

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Office of the Prime Minister

No. 18/PM
Vientiane, Date 4 October 2002

Order
of the Prime Minister
on
Forest Management Policy for year 2002 - 2003

To: Minister of Agriculture and Forestry, Provincial Governors, Vientiane Municipality Governor and Head of Special Zone throughout the Country.

- Based on the Law on Government of the Lao PDR No. 01/95, dated 6 March 1995.
- Based on the Law on Forestry No. 01/95, dated 11 October 1996.
- Based on the Study and the Proposal of the Minister of Agriculture and Forestry, dated 0124/AF, dated 22 August 2002.

The Prime Minister orders the following:

- 1) The Ministry of Agriculture and Forestry must perform a survey of the forest coverage throughout the country in order to divide and determine different types of forest areas based on the current situation, to determine areas where logging should be banned, to establish a strategic plan related to sustainable forestry preservation to ensure that forestry resources will not become extinct
 - The Government will restrict the logging quotas of natural forest in the year 2002 - 2003 and in the subsequent years. Logs from natural forest must be semi or fully processed before they are sold domestically or exported for the purpose of generating foreign currency for the national budget.
 - The logging and sale of logs must be in compliance with Articles 9 and 11 of the Prime Minister's Decree on the sustainable management of production forest No. 59/PM, dated 22 May 2002.
- 2) The Government continues to ban export of logs and saw timber from natural forests. The export of logs and saw timber from plantation forest must be authorized by the government on a case by case basis.
 - It is prohibited to authorize the transit of logs and lumber from neighboring countries to a third country, unless there is an official request made by a government of the relevant country.

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- 3) To improve the structure and the technical standard of domestic wood processing factory in accordance with industrial modernization directive taking into consideration:
- The amount of raw materials allocated by the state to each zone and province and
 - The capacity of the owner of the wood processing factory to plant trees to supply his own factory.

To close down sawmills which do not meet technical standards and legal requirements.

Wood processing factories and factories that use energy from wood that wish to continue business in 2002 - 2003 and in subsequent years must use logs from plantation and must invest in fast growing trees and other species to guarantee their own source of raw materials in accordance with the following.

- 3.1 Factory - type 1 must have at least 15 ha of tree plantation. This type of factory has more than 200 workers. The factory machinery has a capacity of more than 200 horse power and causes a negative impact on the environment;
 - 3.2 Factory- type 2 must have at least 10 ha of tree plantation. This factory is a medium size factory which has between 51 to 199 workers. The capacity of the machinery is between 51 to 199 horse power and does not cause a serious impact on the environment;
 - 3.3 Factory -type 3 must have at least 5 ha of tree plantation. This factory is a small size factory which has between 10 to 50 workers. The capacity of the machinery is between 5 to 50 horse power and cause very low impact on the environment.
- A factory which does not invest in tree plantation and do not meet technical standards and legal requirements shall be closed down by an order of the Minister of Agriculture and Forestry in accordance with the regulations.
- 4) To make a survey of the natural forest which is destroyed due to excessive logging and illegal logging or shifting cultivation and others and to make proposals to the Government to close the forest for the purpose of rehabilitation reforestation. A survey of rare species must be made s in order to declare an absolute ban on logging.
- 5) Ministries, organizations equivalent to ministries, provincial authorities, Vientiane municipality and the Special Zone authorities must strictly implement and control the implementation of this Order and all legislations relating to forests.

Ministries, local administration, individuals and juristic persons who are in breach of this Order must be subject to the measures prescribed in the Forestry Law and other laws.

- 6) This order becomes effective from the date of its signature onwards. Any orders relating to forestry which were adopted previously and which do not conflict with this Order shall remain valid.

Prime Minister of Lao PDR

*[seal of the Prime Minister of
Lao PDR]*

[signature]

Boungnang Vorachith

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