

Unofficial translation



LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Ministry of Agriculture and Forestry
Department of Forestry

No. 2522/DOF
Vientiane, date 11 November 2016

Notification

To: Head of Forestry Sector in Vientiane Capital and Provinces
Subject: Domestic Movement and Export of Timber and Non-Timber Forest Product

- Pursuant to Prime Minister's Order no. 15/PM, dated 13 May 2016 on Enhancing Strictness of Management and Inspection of Timber Exploitation and Timber Business.
- Pursuant to Meeting Resolution between Government and Governors of Vientiane Capital and Provinces no. 06/GOV, dated 13 July 2016.
- Pursuant to Decision of Minister of Agriculture and Forestry no. 1887/MAF, dated 09 August 2012 on Organization and Operation of Department of Forestry.
- Pursuant to Notification of Ministry of Agriculture and Forestry on Domestic Movement Approval of Timber no. 0073/MAF, dated 03 November 2016.

To uniformly implement the Notification of Ministry of Agriculture and Forestry no. 0073/MAF, dated 03 November 2016, the Department of Forestry is honored to notify you that the movement of timber and non-timber forest product across the country according to Orders, Notifications and Directions of Government in new term, the Forestry Sector in Vientiane Capital and Provinces are assigned to attentively implement as followings:

1. An issuance of domestic movement license of logs, sawn timber, big size sawed timbers, semi-processed timber shall commence from 01 November 2016 with a use of license form sent by the Department of Forestry, not allow to print or use the own form utterly. Before the issuance of each license, shall inspect a timber source such as: timber exploitation license, timber buying and selling contract and performance of tax obligations as stipulated in principle and regulation thoroughly and clearly. If the document is legally complete and correct, shall issue the domestic movement license as requested by the relevant sector. In case of the timber is not in a list certified by the Forestry Sector or not able to certify a source correctly, no buying and selling contract and no performance of tax obligations in complete manner, not allow to issue the domestic movement license strictly. Meanwhile, the Forestry Sector is assigned to collaborate with the Forestry Inspection Unit to seize as a state asset and proceed prosecution to a timber owner as stipulated in law strictly. Then make a list of

the seized timber to relevant sector for bidding. After that the Forestry Sector is allowed to issue the domestic movement license for the winning bidder as stipulated the principle and regulation.

2. The domestic movement of finished wood, the Forestry Sector shall collaborate with relevant sector to inspect the processed timber source thoroughly. If the timber source is legally complete and correct, shall handover to the Industry and Commerce Sector to issue the domestic movement license. In case of illegal timber source is found, shall make a list of such product and submit to the Forestry Inspection Unit to proceed investigation as stipulated in the law.
3. A movement of log from landing 1 to landing 2 is allowed only the log which is obtained the timber exploitation approval from the government in the infrastructure construction areas approved by the government (such as water reservoir of hydropower construction project, path line, electric line, water reservoir of irrigation, resettlement areas and other areas...) and mining project areas approved by the government which shall implement until May, 31 of each year. Next, shall suspend the movement to ensure that there is no residual timber in landing 1 at all. In case of timber exploitation is over a scope of approval or is out of scope which is not in consistent with a target as approved or there is an impersonation for exploitation smuggling in other areas, shall in collaboration with the Forestry Inspection Unit to seize as the state asset and proceed investigation and prosecution to a violator as stipulated in the law strictly. Then make a list of the seized timber to relevant sector for bidding. After that shall issue the domestic movement license for the winning bidder as requested.
4. Export of wood product shall use a certificate form of wood product (truck loading) for export in collaboration with the Industry and Commerce Office and the Finance Office in Provinces as stipulated by the Ministry of Industry and Commerce, not allow to issue the export license separately as implemented in the past. All this, to ensure the uniformity as well as to facilitate and reduce procedures of documentation for entrepreneur. But the actual implementation shall strictly in collaboration with relevant sector to inspect the timber source such as: timber exploitation license, timber buying and selling contract and performance of tax obligations and shall be the wood product for export as the Decision of Minister of Industry and Commerce no. 1833/MOIC, dated 03 October 2016 and the Instruction of Department of Industry and Handicraft no. 1009/DIH.SD, dated 18 October 2016. If the wood product is legally complete and correct and uniform among three sectors, then shall together issue the wood product certificate (truck loading) for export to relevant sector as requested.
5. Non-timber forest products which are food, seasonally born and used in people's daily life are allowed to exploit and export such as: mushroom, bamboo caterpillar, honey, chestnut, bamboo shoot, tea leaf, stick lac, resin, styrax benzoin and pear. But in actual implementation shall request the Agriculture and Forestry Office in Provinces for consideration and approval.
6. Non-timber forest product allowed to export are the types which are unable to process domestically and shall not be types under the list of Chapter I and Chapter II of Decree no. 155/PM, dated 30 September 2003 on Natural Resource for Medicines. But shall has the annual plan and obtain the annual exploitation and export approval from the government.
7. Non-timber forest products which are able to process domestically, shall promote the processing and prohibit to export as raw material such as: sugar palm, rattan palm, berberine, orchid and non-timber forest products for food and medicines as stipulated in Chapter I and Chapter II of Decree no. 155/PM, dated 30 September 2003. But shall obtain the annual exploitation or collection plan approval from the government.
8. All types of black charcoal are prohibited to export because there is no allocation, no raw material management, scattered production and no organizing production or production business unit as stipulated in principle and regulation. To solve such problem, the Forestry Sector is assigned to collaborate with relevant sector and local authority to inspect and collect

information of charcoal kiln number in each area and improve the black charcoal production system of entrepreneur and people including raw material source in correct manner as stipulated in law and regulation.

9. A white charcoal which is produced from *Cratoxylum Formosum* is allowed to export, but shall obtain the annual exploitation plan approval from the government. Meanwhile, the entrepreneur or company operating in production and export business shall obtain the establishment and registration approval in correct manner as stipulated in law and regulation and shall have the plan to support and promote people to plant and restore the *Cratoxylum Formosum*. The *Cratoxylum Formosum* for processing into white charcoal from the correct source and obtain the quota approval from the government is allowed to exploit and move throughout the year because the white charcoal production requires the raw *Cratoxylum Formosum*.
10. The Forestry Sector in Vientiane Capital and Provinces are assigned to collect information and register the people's timber plantations including the *Cratoxylum Formosum* which is restored by the people in their own land in correct manner as stipulated in law and regulation for use as the information to request the government for consideration and granting the annual exploitation plan approval.
11. The Agar wood, Eucalyptus wood and Acacia wood which are from the timber plantation that chopped as small pieces or grinded into powder, sawed timber into sheet and round timber with diameter not more than 12 cm is allowed to export.
12. The planted woods which are the other traditional types of wood (such as: Rosewood, Indian Rosewood, Merbau wood including Teak wood...) shall be processed as finished wood product before granting export approval.
13. Bamboo is allowed to export, but shall be processed as semi-wood product and finished wood product as stipulated in the product list for export approved by Ministry of Industry and Commerce.
14. The issuance of license for exploitation or collection of non-timber forest products and the domestic movement and export license of non-timber forest products shall use the form sent by the Department of Forestry, not allow to print or use an own form utterly.
15. The domestic movement license of timber and non-timber forest products shall not be strictly issued once in advance which have huge amounts. It shall be issued only the actual amount of movement and passed the inspection. In the movement license shall specify in details about the exploitation license or collection license, point of move out (village/factory, district and province), destination point of the timber and non-timber forest products to be moved in (village/factory, district and province), type, amount and volume or weight. The license is valid only once or one movement.
16. Take initiative to inspect the timber and non-timber forest products which load to each truck as well as make the minutes in thoroughly and clearly manner with truck owner and timber owner or non-timber forest products owner. All this, to avoid the seizing an opportunity during the actual movement.
17. The movement license of timber and non-timber forest products and the minutes of loading timber and non-timber forest products to each truck shall forward the copy to the Forestry Inspection Unit in Provinces 1 copy for each as a reference to assist in monitoring and inspecting during the actual movement.
18. The exploitation approval which approved by the government shall use the form or license of exploitation sent by the Department of Forestry, not allow to print and use the own form utterly. Meanwhile, shall specify the location of exploitation in area approved by the government by conducting investigation of actual capacity of exploitation each year and ensure there is no residual timber in landing 1 at all which mean that not allow to issue the exploitation approval in huge amounts. Before closing the forest each year, shall finish the

transportation of timber from landing 1 to landing 2 to make the list to the Industry and Commerce Sectors for bidding as stipulated in principle and regulation.

Therefore, we would like to inform you for acknowledgement and implementation of this Notification strictly.

**Director General of
Department of Forestry**

cc:

- Minister and Deputy Vice Minister of MAF (for report)
- Cabinet Office of MAF (for report)
- Office of Agriculture and Forestry in Provinces (for acknowledgement and direction)
- Forestry Inspection Department (for information and monitoring)
- Forestry Inspection Unit in Provinces (for information and monitoring)
- Production Forest Management Division (for monitoring)
- Copy.