for which the Department of Forest Inspection acts as the secretariat;
- 2. Provincial Agriculture and Forestry Offices, for which the Provincial and Vientiane Capital Forest Inspection Office acts as the secretariat;
- 3. District's Agricultural and Forestry Offices, for which the District Forest Inspection Unit acts as the secretariat.

## Article 144 (Revised) Rights and Duties of the Investigation Body of ther Forestry Authority

The investigation body of the Forestry Authority has the following rights and duties:

- 1. To inspect the implementation of laws and regulations related to forests and forestland;
- 2. To inspect forestry activities and projects related to forests, forestland and forest resources, including business operations in forestry and NTFPs;
- 3. To issue orders to open an investigation, deliver summonses, issue invitations to interrogate, detain, hold in custody, take into custody, seize or confiscate, release suspects who were taken into custody and to halt or close a criminal case;
- 4. To conduct investigations linked to violations of the Forestry Law, or the Criminal Law by taking preventive measures as provided under the Criminal Procedures Law;
- 5. To order the concerned party to cease forestry activities or to revoke functions and positions of those civil servants and forestry officers who have committed a crime;
- 6. To communicate and cooperate with concerned authorities at central and local levels in exercising their rights and duties;

- 7. To provide summary reports on the results of inspections to higher authorities on a regular basis;
- 8. To exercise their rights and fulfill any other duties as provided under the Law.

#### Article 145 (Revised) Forestry Officers<sup>33</sup>

Forestry officers are Government employees belonging to the investigation body of the Forestry Authority, who are appointed by the Minister of Agriculture and Forestry, with the mandate to conduct inspections and investigations into criminal cases related to forests and forestland in compliance with this Law and the Criminal Procedure Law.

The organisation, functions and staff qualifications of forestry authoroties are prescribed in a specific regulation.

#### Article 146 (Revised) Rights and Duties of Forestry Officers

Forestry officers of the investigation body have the following rights and duties:

- To conduct patrols and inspections of target sites such as logging sites, log transport routes, log-yards, wood processing factories and factories using wood as a raw material, wood warehouses, forest resource checkpoints within the country and checkpoints at points of export and other places as deemed necessary;
- 2. To receive and record information on reported cases, evidence of crimes and reports on the criminal lawsuits:
- 3. To request authority to open an investigation, issue summonses and invitations for interrogation, to detain, hold in custody, take into custody, to seize or confiscate, to release suspects who were taken into custody and to halt or close a criminal case;
- 4. To proceed with criminal cases involving suspects, including conducting the investigation and taking preventive measures;
- 5. To produce summary reports on the investigation and to prepare files and documents for submission to the People's Prosecution Agency for their consideration on whether to prosecute;
- 6. To use communication equipment, vehicles, weapons, stamping hammers and warrant cards authorising forest and forestland inspection activities;
- 7. To communicate and cooperate with other concerned authorities, including local administration authorities in regard to carrying out their duties;
- 8. To execute other duties as required by law.

<sup>&</sup>lt;sup>33</sup> Forestry Officers refers here to those officers belonging to investigation bodies of the Forestry Authority as appointed by the Ministry of Agriculture and Forestry.

### Article 147 (New) Submission of Appeals From Investigation Bodies of the Forestry Authority

In cases where the Head of the People's Prosecution Agency decides not proceed with a prosecution within the timeframe prescribed in the Criminal Procedures Law, the investigation body of the Forestry Authority has the right to submit an appeal for consideration by the Head of the People's Prosecution Agency of the next higher level.

### CHAPTER XII The Management and Inspection of Forest and Forestland Activities

#### Section 1 The Management of Forest and Forestland Activities

#### Article 148 (Revised) The Forest and Forestland Management Organization

The Government manages forest and forestland activities in a centralized and uniform manner throughout the country by assigning the Ministry of Agriculture and Forestry as the central agency to coordinate with the Ministry of Natural Resources and Environment, the Ministry of Industry and Commerce, the Ministry of Energy and Mining, the Ministry of Health, local administrative authorities and other relevant authorities.

The Forest and Forestland Management Organization in Lao PDR comprises:

- 1. The Ministry of Agriculture and Forestry;
- 2. Provincial Agriculture and Forestry Offices;
- 3. District Agriculture and Forestry Offices;
- 4. Agriculture and Forestry Sub-Units under the Village Economic and Financial Unit.

#### Article 149 (Revised) Rights and Duties of the Ministry of Agriculture and Forestry

The Ministry of Agriculture and Forestry has the following rights and duties in the management of forests and forestland:

- 1. Conduct studies and formulate policy, laws and strategic plans on forests and forestland and propose these to the Government for consideration;
- 2. Elaborate policies, laws and strategies into forest and forestland related plans, programmes and projects for implementation;
- 3. Conduct pubic dissemination and education on forest and forestland related policies, laws, strategies, international conventions and treaties to which Lao PDR is a signatory;
- 4. Issue agreements, orders, guidelines and notifications relating to forest and forestland activities:

- 5. Provide guidance on the management, monitoring, inspection, and implementation of forest and forestland activities;
- 6. Manage, protect, develop and utilize forest and forestland across the country;
- 7. Manage and register all kinds of timber and NTFPs that have not been transformed into finished products;
- 8. Establish, manage and utilize forest and forestland data and management information systems;
- 9. Establish, manage and utilize sources of tree and NTFP species;
- 10. Conduct scientific and technological research on tree and NTFP propagation;
- 11. Summarize and disseminate the results of scientific and technological research and testing and other forest-related information;
- 12. Submit proposals the for the use, lease, concession and conversion of forests and forestland to the Government for their consideration;
- 13. Receive and consider proposals from individuals, legal entities and organizations in regard to solving problems related to forest and forestland activities;
- 14. Develop plans to enhance the capacity of human resources in the forestry sector;
- 15. Coordinate with concerned organizations in the implementation of forest and forestland activities:
- 16. Cooperate with foreign countries regionally and internationally in regard to activities related to forests and forestland:
- 17. Produce summary reports on the results of the implementation of forests and forestland activities and submit these to the Government on a regular basis;
- 18. Exercise their rights and fulfil other duties as required by Law.

#### Article 150 (revised) Rights and Duties of Provincial Agriculture and Forestry Offices

According to their responsibilities for the management of forest and forestland activities, Provincial Agriculture and Forestry Offices have the following rights and duties:

- 1. Implement forest and forestland related policies, laws, strategies, plans programmes and projects;
- 2. Formulate and revise provincial forestry strategic plans;
- 3. Pubic dissemination and education of forest and forestland related policies, laws, strategies, international conventions and treaties to which Lao PDR is a signatory;
- 4. Provide guidance, encourage, monitor, inspect and evaluate District Agriculture and Forestry Office's implementation of forest and forestland activities, tree planting and forest rehabilitation;
- 5. Amalyse and provide comments on requests by forestry businesses for forestry investments and the use, lease or concession of forestland, and make recommendations to the Ministry of Agriculture and Forestry for their consideration;

- 6. Issue permits for logging and harvesting NTFPs according to Ministry of Agriculture and Forestry instructions based on the agreement with the Government;
- 7. Manage all types of timber and NTFPs that are not yet processed into finished products;
- 8. Collect, summarize, manage and use information on forests and forestland;
- 9. Establish, manage and utilize sources of tree and NTFP species;
- 10. Receive and consider proposals from individuals, legal entities or organizations related to forests and forestland activities:
- 11. Develop plans to enhance the capacity of human resources in the forestry sector;
- 12. Cooperate with other concerned organizations in the implementation of forest and forestland activities particularly in regard to surveys, area-zonation and approval to utilize, lease or obtain concessions of forestland;
- 13. Cooperate with foreign countries, regionally and internationally, in regard to forests and forestland activities, as assigned by higher level authorities;
- 14. Summarize information and report on the implementation of forests and forestland activities and submit these to the Ministry of Agriculture and Forestry and provincial administration authorities on a regular basis;
- 15. Exercise their rights and fulfil other duties as required by law.

#### Article 151 Rights and Duties of the District Agriculture and Forestry Office

For the management of forests and forestland activities, the District Agriculture and Forestry Office has rights and duties in accordance with their area of responsibility as follows:

- 1. Implement policy, laws, strategies, plans, programmes, and projects related to forest and forestland activities;
- 2. Pubic dissemination and education on forest and forestland related policy, laws, strategies, international conventions and treaties to which Lao PDR is a signatory
- 3. Provide guidance, encourage, monitor, inspect and evaluate Village Agriculture and Forestry Sub-Unit implementation of forest and forestland protection, tree planting and forest rehabilitation in accordance with the village forest management plan;
- 4. Organize people at the community level to manage, protect and develop forests and forestland, in cooperation with the village administration authority;
- 5. Analyse and provide comments on forestland conversion according to the law;
- 6. Collect, summarize, manage and use forest and forestland information;
- 7. Establish, manage and utilize sources of tree and NTFP species;
- 8. Receive and consider proposals from individuals, legal entities and organizations related to forests and forestland activities;
- Summarize information and report on the implementation of forest and forestland activities and submit results to the Provincial Agriculture and Forestry Office and the district administration authority on a regular basis;

### Article 152 (Revised) Rights and Duties of the Agriculture and Forestry Sub-Unit under the Village Economic and Financial Unit

The Agriculture and Forestry Sub-Unit under the Village Economic and Financial Unit has the following rights and duties in regard to the management of forest and forestland activities:

- 1. Implement laws and regulations concerned with forests and forestland;
- 2. Study and propose to village administration authorities to issue regulations on the use of village forests and forestland in compliance with the law and relevant regulations;
- 3. Disseminate to villagers regulations on forests and forestland particularly regarding the importance and value of forests and forestland, upper watershed forests and the environment:
- 4. Organize villagers to manage and protect forests, tree plantations and rehabilitation forest areas, and to utilise forests and forestland within the village according to the village forest management plan, with the aim of establishing the village as a 'forest development village';
- Take a leading role in monitoring and preventing forest and forestland encroachment, illegal logging, forest fires and other impacts that may cause damage or destroy forests, and report any incidents to the District Agriculture and Forestry Office on a timely basis;
- 6. Summarize and report on the implementation of forest and forestland activities to the District Agriculture and Forestry Office and to the village administration authority on a regular basis;
- 7. Exercise their rights and fulfil any other duties as required by law.

#### Article 153 (New) Rights and Duties of Ministry of Industry and Commerce

In the management of forest and forestland, the Ministry of Industry and Commerce has rights and the duty to plan for developing the timber processing industry, to give approval for the establishment, management and modification of wood processing factories, charcoal kilns and factories that use wood as energy sources based on their agreement with the Ministry of Agriculture and Forestry. The ministry also has responsibility to manage timber auctions, set the reserve auction price and the royalties for different timber species<sup>34</sup>, provide timber market-related information and set standards for finished wood products in accordance with their responsibilities.

<sup>&</sup>lt;sup>34</sup> This refers only to timber from natural forest, and not timber from planted trees or forest plantations.

### Article 154 (New) Rights and Duties of the Ministry of Natural Resources and Environment

In the management of forest and forestland, the Ministry of Natural Resources and Environment has the right and the duty to formulate the National Land Management Master Plan, analyse and make proposals for the conversion of forestland to another land category and issuing leases or concessions of forestland in collaboration with and in agreement with the Ministry of Agriculture and Forestry in accordance with the ministry's responsibilities.

#### Article 155 (New) Rights and Duties of Ministry of Energy and Mines

In the management of forest and forestland, the Ministry of Energy and Mines has rights and the duty to cooperate with the Ministry of Agriculture and Forestry and relevant local administration authorities in identifying areas and timeframes for forestland concessions. This includes concessions to develop and construct hydropower dams and transmission lines and identifying areas for the survey, exploration and extraction of minerals in forestland areas. The ministry also has the responsibility to monitor and oblige the concessionaire to rehabilitate forestland based on signed contract conditions and relevant laws. Rehabilitation includes levelling of the land surface, cleaning up chemical substances, removing debris and planting trees to compensate for losses in temporary conversion areas, in cooperation and with the agreement of the Ministry of Agriculture and Forestry, according to their respective responsibilities.

#### Article 156 (New) Rights and Duties of Ministry of Finance

In the management of forest and forestland, the Ministry of Finance has rights and the duty to manage and inspect trade in timber and NTFPs, collect revenue from forest resource and timber businesses according to its mandate, issue receipts for the sale of timber and NTFPs as a reference for the agriculture and forestry sector, issue permits for the transportation of timber, allocate budget from revenues to the Forest Protection Fund according to Article 131 of this law, and make disbursements from the Forest Protection Fund for the management, protection, development, utilization and inspection of forests and forestland in cooperation and with the agreement of the Ministry of Agriculture and Forestry, according to their respective responsibilities.

#### Article 157 (New) Rights and Duties of the Ministry of Information, Culture and Tourism

In the management of forest and forestland, the Ministry of Information, Culture and Tourism has rights and the duty to collaborate with the Ministry of Agriculture and Forestry in analysing and identifying potential areas for promoting ecotourism; studying and proposing potential area for national, regional or world heritage status; analysing and formulating appropriate policies for benefit sharing among government, entrepreneurs and the people who

participate in the development of ecotourism, in cooperation and in agreement with the Ministry of Agriculture and Forestry, according to their respective responsibilities.

#### Article 158 (New) Rights and Duties of Ministry of Health

In the management of forest and forestland, the Ministry of Health has rights and the duty to collaborate with the Ministry of Agriculture and Forestry in studying and identifying policies to manage and utilize medicinal tree and plants species. The ministry is also responsible for listing and categorising such medicinal species and for harvesting, managing, purchasing, processing, exporting and importing these in accordance with their area of responsibility.

#### Article 159 (New) Rights and Duties of Local Administration Authorities

In the management of forest and forestland, local administration authorities have rights and the duty to make plans for managing, protecting, developing and utilizing forests and forestland within their geographic area of responsibility, and in line with the Forestry Strategic Plan and the National Land Management Master Plan. Local administration authorities are also responsible for analysing and proposing to relevant sectors the conversion, lease or concession of forestland. This includes the inspection and monitoring of its use in accordance with the law, in cooperation with the agriculture and forestry sector and other relevant sectors, according to their respective responsibilities.

#### Article 160 (New) Rights and Duties of Other Sectors and Stakeholders

In the management of forests and forestland, other sectors and stakeholders have rights and the duty to contribute to the dissemination of government policies and laws concerning forestry activities, and also to contribute to the management, protection, development and inspection of forests and forestland according to their roles, rights and duties as prescribed by law.

#### **Section 2** Inspection of Forest and Forestland Activities

#### Article 161 (Revised) Forest and Forestland Inspection Organizations

Forest and forestland inspection organizations comprise the following:

- The Internal Inspection Organization, which is the same as the Forest and Forestland Management Organization as defined in Article 148 of this Law;
- 2. External Inspection Organizations, which are the National Assembly, the Provincial People's Assembly, the State Audit Organization, the State Inspection Organization, the

Lao Front for National Construction, the Lao National Veteran Union, other mass organizations, the media and the Lao population in general.

#### Article 162 (New) The Content of Inspection

Inspection of forest and forestland activities mainly involves the following activities:

- 1. Implementation of laws and regulations related to forest and forestland activities;
- 2. Implementation of the duties of government staff and forestry officers;
- 3. Overseeing the operation of forest and forestland businesses;
- 4. Formulation and implementation of plans on forest and forestland activities.

#### Article 163 Forms of Forest and Forestland Inspection

There are three types of forest and forestland inspection as follows:

- 1. Regular inspection;
- 2. Inspection with advance notice;
- 3. Impromptu inspection.

**Regular inspection** is inspection carried out according to a plan and schedule with fixed intervals.

**Inspection with advance notice** is inspection carried out (not in a set plan), when deemed necessary, by sending advance notice to the targeted party.

**Impromptu inspection** is inspection carried out urgently, without any advance notice to the targeted party.

All types of inspection shall be conducted strictly in accordance with the law.

#### CHAPTER XIII National Arbor Day, Logos, Uniform and Seal

#### **Article 164 National Arbor Day**

In order to raise awareness about the protection and development of forests, forestland and the natural environment of the multi-ethnic Lao people, with the special inclusion of younger generations, the State designates the 1<sup>st</sup> June as National Arbor Day with the aim of promoting the diverse and sustainable use of forest resources.

#### Article 165 (revised) Uniform, Logo and Seal

Forestry staff and forestry officers have their own uniform and logo to be used in performing official tasks as designated by the the Ministry of Agriculture and Forestry.

The Forest and Forestland Management and Inspection Organization, and the investigation body of the Forestry Authority have their own logo and seal to be used in performing official tasks.

### CHAPTER XIV Rewards for Persons with Outstanding Performance and Measures Against Violators

#### Article 166 (Revised) Awards for Persons with Outstanding Performance

Individuals, legal entities and organizations that show outstanding performance in the implementation of this law, particularly in being role model in protecting and developing forest and forestland, planting trees, regenerating forest and preventing the destruction of forest and forest resources, shall be commended with awards or in other ways according to regulations.

For any person who provides information on violation of this law will receive remuneration according to regulations.

#### Article 167 (revised) Measures Against Violators

Individuals, legal entities and organizations who violate this law shall be subject to corrective education, disciplinary action, fines, payment of compensation or imprisonment, depending on the severity of the crime.

#### Article 168 (Revised) Corrective Education Measures

Individuals, legal entities or organizations who violate this law, particularly violations with minor significance that are not considered criminal and cause only minor damage, and are committed by people who report their actions, are sincere in confessing and who return all illegal assets, shall be subject only to a warning and corrective education.

#### Article 169 (Revised) Disciplinary Measures

Any civil servant or officer from any sector who violates this law, such as by infringement of prohibitions or a lack of responsibility for their assigned tasks, which are not criminal offences, shall be subject to disciplinary measures according to the Civil Servant Law.

In addition, that person shall return all of the assets acquired illegally to the relevant organization.

#### Article 170 (Revised) Imposing Fines

Individuals, legal entities and organizations who have already received a warning and have undergone corrective education and still violate this law, such as through the infringement of prohibitions, in a way that is not considered a criminal action and causes only minor damage, shall be subject to fine that is three times the value of timber, wood products or forest resources involved, based on the actual market value.

In the case of a third violation or more, the offender shall be subject to fine that five times the value of timber, wood products and forest resources involved, based on the actual market value.

#### **Article 171 Civil Measures**

Individuals, legal entities and organizations who violate this law and cause damage to state benefits or to households or to other individuals, shall be liable to pay compensation equal to the cost of the damage caused.

#### Article 172 (Revised) Penal Measures for Criminal Actions

Individuals<sup>35</sup> and legal entities who violate this law and commit a crime such as cutting trees or clearing forests in violation of forestry regulations, burning or destroying forest by any method, harvesting NTFPs in violation of the law, giving the log stamping hammer to any person who does not have authority for its use, trading or transporting natural timber without permission, suppressing the juristic process for forestry and forestland, granting an approval for natural forest conversion, issuing permission for unlawful logging, encroaching, unlawfully claiming ownership of forest land, buying and selling of forestland, and other illegal actions shall be subject to criminal sanctions and shall be punishable according to the law.

#### **Article 173 Additional Punishments**

In addition to the measures described in Articles 172 of this law, offenders shall be subject to additional punishments such as, the confiscation of assets, vehicles and equipment involved in the offences and the offenders may have their permits to use forests, forestland and forest resources suspended or revoked.

#### CHAPTER XV Final Provision

#### **Article 174** Implementation

The Government of Lao People's Democratic Republic implements this law.

<sup>&</sup>lt;sup>35</sup> This includes individuals of any organization that has violated this law

#### Article 175 (Revised) Effective Date

This law becomes effective from the day that the President of the Lao People's Democratic Republic issues a promulgation decree and after notarisation in the official gazette for fifteen days.

This law replaces the Forestry Law, No. 06/ NA, dated 24 December 2007.

Any terms or provisions that are in contradiction of this law are hereby cancelled.

**President of the National Assembly** (Signature and Seal)

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