

National Assembly

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## FORESTRY LAW

### CHAPTER I GENERAL PROVISIONS

#### **Article 1. Objectives**

This Forestry Law determines basic principles, regulations and measures on sustainable management, preservation, development, utilization and inspection of forest resources and Forestland, promotion of regeneration and tree planting, and increase of forest resources in the Lao People's Democratic Republic aiming for maintaining the balance of nature, making forest and Forestland a stable source of living and use of people, ensuring sustainable preservation of water sources, prevention of soil erosion and maintenance of soil quality, conserving plant and tree species, wildlife species as well as environment and contributing to the national socio-economic development.

#### **Article 2. Forest**

Forest is a precious natural resource of the nation and its specific ecology consists of biodiversity, water sources and Forestland with various tree species growing naturally or planted in the areas of Protection Forest, Conservation Forest and Production Forest.

#### **Article 3. Explanation of Terms**

The terms used in this Law have the meaning as follows:

1. *Forest resources* are various resources both living and non-living consisting of soil, plants, trees, water, wildlife and all other things existing in Forestland areas.
2. *Forestlands* are all land plots with or without forest cover, which are determined by The State as Forestlands.
3. *Forest regeneration through nature*, is natural increase of vegetation through seeds, roots, stumps of various tree species growing in forest regeneration areas with ground clearing and thinning to enhance tree growth.
4. *Forest regeneration through supplementary planting* is a supplementary planting of tree species suitable for the purpose and targets of forest regeneration in natural forest regeneration areas, especially in the areas with low density of trees where natural

distribution of various tree species is scattered and irregular or some of the original species in the areas are close to extinction or already disappeared and in need of regeneration.

5. *Regeneration Forest* is the forest areas in degraded conditions such as young secondary forest designated for regeneration to become old fallow forest and further rich natural forest.
6. *Dry dipterocarp forest* is natural forest area with low density of trees with its specific forest ecology; playing function of keeping underground water with shallow soil layer and rocky slabs under soil surface. Main tree species growing in this forest area have thick bark, small trunk resistant to drought and forest fire. In addition, this is also place to collect food stuff, medicines and so on for local people.
7. *Conversion of Forestland* is change from the Forestland type to another land type with other purposes.
8. *Lease or concession of Forestland* is utilization of Forestland for carrying out forestry activities such as forest regeneration and planting of, trees, NTFP and industrial trees.
9. *Degraded forest* is forest areas that have been heavily damaged such as land without forest or barren Forestland, which are allocated for tree planting, permanent agro-silvo-pastoral production, or for other purposes in accordance with the socio-economic development plans.
10. *Fallow forest* is forest areas where shifting cultivation has been practiced or areas under various forms of encroachment for many years. These areas have possibility to become rich natural forest in the future again.
11. *Degraded Forestland* is Forestland areas where forest has been heavily and continually damaged causing the loss of balance in organic matters, which prevents natural regeneration to become rich forest again. Typical species of plants and trees growing in this area are: Alang alang (*Imperata cylindrica*), May Tiou (*Cratoxylon sp.*), small bamboo, broom grass (*Thysanolaena maxima*) or other various species.
12. *Barren Forestland* is Forestland areas without trees caused by natural or human destruction.
13. *Village use forest* is forest areas located within village area and allocated to be under the village management, preservation and utilization according to land and forest allocation plan.
14. *Forest products* are all kinds of Non-Timber Forest Products (NTFP) growing naturally and they can be trunk, stem, vine, tuber, root, bud, shoot, leaf, flower, fruit, grain or seed, bark, oil, resin, mushroom, honey and so on.
15. *Wood products and Non-Timber Forest Products* are timber and NTFP that are gone through processing stages to transform from their original forms into finished products or semi-finished products by using machineries and human labor.

16. *Forest and Forestland owners* are the organizations, households and individuals, to whom The State has allocated forest and Forestland areas to manage, preserve, develop and use in accordance with laws and regulations.
17. *Forest development* means regeneration of degraded forest or reforestation after logging or heavy destruction using technical and scientific methods to increase quality, area and cover rate of forest.
18. *Forestland development* means improvement of land quality from degraded land to become rich land.
19. *Natural forest* means forest where trees and NTFP species occur and develop mainly by themselves in a natural way.
20. *Ecosystem* means a system of interrelationship between living and non-living things that exist in a natural way.
21. *Biodiversity* means diversity of ecosystems consisting of various types and species of living things such as vegetation, animal, insects and micro-organic bodies in a certain space of nature.
22. *Log yard I* means gathering place of logs that are removed from cutting places in logging area according to the logging plan.
23. *Log yard II* means gathering place of logs transported from the log yard I and ready to be transported to the processing factories all year round with high security from natural disasters and other accidents, as well as being the place where logs are measured and recorded in the log list.
24. *Forest and Forestland activities* mean management, preservation, development, utilization and inspection of forest and Forestland.
25. *Cutting circumference size* means certain diameter or circumference of trees in the Production Forest that The State has approved for logging to supply raw materials to processing industry factories.
26. *Buffer zone* means the forest and Forestland areas surrounding the Conservation Forest with 100 to 500m width.
27. *Wood processing factories* mean sawmills, lumber mills, furniture factories, flooring factories, veneer factories, wood slice factories and plywood factories.
28. *PM (Forestry) marking hammer* means the hammer that marks a circle with a star and the Lao letter PM in the centre of the star and the numbering code above the star, being used for marking standing trees, logs, sawn timber, tree stumps and galls that are to be transported for the production and between provinces in the country.
29. *PML (Lao Forestry) marking hammer* means the hammer that marks a circle with Lao letters PML at the centre, being used for marking logs, sawn timber, stumps and galls for export;
30. *Water source forest area* means forest and Forestland areas in watershed areas where rivers originate and flow.
31. *Village* means an administrative unit at basic level including village cluster.

32. *Carbon market* means: the trade of the volume of poisonous matters mainly Carbon Dioxide (CO<sub>2</sub>) sequestered by forest using the unit of ton of Carbon per hectare for the calculation. There are specific ways of calculation of such matters.

**Article 4. Ownership of forest and forestland**

Natural forest and Forestland is the property of the national community and The State manages them in a centralized and uniform manner.

Trees planted in the areas designated for tree planting by labor and/or fund of individuals or organizations with recognition of the Forest and Forestland Management Organizations become the property of such individuals or organizations.

**Article 5. Policy on forest and forestland**

The State has the policy to invest in preservation, regeneration, development of forest and Forestland in connection with the socio-economic development plan and in building facilities and technical bases for preserving environment, water sources, biodiversity and people's livelihoods including provision of sedentary livelihoods.

The State encourages individuals, households and organizations to carry out preservation and development of all forest types, forest regeneration and tree planting in degraded Forestland and barren Forestland areas to become rich forests for environment protection, tree planting for raw material supply to industry and handicraft factories with provision of various incentive policies such as credit and exemption or reduction of taxes and duties according to regulations.

The State encourages indirect utilization of forest such as tourism sites, recreation sites, research sites, carbon market and so on according to laws and regulations.

**Article 6. Principles of preservation, development and utilization of forest and Forestland**

Preservation, development and utilization of forest and Forestland shall be implemented according to the following principles:

1. Ensuring the centralized and uniform management by the State throughout the country.
2. Ensuring the relevance with the socio-economic development plan, duties of national defense and security, forestry strategy, and master plan and plans of forest and Forestland utilization.
3. Ensuring preservation, regeneration, development of forest and Forestland, water sources, biodiversity and environment to be rich and abundant with people's participation.
4. Ensuring benefits to the State, organizations and individuals engaged in preservation, development of forest and Forestland according to laws and regulations.

5. Ensuring effective, efficient and sustainable utilization of forest and Forestland without negative impacts on environment.
6. Linking forestry development strategy of Lao PDR with regional and international ones.

**Article 7. Obligations in preservation and development of forest and Forestland**

Preservation, conservation and development of forest and Forestland are the duties of all citizens, households and organizations of any sector in the society.

Individuals, households and organizations have the obligations to preserve and develop forests, forest resources, Forestland, water sources, biodiversity and environment in accordance with laws and regulations and to refrain from causing degradation, depletion or erosion of forest and Forestland, and to prevent forest fire and any form of forest and Forestland destruction.

**Article 8. International cooperation**

The State promotes relationships and cooperation with foreign countries and international organizations in the field of preservation and development of forest and Forestland through exchange of experience, information, science, technologies, human resource development, participation and execution of bi-lateral agreements and international treaties to which Lao PDR is a signatory and so on.

## **CHAPTER II FOREST CATEGORIES**

**Article 9. Forest categories**

Forests in Lao PDR are classified into three categories for the purpose of preservation and development as follows:

1. Protection Forest
2. Conservation Forest
3. Production Forest

**Article 10. Protection Forest**

Protection Forest is forest classified for the utilization purposes of protecting water sources, river banks, road sides, preventing soil erosion, protecting soil quality, strategic areas for national defense, protection from natural disasters, environment protection and so on.

**Article 11. Conservation Forest**

Conservation Forest is forest classified for the utilization purposes of conserving the nature, preserving plant and animal species, forest ecosystem and other valuable sites of natural, historical, cultural, tourism, environmental, educational and scientific importance.

Conservation Forest consists of National Conservation Forest and Conservation Forest at Provincial, District and Village levels.

**Article 12. Production Forest**

Production Forest is natural forest and planted forest classified for the utilization purposes of areas for production, and wood and forest product business to satisfy the requirements of national socio-economic development and people's living.

**Article 13. Forest areas**

Each of Protection Forest, Conservation Forest and Production Forest has areas of dense forest, degraded forest, bare Forestland and village use forest according to each zoning plan.

**CHAPTER III  
FORESTRY ACTIVITIES**

**Section 1**

**Forest management**

**Article 14. Forest management**

Forest management consists of various activities including survey, classification planning, research, logging and forest product harvesting survey.

**Article 15. Forest survey**

Forest survey has the following contents:

1. Data collection and assessment of forest conditions including forest cover, change of forest and Forestland uses, tree species, wood volume, mother trees and NTFP;
2. Data collection and planning concerning land use;
3. Forest classification and management planning of Protection Forest, Conservation Forest and Production Forest;
4. Planning of sustainable and efficient logging and assessment of forest conditions after logging for forest regeneration and tree planting.

The government assigns the Ministry of Agriculture and Forestry in collaboration with organizations concerned to lead the survey of forest and forest resources for sustainable preservation and development planning.

**Article 16. Forest classification and management planning**

Forest classification and management planning is to determine the areas of Protection Forest, Conservation Forest, Production Forest based on the data collected from the field survey.

Forest classification planning must apply the following principles:

1. To be in accord with the socio-economic development plan, national defense and security strategies and forestry strategy, Forestland use plan;
2. To ensure integration of forest preservation and forest development planning;
3. To ensure sustainability of logging, use of timber and forest products as well as natural regeneration of trees and NTFP;
4. To guarantee infrastructure construction such as hydropower dam, roads and so on.

**Article 17. Research**

The research is for propagation of species, breeding, growth, property of timber and forest products in terms of quantity and quality as well as research for finding out effective models and technical standards for forest preservation and development.

The State encourages organizations and individuals to carry out study, research and investment in establishing technical research institutes or centers.

**Article 18. Logging survey**

Logging survey is to determine quantity and species of timber in classified Production Forest areas of which the management plan has been completed and in the infrastructure construction areas. Survey results are to be submitted to the government for consideration and approval of the logging.

Logging survey in Production Forest areas must follow the main principles as below:

1. Survey and inventory of standing trees of all species with circumference allowed for cutting together with maps showing the location of those standing trees according to regulations.
2. Selection, marking and stamping of the trees to be cut according to regulations to ensure reproduction and prevention of environmental impacts.
3. Defining logging and hauling roads, and places for log landings or log yards.
4. Making annual harvest plans to be submitted to the government for consideration and approval.

For the infrastructure construction area, surveying all tree species with circumference over 15cm is required.

**Article 19. Survey for harvesting forest products**

Survey for harvesting forest products is to determine quantity and species of NTFP in Protection Forest, Conservation Forest, Production Forest and infrastructure construction areas, results of which is to be submitted to the government for consideration and approval.

**Article 20. Management of vehicle and machinery for logging, processing, log hauling and transportation**

The States allows import, distribution, management, inspection, registration of all kinds of logging, processing, log hauling and transportation vehicle and machinery.

Import of vehicle specified for hauling logs and logging machinery must be approved by ministries concerned with the agreement of the Ministry of Agriculture and Forestry. For possession of logging machinery, it needs to be registered at the agriculture and forestry sector.

Logging machinery, vehicle for log hauling and transportation used by the project approved by the government must be in compliance with specific regulations.

Import, distribution, possession and uses of all kinds of timber processing machinery need the authorization by Ministry of Industry and Commerce as stated in the Processing Industry Law.

**Article 21. Measuring and quality grading**

Logs compiled at the log yard II must be measured thoroughly, graded and recorded in the log list according to regulation issued by the Ministry of Agriculture and Forestry.

**Section 2**

**Forest preservation**

**Article 22. Forest preservation**

Forest preservation consists of various activities, such as:

- preservation of Protection Forest, Conservation Forest, Production Forest;
- preservation of water source forest area;
- preservation of tree and NTFP species;
- prevention and control of pests and diseases;
- prevention and control of forest fires;
- Restriction of shifting cultivation and illegal logging.



### **Article 23. Preservation of Protection Forest**

Preservation of Protection Forest is to preserve water sources, prevent soil erosion and maintain soil quality, to safeguard strategic areas for national defense, to prevent natural disasters and to protect the natural environment and so on. Protection Forest is divided into total protection zone and controlled use zone.

*Total protection zone* is the forest areas of which the slope is above 35 degrees, areas of water source, forest areas along river, road and other areas with high risk of environment degradation. These areas must be strictly protected and it is absolutely prohibited to conduct activities such as shifting cultivation, cutting, destruction, burning, removing trees, collecting firewood, hunting animals for raising, constructing houses or any other construction activities, including extraction of soil, stones and ore and harvesting of NTFP with exception of the cases mentioned in Articles 44 and 70 of this Law.

*Controlled use zone* is the forest area without high risk of environment impacts. These areas must be protected similarly as the total protection zone, but people are allowed to use wood and forest products according to management plan.

### **Article 24. Preservation of Conservation Forest**

Preservation of Conservation Forest is to maintain the richness of forest as well as to preserve plant and wildlife species, biodiversity, ecosystems of natural, historical and cultural values for existence and development together with preservation of beautiful scenery or landscapes for development of national parks for tourism as well as for scientific research.

Conservation Forest is divided into total protection zone, controlled use zone, corridor zone and buffer zone.

*Total Protection Zone* is the forest area that is main habitat, feeding and breeding place for various wild animals and it is the place of diverse and dense vegetation. In this zone, it is strictly prohibited to conduct any forestry activity, to harvest any forest products, including unauthorized entry in this zone. Transport of plant and animal species is also prohibited with exception of the cases mentioned in Articles 44 and 70 of this Law.

*Controlled use Zone* is the forest area adjacent or close to the total protection zone. These areas must be protected similarly as the Total Protection Zone, but people are allowed to use wood and forest products according to management plan.

*Corridor Zone* is a tract of forest that forms the usual passages of animals between two Conservation Forests or between Conservation Forest and another category of forest to preserve existing and to increase wildlife population. In this zone, cutting trees, carrying out forestry activities or any other activity that may obstruct or destroy the passage of animals is prohibited.

*Buffer zone* is determined to prevent any encroachment and destruction in Conservation Forest.

**Article 25. Preservation of Production Forest**

Preservation of Production Forest is to maintain the richness of forest for satisfying the requirements of national socio-economic development and poverty eradication of multi-ethnic population.

Preservation of Production Forest has the following contents:

1. Clear demarcation of the Production Forest areas
2. Surveying and classifying forest in the Production Forest area into preservation zones and development zones such as forest area for the protection of water sources, environment, forest area to be reserved for research, forest area of historical, socio-cultural values, area for forest regeneration and area for possible logging and NTFP harvesting.
3. Planning and defining measures for preservation and development such as plan for preserving the conservation and water source protection areas including environment protection, plans for forest regeneration and logging.
4. Implementing management of Production Forest according to the plans and the defined measures with participation of local people.
5. Logging and harvesting of NTFP must be carried out strictly following the procedures and laws and regulations.
6. Carrying out monitoring and evaluation of the plan implementation in a systematic way.
7. Elaborating and implementing regulations and measures for forest preservation.

**Article 26. Preservation of water source forest area**

Preservation of water source forest area is to protect the forest area where rivers, streams and creeks originate. The government assigns the Ministry of Agriculture and Forestry to determine the water source protection area, to formulate plans and measures for protection in collaboration with other sectors concerned and local administration offices.

Preservation of the water source forest area has the following contents:

1. Survey of forest conditions in water source area;
2. Demarcation of water source forest areas;
3. Formulation of plans or projects for forest preservation or forest regeneration in collaboration with other parties concerned and with local people's participation.
4. Defining measures and regulations for strict management and maintenance such as prohibition of cutting trees or logging, shifting cultivation, burning forest, house construction, forest business operations and other forms of forest destruction in this area.

**Article 27. Preservation of trees and NTFP species**

Preservation of tree and NTFP species, particularly the species that become rare and are at risk of extinction in the natural forests such as May Dou Lai (*Pterocarpus*

*macrocarpus sp.*), May Kha Nhoung (*Dalbergia cochinchinensis*), May Khamphi (*Dalbergia bariensis*), May Long Leng (*Cunninghamia sinensis*), Fang daeng ( ), Sapan ( ), and other species determined by the State, is to increase and enrich the species.

Preservation of tree and NTFP species has the following contents:

1. Survey of tree and NTFP species;
2. Determination of seed stands, inventory and registration of tree and NTFP species;
3. Elaboration of conservation and protection plans with people's participation;
4. Elaboration and implementation of regulations and measures on preservation and utilization;
5. Other necessary activities.

**Article 28. Prevention and suppression of pests and diseases of trees**

Prevention and suppression of pests and diseases is to prevent out-break and spreading of pests and diseases, and to solve them on time and effectively.

Prevention and suppression of pests and diseases has the following contents:

1. Study on out-break and spreading of pests and diseases;
2. Organization of prevention and control activities of pests and diseases spreading in the forest area;
3. Determination of pest and disease free zones and protection zones;
4. Construction of research centers for pest and disease prevention and suppression and issuance of certificate of production management, distribution and utilization of pest and disease free tree seeds;
5. Strict prohibition of import or transportation of tree seeds infected by pest and disease;
6. Other necessary activities.

**Article 29. Prevention and control of forest fires, and restriction of shifting cultivation and illegal logging**

Prevention and control of forest fire is to protect forest and forest resources from the destruction by fire.

Prevention and control of forest fire have the following contents:

1. To elaborate regulations and necessary measures on forest fire prevention and control;
2. To conduct campaign, education to people so that they understand about the danger and causes of forest fires and avoid any activity leading to forest fires, such as burning grassland, burning for shifting cultivation, making fire camp in forest and throwing cigarettes in forest;
3. To make forest fire prevention plans;

4. When forest fire occurs, vehicle, equipment and labor must be mobilized from all parties to extinguish the fire according to the Law on Prevention and Suppression of fire.
5. Other necessary activities.

Restriction of shifting cultivation is to carry out all activities of promotion, extension, dissemination of forest policy and laws in order to make people practicing shifting cultivation change to sedentary occupations.

Restriction of illegal logging is to carry out all activities related to management, preservation, forest development and use including monitoring, inspection and implementation of incentive policy for outstanding people and measures against violating ones to ensure tree harvesting correctly follows forest policy and laws.

### **Section 3**

#### **Forest development**

#### **Article 30. Forest regeneration and forest plantation**

Forest regeneration and forest plantation are to preserve and develop the national forest resources aiming for satisfying the demand for the use of timber and other forest products on a sustainable basis, to preserve water sources, soil, wildlife and environment for a natural equilibrium as well as to create an important source of income for the State, organizations and individuals.

#### **Article 31. Principles of forest regeneration**

Forest regeneration consists of 2 patterns: natural pattern and supplementary planting pattern carried out in fallow forest and degraded natural forest areas by preventing forest burning and encroachment.

In order to ensure highly effective forest regeneration, it is necessary to follow the main principles as follows:

1. Surveying reproduction conditions of tree species in the forest area to be regenerated;
2. Demarcating the area with boundary marking signs;
3. Selecting tree species suitable for the conditions of such forest area;
4. Formulating forest regeneration plans or project;
5. Strictly carrying out the management and maintenance;
6. Registration of regeneration forest in accordance with regulations.

#### **Article 32. Plan for forest regeneration and forest planting**

The forest and Forestland management organizations in collaboration with local administration offices and sectors concerned are responsible for formulating short, medium and long term plans for forest regeneration and forest planting in the areas of their jurisdiction. In these plans, tree species to be planted, location, area and funds including the

parties responsible for planting, regeneration and carrying out maintenance need to be clearly indicated.

**Article 33. Determination of areas for forest regeneration, forest planting and tree species to be planted**

The forest and Forestland management organizations in collaboration with parties concerned and local administration offices carry out survey and determine areas for forest regeneration and forest planting.

The area for forest regeneration must focus on degraded natural forest and young fallow forest. As for the area for forest planting, it must focus on the degraded Forestland and bare Forestland that are so classified.

Determination and selection of tree species to be planted must be based on the soil and climate conditions of the locality and actual requirements or needs.

**Article 34. Promotion of forest regeneration**

The government encourages individuals, households and organizations to carry out regeneration of degraded natural forest and young fallow forest through supplementary planting and maintenance so that they become dense forests again and the participants will benefit from incentive policy of the government in accordance with regulations.

**Article 35. Promotion of tree and NTFP planting**

The government encourages individuals, households and organizations to plant trees and NTFP for protection of environment and commodity production through various incentive policies suitable for domestic and foreign investment such as policy on ownership, credit, exemption or reduction of land taxes, tax and duties on plant and tree species, provision of land for lease or concession, technical services and so on in accordance with regulations.

Planting trees and NTFP in the classified Production Forest area is to supply raw materials of timber and forest products to industry and handicraft processing factories to produce commercial commodities as well as for improving people's livelihood according to the socio-economic development plan.

Planting trees and NTFP in the classified Protection Forest and Conservation Forest areas is to preserve water sources, biodiversity and environment. It is not allowed to use these planted trees and NTFP with exception of customary use in the controlled use zones. As for incentives, rights and benefits of the planters, they will be defined in specific regulations.

**Article 36. Management of tree and NTFP planting activities**

Management of tree and NTFP planting activities in Protection Forest, Conservation Forest and Production Forest areas must be undertaken in accordance with regulations such as selection of planting area, site preparation, selection of tree and NTFP species, including import of seeds, collection of seeds, production of seedlings, planting, maintenance, prevention of fire and pests and diseases, and registration of the planted forest.

**Article 37. Sources of the Fund**

To ensure that preservation and development of forest and forest resources are effectively undertaken, the State establishes the Forest and Forest Resource Development Fund.

Sources of the Fund include the State budget allocation, projects using natural resources concerned, contributions from individuals, organizations, collectives, domestic and foreign social organizations, international organizations and so on.

**Article 38. Management and use of the Fund**

The management of the Forest and Forest Resource Development Fund must follow the Law on State Budget.

The Forest and Forest Resource Development Fund is to be used particularly for forestry activities, mainly for of Protection Forest, Conservation Forest and Production Forest, forest plantation and forest regeneration for water source and environment protection, conservation and propagation of wildlife and aquatic animal species, dissemination and education of forestry policy, laws and regulations, and technical knowledge.

**Section 4**

**Forest utilization**

**Article 39. Categories of utilization of forest and forest products**

Utilization of forest and forest products is classified into 4 categories as follows:

- utilization for village public benefits
- utilization for household
- customary utilization
- utilization for business

All categories of utilization must avoid causing negative impacts on forest, natural environment and society.

**Article 40. Utilization of forest and forest products for village public benefits**

Utilization of timber for construction activities such as village office, meeting hall, school and dispensary is allowed to use the timber only in the classified village use forest with the authorization of the District or Municipal Administration Office through the application from the District or Municipal Agriculture and Forestry Office in accordance with the Provincial or Vientiane Capital annual logging plan endorsed by the government.

Non-commercial utilization of forest products for medicinal use, decorative activities, exhibition and so on is allowed through the collection/harvest in the classified forest zones.

As for commercial utilization, it must be in accordance with Article 43 of this Law.

**Article 41. Utilization of forest for household**

The State allows people in the village to use non-protected timber species in the village use forest for construction and repair of houses, particularly for those households in necessity such as households without house to live, households with very old house, or house damaged or destroyed by disaster with the certification from village administration offices and approval by District or Municipal Agriculture and Forestry Office according to specific regulation.

As for trees of protected, special and controlled species that exist in the paddy field, orchard areas of individuals or households granted the use right to such land by the State, they must inform village forestry unit to check and manage. These individuals and households have the use right to and enjoy benefits of these trees according to regulation.

**Article 42. Customary utilization of forest**

Customary utilization of forest is the use of forest and forest products that has been carried out for a long time in accordance with laws and regulations. The State allows to use trees and to harvest non-protected species of forest products for household consumption with the condition that such customary use shall not cause adverse impacts on forest, forest resources, environment as well as inflicting on rights and benefits of other individuals or organizations.

Customary utilization of forest and forest products must be carried out in accordance with management plan and village regulations that are in compliance with laws and regulations.

**Article 43. Utilization of forest for business**

Utilization of forest for business is to use the natural forest for tourism, recreation sites, logging and harvesting of forest products for commercial purposes.

Tourism and recreation can be undertaken in the so-designated areas of the controlled use zones of Protection Forest, Conservation Forest and Production Forest.

Logging and harvesting forest products for commercial purposes are allowed in the infrastructure construction areas and Production Forest area by following the principles defined in Article 49 of this Law.

Concerning wood for construction poles and energy, harvest is allowed only in infrastructure construction areas and in the areas where the State allows clearance for production activities.

The State shall not grant any individual or organization lease or concession of natural forest to undertake logging and harvesting of NTFP.

#### **Article 44. Change of natural forest categories**

The change of Production Forest to Protection Forest or Conservation Forest, or Conservation Forest to Protection Forest must be approved by the government based on proposal of Ministry of Agriculture and Forestry.

The change of Protection Forest to Conservation Forest or Production Forest, or Conservation Forest to Production must be endorsed by the National Assembly's Standing Committee based on proposal of the government.

#### **Article 45. Conduct of Forest business**

Running forest business consists of main activities as follows:

1. Production of tree and NTFP seedlings;
2. Planting tree and NTFP;
3. Felling planted trees;
4. Logging and harvesting of forest products;
5. Processing of timber and forest products;
6. Distribution of NTFP and forest products;
7. Import and export of timber and forest products;
8. Transportation of timber and forest products;
9. Ecotourism.

Individuals, households and organizations wishing to conduct forest and forest product business must be approved by the forest and Forestland management offices and make enterprise registration according to the Law on Enterprise.

#### **Article 46. Production of tree and NTFP seedling**

The government encourages individuals, households and organizations to undertake tree and NTFP seedling production to satisfy market and forest development needs.

#### **Article 47. Tree and NTFP planting**

The government encourages individuals, households and organizations to be engaged in commercial tree and NTFP planting to supply raw materials to processing industry factories by the incentive policy as defined in Article 35 of this Law.



Planting trees and NTFP must be carried out in the designated places and in accordance with the principles as stated in Article 33 of this Law.

**Article 48. Felling of planted trees**

Felling and transport of planted trees as commercial commodities needs to be reported to village forestry unit. In the case of the protected and special species, permission of Provincial or Vientiane Capital Agriculture and Forestry Office is necessary based on the proposal by the District or Municipal Agriculture and Forestry Office.

**Article 49. Logging and harvesting of forest products**

The government allows logging and harvesting of forest products only in the Production Forest areas where inventory survey and sustainable management plan have been completed and in the infrastructure construction areas approved by the government.

Logging and harvesting of forest products in the Production Forest must follow the main principles as below:

1. Assigning forestry staff to be posted at logging sites for managing, monitoring and controlling the logging so that it correctly follows laws and regulations;
2. Using logging units that are officially established;
3. Logging must be carried out in the so designated areas and in accordance with the plans approved by the government;
4. Harvesting only the species and trees marked and stamped to be cut by the Forest and Forestland Management Organizations;
5. Felling of trees must be carried out in accordance with technical prescriptions and in the right season and all harvested trees must be collected for maximum utilization;
6. Applying selective cutting system to ensure natural regeneration, minimizing impacts on natural environment and society and limiting damage to surrounding trees;
7. Hauling, transport and landing of logs must be undertaken through the roads and at the log landings or log yards set by the State;
8. After logging, forest cleaning operations and enrichment planting must be undertaken;
9. After completing the logging according to the plan, the logging area must be declared closed and plan measures for management, regeneration and maintenance to ensure logging in the next cycles.

For the logging in the infrastructure construction areas, the government will consider on a case by case basis and will issue specific management regulations

For the harvest or collection of forest products, it must follow specific regulations issued by the relevant organization.

Annual logging plan must be endorsed by the National Assembly based on proposal of the government.

**Article 50. Processing of timber and forest products**

Processing of timber and forest products is encouraged to create value-added in order to satisfy domestic consumption and to process finished products for export.

Processing of timber and forest products must follow the Law on Processing Industry. The processing factories must be upgraded in terms of wood recovery and quality appropriate for the direction of industrialization and modernization.

**Article 51. Distribution of NTFP and wood products**

Only standardized NTFP and wood products can be distributed.

Domestic and foreign distribution must follow the market mechanism in compliance with Lao PDR and international laws and regulations.

**Article 52. Import and export of timber and forest products**

The State encourages import of tree seeds and crop seeds for satisfying the production demands through the policy of exemption or reduction of taxes and duties including the permission for importing necessary timber and forest products according to regulations.

Only the government can issue the permission for export of logs from natural forest, logs of protected species from tree plantation, semi-finished timber, sawn timber, tree stumps and galls of trees.

Planted trees that are not included in the list of protected and special species can be exported in accordance with regulations concerned.

Import and export of timber and forest products must correctly follow laws and regulations.

**Article 53. Transport of timber and forest products**

Transport of logs and forest products within the country must be in accordance with laws and regulations as follows; payment of resource tax and duties, each log must be marked and stamped as "PM"(forest in Lao), document for transport, transport through pre-determined routes with weight checkpoints, in the right season and time, and declaration at the determined checkpoints.

**Article 54. Ecotourism**

The government encourages individuals, households and organizations to run ecotourism business in the beautiful scenery sites, valuable biodiversity in the allocated zone of Protection Forest, Conservation Forest and Production Forest. But such business shall not cause negative impacts on environment.

**Article 55. Logging unit**

Logging unit is an organization established by the authorization of Ministry of Agriculture and Forestry to conduct logging and hauling logs from logging sites to the log yard II including tree planting, maintenance and preservation of forests with people's participation. This organization is under jurisdiction of the agriculture and forestry sector.

After establishment, the logging unit must strictly operate in accordance with the logging plans, logging regulations and other laws and regulations concerned together with fully accomplishing its own duties.

**CHAPTER IV  
FORESLAND**

**Section 1  
Management of forestland**

**Article 56. Categories of forestland**

Forestland in Lao PDR is classified into three (3) categories for the purpose of preservation and development as follows:

- Protection Forestland
- Conservation Forestland
- Production Forestland.

These 3 categories of forestland include regeneration forestland, dry dipterocarp forest, degraded forestland or barren forestland and village use forestland.

**Article 57. Management of forestland**

Ministry of Agriculture and Forestry is the organization to manage forestland and to determine forestland types in collaboration with other sectors concerned and to study and draft regulations on management, preservation, development and utilization of these land types including preservation of environment, which are to be submitted to the government for consideration and endorsement.

**Section 2  
Preservation of forestland**

**Article 58. Preservation of forestland**

Preservation of forestland is to delineate each category of forestland and to study and issue regulations and measures for preservation and development of forestland as stated in the Land Law and other related laws.

All categories of forestland must be registered at the Land Management Authority in accordance with the Land Law.

**Article 59. Preservation of Protection Forestland**

Preservation of Protection Forestland consists of demarcating Protection Forestland into total protection zone and controlled use zone as well as formulating plans and setting management measures to prevent all events that may happen or are happening to cause soil erosion, degradation of soil quality, change of watershed ecosystem, deterioration of water sources, impacts on strategic areas for national defense and security, and environment.

**Article 60. Preservation of Conservation Forestland**

Preservation of Conservation Forestland consists of demarcating Conservation Forestland into total protection zone, controlled-use zone, corridor and buffer zones as well as formulating plans and management measures to prevent all encroachments and destructive actions and events that may adversely affect forest ecosystem and cause damages to flora and fauna species, biodiversity, cultural, historical and natural heritages and other valuable things in Conservation Forestland area.

**Article 61. Preservation of Production Forestland**

Preservation of Production Forestland consists of formulating zoning plans of management areas for sustainable use in accordance with management plans of Production Forest as well as setting measures for management, preservation and prevention of all actions and events that lead to encroachment, destruction or conversion of Production Forestland into another land category and to adverse impacts on forest ecosystem and environment causing deterioration of natural resources.

**Section 3**

**Development of forestland**

**Article 62. Development of forestland**

The Ministry of Agriculture and Forestry is responsible for development of forestland through establishing coordination mechanism between sectors concerned, local administration offices and all parties in the society including people so that they can take part in forestland development through formulation of policies, methods and measures related to preservation, improvement and rehabilitation of land to be in better conditions with higher values and balance with forest ecosystem.

**Article 63. Development of Protection Forestland**

Development of Protection Forestland consists of all activities leading to improvement of soil quality and land rehabilitation through regenerating young fallow forest

areas and degraded forest areas, planting trees in barren forestland and planting various plant species aiming for amelioration of soil conditions and in balance with forest ecosystem.

**Article 64. Development of Conservation Forestland**

Development of Conservation Forestland consists of all activities leading to preservation of all land plots in Conservation Forest area through improvement of soil quality, soil conservation, tree planting and planting of various plant species aiming for conservation of forest ecosystem, wildlife species, biodiversity, cultural, historical and natural heritages and other valuable things existing within Conservation Forestland area.

**Article 65. Development of Production Forestland**

Development of Production Forestland consists of all activities leading to improvement of soil quality and rehabilitation of land in Production Forest area so that it becomes rich land aiming for planting tree species that are suitable for soil and climate conditions to increase quality and quantity of timber and forest products for satisfying the requirement of socio-economic development and improvement of people's living.

**Section 4**

**Utilization of forestland**

**Article 66. Categories of forestland utilization**

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

- utilization for public benefits
- utilization for household
- utilization for business

All categories of forestland utilization must not cause negative impacts on forest, soil quality, society or natural environment.

**Article 67. Utilization of Forestland for public benefits**

Utilization of forestland for public benefits is to use it for tree planting to preserve environment and beautiful scenery, to create tourism and recreation sites with the authorization of the relevant organizations.

**Article 68. Utilization of forestland for household**

Utilization of forestland for household is to use degraded forestland or barren forestland according to households' availability of labor and fund for forest regeneration, planting trees or NTFP in land area of not more than three hectares per one labor in the household. In the case of need for more area, households have the right to request lease or concession from the State.

**Article 69. Utilization of forestland for business**

Utilization of forestland for business is only possible in the degraded forestland where forest cannot regenerate naturally and barren forestland areas, which are so designated by the State, and must be conducted in accordance with the Law on Enterprise and other related laws.

**Article 70. Conversion of forestland**

Conversion of forestland under management of the State to another land type is only possible when it brings maximum benefits to the nation and to the well-being of people and it is included in the national socio-economic development plan, and can be undertaken only in the so designated areas.

Entities approved of forestland conversion are responsible for paying fees for technical service, royalties and conversion fees. In the case of temporary conversion such as mining exploitation and other production activities, the land must be restored and trees must be replanted.

In case that the State needs to convert forestland, which is allocated to an individual or organization to use for determined purpose, for other purposes with maximum national benefits, the State shall compensate according to laws and regulations.

**Article 71. Types of forestland conversion**

There are 2 types of forestland conversion i.e. temporary type and permanent type.

The temporary type of forestland conversion is the conversion of forestland into another land type to undertake a certain work. After the completion of such work, the converted land must be re-converted to its original forestland type such as conversion of forestland into industry land for mining exploitation.

The permanent type of forestland conversion is the conversion into another land type for long term purpose i.e. conversion of forestland into communication land for road construction and dam construction.

The timber and forest resources that are cut or harvested in these forestland areas belong to the State.

**Article 72. Organizations with right to make decision on conversion of degraded forestland**

Conversion of degraded forestland to other land uses can be undertaken only if it is necessary for the benefits of the locality without causing negative impacts on society and natural environment and only in so designated areas.

Organizations with right to make decision on conversion of degraded forestland, which cannot naturally regenerate, are the followings:

1. Provincial or Vientiane Capital Administration Office; for degraded forestland area of no more than 100 hectares per one activity through the proposal by the

Provincial or Vientiane Capital Land Management Authority based on the agreement of Provincial or Vientiane Capital Agriculture and Forestry Office;

2. The government; for degraded forestland area of more than 100 hectares to 1,000 hectares per one activity through the proposal by the National Land Management Authority based on the agreement of the Ministry of Agriculture and Forestry and Provincial or Vientiane Capital Administration Office. In the case of more than 1,000 ha, the endorsement by the National Assembly Standing Committee is necessary.

#### **Article 73. Organizations with right to make decision on conversion of barren forestland**

Conversion of barren forestland to other land uses can be undertaken only if it is necessary for the benefits of the locality without causing negative impacts on society and natural environment and only in so designated areas.

Organizations with right to make decision on conversion of barren forestland are the followings:

1. District or Municipal Administration Office; for barren Forestland area of no more than 30 hectares per one activity based on the proposal by the District or Municipal Land Management Authority with the agreement of the District or Municipal Agriculture and Forestry Office;
2. Provincial or Vientiane Capital Administration Office; for barren forestland area of more than 30 hectares to 200 hectares per one activity based on the proposal by the Provincial or Vientiane Capital Land Management Authority with the agreement of the Provincial or Vientiane Capital Agriculture and Forestry Office;
3. The government; for barren forestland area of more than 200 hectares to 10,000 hectares per one activity through the proposal by the National Land Management Authority based on the agreement of the Ministry of Agriculture and Forestry and Provincial or Vientiane Capital Administration Office. In the case of more than 10,000 ha, the endorsement by the National Assembly Standing Committee is necessary.

#### **Article 74. Lease or concession of forestland**

Lease or concession of forestland for forest regeneration, planting trees, industrial tree plantations or NTFP is only possible in degraded forestland, which cannot naturally regenerate, and in barren forestland, both of which are so designated, and must follow the principles as below:

1. Study of socio-economic data, appropriateness of natural conditions such as soil, weather, elevation from the sea level, rainfall, water sources, land use rights, local labor availability; surveying the status of forest and forest resources and other necessary aspects.

2. Preparation of a technical and economic feasibility report, which is to be endorsed by the Forest and Forestland Management Organization and other sectors concerned.
3. Preparation of a report on social and natural environmental impact assessment including proposals for appropriate mitigation measures, which is to be certified and endorsed by concerned sectors.
4. Formulation of a work plan with focus on preservation of water sources and environment, land preparation, village development, enhancement of people's participation in production process, technology to be applied, and so on including sharing of benefits.
5. Implementation of concerned laws and regulations.

**Article 75. Approval of lease or concession of degraded forestland**

Division of the right to approve lease or concession of degraded forestland, which cannot naturally regenerate, for forest regeneration, planting forest, industrial tree species or NTFP is as follows:

1. Provincial or Vientiane Capital Administration office has the right to approve lease or concession of degraded forestland, which cannot naturally regenerate, with an area of no more than 150 hectares per one project and with a maximum lease or concession period of no more than 30 years with possible extension depending on the case, through the proposal by the Provincial or Vientiane Capital Land Management Authority based on the agreement of the Provincial or Vientiane Capital Agriculture and Forestry Office;
2. The government has the right to approve the lease or concession of degraded forestland, which cannot naturally regenerate, with an area of more than 150 hectares to 15,000 hectares per one project and with a lease or concession period of more than 30 years, but with the maximum period of not more than 40 years with possible extension depending on the case, through the proposal by the National Land Management Authority based on the agreement of the Ministry of Agriculture and Forestry. In the case of more than 15,000 hectares, the endorsement by the National Assembly Standing Committee based on the proposal by the government is necessary.

**Article 76. Approval of lease or concession of barren forestland**

Division of the right to approve lease or concession of barren forestland for forest regeneration, planting forest, industrial tree species or NTFP is as follows:

1. Provincial or Vientiane Capital Administration Office has the right to approve lease or concession of barren forestland with an area of not more than 500 hectares per one project and with a maximum lease or concession period of not more than 40 years with possible extension depending on the case, through the proposal by the Provincial or



Vientiane Capital Land Management Authority based on the agreement of Provincial or Vientiane Capital Agriculture and Forestry Office;

2. The government has the right to approve lease or concession of barren forestland with an area of more than 500 hectares to 30,000 hectares per one project and with a lease or concession period of more than 40 years, but with the maximum period of not more than 60 years with possible extension depending on the case, through the proposal by the National Land Management Authority based on the agreement of the Ministry of Agriculture and Forestry. In the case of more than 30,000 hectares, the endorsement by the National Assembly Standing Committee based on the proposal by the government is necessary.

## **CHAPTER V**

### **JURISDICTION OVER FOREST AND FORESTLAND PRESERVATION AND DEVELOPMENT**

#### **Section 1**

##### **Forest and forestland preservation and development at the central level**

###### **Article 77. Forest and forestland preserved and developed by the central level**

The government assigns the Ministry of Agriculture and Forestry in collaboration with the Ministries concerned such as the Ministry of Industry and Commerce, the National Land Management Authority, the Water Resource and Environment Agency, the Ministry of Energy and Mining, the Ministry of Public activities and Transport, the National Tourism Authority, the Ministry of Planning and Investment, the Ministry of National Defense, the Ministry of Information and Culture, to carry out preservation and development of forest and forestland on a sustainable basis in accordance with the national socio-economic development plans, the forestry strategy and the environment management strategy and the scope of the formulated management plans.

###### **Article 78. Endorsement of forest and forestland areas preserved and developed by central level**

Protection Forest, National Conservation Forest and Production Forest with an area of more than 50,000 hectares that might cover several provinces must be endorsed by the National Assembly based on the proposal by the government.

#### **Section 2**

##### **Forest and forestland preservation and development at local levels**

###### **Article 79. Allocation of forest and Forestland to local administration offices**

After forest zoning, forest category classification and delineation of forest and forestland areas, the government shall allocate those forest and forestland areas to

Provincial and Vientiane Capital administration Offices, then they shall allocate them to District or Municipal Administration Offices which shall allocate them to village to be responsible for management, preservation, development, use and inspection strictly in accordance with laws and regulations.

In case that forest and forestland areas cover several provinces and Vientiane Capital, the Provincial and Vientiane Capital Administration Offices concerned must collaborate with each other in management, preservation, development, use and inspection within their respective jurisdiction area in accordance to the management plans, which are formulated.

**Article 80. Forest and forestland preserved and developed by Province or Vientiane Capital**

Provincial or Vientiane Capital Administration Office allocates forest and forestland areas to vertical line of various sectors to be responsible for management, preservation, development and use in the area under their administration.

**Article 81. Forest and forestland preserved and developed by District or Municipality**

Provincial Governor or Vientiane Capital Mayor allocates forest and forestland to District or Municipal Administration Office and vertical line of various sectors as described in Article 79 of this Law to be responsible for management, preservation, development and use in the area under their administration.

In case that forest and forestland areas cover many Districts and/or Municipalities, the concerned District or Municipal Administration Offices must collaborate each other in management, preservation, development and use in the area under their administration and in accordance with the management plans, which are formulated.

**Article 82. Forest and forestland preserved and developed by village**

District Governor or Municipality Head allocates forests to village administration offices for management, preservation, development and use according to land management and land and forest allocation plan at village level.

The forest under village responsibility shall be classified into three categories i.e. Protection Forest that includes water source forest and river side forest, road side forest, Conservation Forest that includes spirit forest and cemetery forest, and Village Use Forest. In addition, there shall be non-classified land areas, which can be determined as production areas.

**Article 83. Endorsement of forest and forestland areas for preservation and development at local levels**

Endorsement of forest and forestland areas that are under preservation and development by the local levels must proceed as follows:

1. Forest and forestland area at the Provincial level need to be endorsed by the government based on the proposal by the National Land Management Authority after agreement with the Ministry of Agriculture and Forestry;
2. Forest and forestland areas at the District or Municipal level need to be endorsed by the Provincial Governor or Vientiane Capital Mayor based on the proposal by the Provincial or Vientiane Capital Land Management Authority after agreement with the Provincial or Vientiane Capital Agriculture and Forestry Office;
3. Forest and forestland areas at the village level need to be endorsed by the District Governor or Municipal Head based on the proposal by the District or Municipal Land Management Authority after agreement with the District or Municipal Agriculture and Forestry Office;
4. Use of forestland at the village level according to land management and land-forest allocation plans for household and individual uses need to be endorsed by the District Governor or Municipal Head based on the proposal by the District or Municipal Land Management Authority after agreement with the District or Municipal Agriculture and Forestry Office.

### **Section 3**

#### **Forest and forestland preservation and development by household**

##### **Article 84. Allocation of forest and forestland to organizations and individuals**

After forest zoning, forest category classification, delineation of forest and forestland areas, the State allocates the ownership to organizations and individuals.

##### **Article 85. Forest ownership**

Forest ownership arises in the following cases:

1. Agriculture and forestry sector that the State allocates forest and forestland for preservation and development;
2. Organizations of all economic sectors that the State allocates forestland as lease or concession, or recognizes use right and ownership of forest plantation including transfer of use right to forest plantation and forestland;
3. Households and individuals that the State allocates forestland as lease or concession, or recognizes use right and ownership of forest plantation including transfer of use right to forest plantation and Forestland;
4. Units of the armed forces that the State allocates forestland for preservation and development;
5. Scientific research institutes and forestry training and skill development centers that the State allocates forest and forestland for preservation and development;
6. Social organizations that the State approves lease or concession of forestland for preservation and development.

**Article 86. Forest and forestland preserved and developed by household**

District Governor or Head of Municipality allocates forestland to households and individuals for management, preservation, development and use according to land management and land-forest allocation plans at village level as stated in Article 22 of the Land Law.

**Article 87. Endorsement of forestland areas for preservation and development by household**

Use of forestland by households according to land management and land and forest allocation plan for use by households and individuals needs to be endorsed by the District Governor or Head of Municipality based on the proposal by the District or Municipal Land Management Authority after coordination with the District or Municipal Agriculture and Forestry Office and village administration office.

**Article 88. Provision of sedentary livelihoods alternatives**

The government and local administration offices are responsible for encouraging and supporting local people to practice sedentary livelihoods such as cultivation of agricultural crops, livestock husbandry, tree planting, handicraft, etc. in accordance with laws and based on the potential of each locality through land and forest allocation, technical extension, establishment of technical service centers, vocational trainings as well as provision of credit.

**CHAPTER VI**

**RIGHTS AND OBLIGATIONS OF NATURAL FOREST, FOREST PLANTATION and FORESTLAND USERS**

**Article 89. Acquisition of use rights to natural forest, forest plantation and forestland**

Use right to natural forest, forest plantation and forestland can be acquired through:

- allocation by the State;
- transfer;
- inheritance.

**Article 90. Allocation of use right to forest and forestland**

Allocation of use right to forest and forestland of the State is agreement of authorized organizations to grant forest and forestland to village administration offices for long term and stable uses according to management plan and laws and regulations.

Allocation of use right to forestland is agreement of authorized organizations to grant forestland to individuals, households and organizations living in the forest area, which are classified for granting, for long term and stable uses according to the contract and laws and regulations.

**Article 91. Transfer of use right to forest and forestland**

Transfer of use right to forest plantations and forestland is allowed through sale, hand over or exchange. The transfer of right must be made in accordance with related laws and regulations.

Transfer of use right to natural forest cannot be allowed.

**Article 92. Inheritance of use right to forest and forestland**

Inheritance of use right to forest plantation and forestland is allowed to children, husband or wife, parents, grandchildren or relatives following the death of the person holding the use right. Inheritance must be made in accordance with laws and regulations.

It is not allowed to inherit natural forest.

**Article 93. Rights of forest and forestland users**

Individuals, households and organizations using forest plantation and forestland have the following rights:

1. to preserve;
2. to use;
3. to get usufruct;
4. to transfer use right;
5. to inherit use right.

The State organizations only have the rights to manage, preserve, develop and use natural forest according to laws and regulations. But they have no right of transfer, inheritance, lease or concession, with exception of the cases stated in Articles 75 and 76 of this Law.

For the customary use right, Article 42 of this Law shall apply.

**Article 94. Rights to forest and forestland preservation and development**

Individuals, households and organizations have the rights to preservation of forest plantations and forestland according to laws and regulations.

State organizations have the rights to preservation of natural forest and forestland allocated by the State according to laws and regulations.

**Article 95. Right to use forest and forestland**

Individuals, households and organizations have the rights to use including development of forest plantation and use of forestland for another purpose according to the allocation plans to satisfy their own needs.

State organizations have the rights to use including development of allocated natural forest and forestland according to the allocation plans and laws and regulations.

**Article 96. Right to usufruct from forest and Forestland**

Individuals, households and organizations have the right of usufruct from forest plantation and forestland, which one has developed, such as lease, security for a loan or a share.

State organizations have no right of usufruct from natural forest and forestland with exception of the cases mentioned in Articles 75 and 76 of this Law.

**Article 97. Obligations of forest and forestland users**

The users of forest and forestland have the following obligations:

1. To follow the policies and laws and regulations related to forestry activities;
2. To plant trees, regenerate and develop forests and forestland so that they become continuously richer;
3. To protect forests, forestlands, water source forest, environment and wildlife;
4. To restore the land, replant trees, and regenerate the forest where mining exploitation and other activities finished;
5. To correctly use forests and forestlands according to the determined objectives, the contract and laws and regulations;
6. To pay forest resource tax, royalties, lease or concession fees and other duties related to forest and forestland according to laws and regulations;
7. To contribute and mobilize domestic and international fund to the Forest and Forest Resource Development Fund;
8. To provide information on the uses of forest and forestland as well as cooperation with the sectors concerned;
9. To use all methods to prevent forest destruction, forest fires, illegal harvest of timber and NTFPs, illegal hunting of wildlife and aquatic animals.
10. To execute other obligations as provided in laws and regulations.

**Article 98. Loss of use rights to forest and forestland**

The holder of use rights to forest and forestland shall lose these rights in any of the following cases:

1. Utilizing or using the forest and forestland allocated by the State inconsistently with the purposes.

2. Not utilizing or not using the forest and forestland allocated by the State within 3 years and as provided in the contract;
3. Court decision to lose use right to forest and Forestland.

**Article 99. Termination of use right to forest plantation and forestland**

Use right to forest plantation and forestland of individuals, households or organizations shall be terminated in any of the following cases:

1. Voluntary renunciation of use right;
2. Transfer of use right to another person;
3. Death of person or abolishment of organization without any inheritors.
4. Expropriation of use right by the State for public benefit use, but the State shall compensate the loss in accordance with laws and regulations;

**CHAPTER VII**

**Prohibitions**

**Article 100. Prohibitions for forestry staff and inspection officers**

The following conducts are prohibited for forestry staff and inspection officers:

1. To abuse duties and position and to receive bribes for their own benefits;
2. To overuse the rights and duties that cause loss to the benefits of the State, collectives, or people's rights and benefits;
3. To abandon the duty and lack of responsibility for the assigned tasks;
4. To leak the State and official secrets related to forests;
5. To falsify documents such as signature, seal and log list, timber measurement, timber quality grading, data of forest survey, forest inspection and timber stamping;
6. To run or take part in business concerning harvesting and trading of timber and forest products;
7. To give log stamp hammer to businessman and people including staff who are not responsible for;
8. To move, change or destroy boundary signs/stakes of Protection Forest, Conservation Forest and Production Forest;
9. To use violence, intimidation or threats and other illegal measures.
10. To have logging machinery and log hauling vehicle in possession;
11. Other prohibited behaviors as provided in laws and regulations.

**Article 101. Prohibitions for businessmen**

It is prohibited that domestic and foreign businessmen conduct the followings activities:

1. To carry out forest and forest resource survey, harvest of timber and NTFP without permission;

2. To build veneer mills, sawmills, furniture factories and timber and NTFP processing factories without approval, and inside or nearby any forest category;
3. To encroach and damage any forest and forest resources in the total protection zones of Protection Forest and Conservation Forest, Corridor zones between the Conservation Forests or between one Conservation Forest and another forest category or other areas;
4. To illegally keep trees, forest or NTFP and forestland in possession, to cut trees in compensation of the log volume approved in the previous year's logging plan as well as before logging approval.
5. To clear any forest and forestland outside the approved areas;
6. To move, change or destroy boundary marking signs/stakes of Protection Forest, Conservation Forest and Production Forest;
7. To import foreign labour, log hauling vehicle and logging machineries and equipment without permission;
8. To cut, purchase and sell and transport all natural timber of protected and special species which are close to extinction such as: May Dou Lai (*Pterocarpus macrocarpus* sp.), May Kha Nhung (*Dalbergia cochinchinensis*), May Padong (*Shorea hippocras*), May khamphi (*Dalbergia bariensis*), May Longleng (*Cunninghamia Sinensis*), May Champa Pa (*Michelia Champaca*);
9. To remove timber and NTFP exceeding weight, quantity, size, and during the prohibited period or not in compliance with the document;
10. To offer bribes to forestry staff, forestry inspection officers and local people;
11. To falsify documents, seal, and log stamp hammer;
12. To use violence or refer to another person's name to intimidate forestry staff, forestry inspection officers or local people;
13. Other prohibited behaviors as provided in laws and regulations.

**Article 102. Prohibitions for population**

It is prohibited that people conduct the following activities:

1. To cause forest destruction by encroachment, clearing, burning, cutting and using chemical matters to kill trees, or other illegal actions;
2. To set up settlement in Protection Forest, Conservation Forest and Production Forest areas or conduct unauthorized production activities;
3. To cut or harvest, purchase-sell and remove or collect natural timber of protected and special species which are close to extinction such as: May Dou Lai (*Pterocarpus macrocarpus* sp.), May Kha Nhung (*Dalbergia cochinchinensis*), May Padong (*Shorea hippocras*), May khamphi (*Dalbergia bariensis*), May Longleng (*Cunninghamia Sinensis*), May Champa Pa (*Michelia Champaca*);
4. To illegally keep trees, forest, NTFP and Forestland in possession;
5. To collude with businessmen, staff or inspection officer(s) in undertaking illegal logging, encroachment and destroying forest and forest resources;



6. To falsify documents, seal and log stamp hammer;
7. To use violence or refer to other person's name to intimidate staff, inspection officers, or other people;
3. To move, change or destroy boundary marking signs/stakes of Protection Forest, Conservation Forest and Production Forest;
4. To practice illegal trading of timber;
5. Other prohibited behaviors as provided in laws and regulations.

**Article 103. Prohibitions for organizations and other individuals**

It is prohibited that other organizations and individuals have the following behaviour:

1. To use violence or refer to other person's name to intimidate staff, inspection officers, or other people;
2. To abuse their duties and position/title for their own and others' benefits;
3. To conduct business of logging, trading of timber and NTFP by their own investment or in partnership with other investors without permission;
4. To illegally approve the conversion of forest and forestland categories, lease and concession of forestland, including the exchange of timber with projects;
5. To issue permission of logging and NTFP harvesting;
6. To obstruct the work performance of forestry inspection officers in action;
7. To suppress legal proceedings of forest cases;
8. Other prohibited behaviors as provided in laws and regulations

## **CHAPTER VIII**

### **Forest and Forestland Management and Inspection**

#### **Section 1**

#### **Forest and Forestland Management**

**Article 104. Forest and forestland management organization**

The government manages forest and forestland in a centralized and uniform way by assigning the Ministry of Agriculture and Forestry to be the lead agency coordinating with other organizations concerned such as the National Land Management Authority, the Ministry of Industry and Commerce, the Ministry of Energy and Mining, the Ministry of Public Health and the Water Resources and Environment Agency.

The forest and forestland management organization in Lao PDR is comprised of :

1. The Ministry of Agriculture and Forestry, of which the Department of Forestry performs secretariat roles;
2. Provincial or Vientiane Capital Agriculture and Forestry Office;
3. District or Municipal Agriculture and Forestry Office;
4. Village Forestry Units.

**Article 105. Rights and duties of the Ministry of Agriculture and Forestry**

In managing the forest, Forestland, and various forestry activities, the Ministry of Agriculture and Forestry has the following rights and duties:

1. To perform secretariat roles to the government in developing the strategies and policies into programs, detailed projects, and laws and regulations for the preservation and development of forest and forestland throughout the country;
2. To disseminate, give instructions and guidance, monitor and inspect the implementation of forestry laws and regulations;
3. To carry out scientific and technical research related to forestry and to establish the network of statistic and information centers, to provide training and upgrade forestry technical knowledge;
4. To coordinate with concerned organizations in the implementation of forest and forestland activities mainly surveys, classification, approval of use, lease or concession;
5. To contact and cooperate with foreign countries in forestry activities;
6. To submit a summary report on the results of implementation of forestry works across the country to the government on a regular basis;
7. To execute other rights and duties as provided in laws and regulations.

**Article 106. Rights and duties of the Provincial or Vientiane Capital Agriculture and Forestry Office**

In managing forest, forestland, and forestry activities, the Provincial or Vientiane Capital Agriculture and Forestry Office have the following rights and duties:

1. To develop policies, strategies, orders and regulations related to management and use of forest and forestland in the area of their responsibility, and to implement them;
2. To disseminate forestry laws and regulations;
3. To give guidance, support, monitor and evaluate the implementation of forestry activities of the District or Municipal Agriculture and Forestry Offices;
4. To study and comment on investments in forest business, submission of request for use, lease or concession of forestland to the Ministry of Agriculture and Forestry for further consideration;
5. To issue the permit for logging and harvesting NTFP according to the notice of the Ministry of Agriculture and Forestry based on the approval of the government;
6. To coordinate with concerned organizations in implementation of forest and forestland activities mainly survey, area zoning, approval of use, lease or concession;
7. To submit a summary report on implementation results of forestry activities in the Province or Vientiane Capital to the Ministry of Agriculture and Forestry and Provincial or Vientiane Capital Administration Office; .
8. To execute other rights and duties as provided in laws and regulations.

**Article 107. Rights and duties of the District or Municipal Agriculture and Forestry Office**

In managing forest, forestland, and forestry activities, the District or Municipal Agriculture and Forestry Office have the following rights and duties:

1. To implement plans, programs, projects, decisions, orders, notices, and instructions related to forestry activities;
2. To disseminate forestry laws and regulations;
3. To give guidance, support, monitor, inspect the work performance of Village Forestry Unit with regard to preservation and development of forest and forestland;
4. To be responsible for organizing village people to manage and preserve forest and forestland, organizing the allocation of land and forest to individuals, households and organizations;
5. To study applications for approval of barren forestland conversion according to laws and regulations;
6. To submit a summary report on implementation results of forestry activities within the District or Municipality to the Provincial or Vientiane Capital Agriculture and Forestry Office, and District or Municipal Capital Administration Office;
7. To execute other rights and duties as provided in laws and regulations

**Article 108. Rights and duties of Village Forestry Units**

In managing forest, forestland and forestry activities, the Village Forestry Unit has the following rights and duties:

1. To propose the Village administration office to issue regulations on customary use of village forest in compliance with forestry laws and regulations;
2. To inform and educate villagers of the importance and value of forest, forestland, water source forest and environment;
3. To implement forestry related laws and regulations, village land-forest allocation to individuals and organizations in the village to manage, preserve, regenerate, plant trees, expand forest and use in an effective way;
4. To organize villagers in managing, preserving, using forest and forestland, water source forest, NTFP and environment within village area according to the real conditions of the village;
5. To monitor and understand changes in forest, environment and situation of forestry activities within the village area and report them to the District or Municipal Agriculture and Forestry Office;
6. To lead control of harmful activities affecting forest, NTFP, water source forest and environment such as illegal tree cutting and forest burning and to prevent any action causing damage to forest and water sources in a timely manner;
7. To summarize and report implementation results of forestry works in the village to the District or Municipal Agriculture and Forestry Office on a regular basis.
9. To execute other rights and duties as provided in laws and regulations.

**Article 109. Rights and duties of other organizations concerned**

Other organizations concerned with forest and forestland activities have the rights and duties of management, preservation and development according to their respective roles and functions provided in specific regulation. Inspection must be undertaken according to Article 116 of this Law.

**Section 2**

**Forest and forestland inspection**

**Article 110. Purpose of forest and forestland inspection**

Forest and forestland inspection is monitoring of activities of management, preservation, development and use of forest, forestland and NTFPs by organizations, staff, inspection officers and people including forest business operations in order to ensure that those activities and operations are conducted in accordance with forestry related laws and regulations and other laws concerned and to implement preservation and development of forest, forestland and forest resources in an effective way.

**Article 111. Forest and Forestland Inspection Organization**

The Forest and Forestland Inspection Organization is the same as the Forest and Forestland Management Organization as stated in Article 104 of this law and the Department of Forestry Inspection of the Ministry of Agriculture and Forestry performs secretariat roles.

**Article 112. Rights and duties of the Forest and Forestry Inspection Organization**

The Forest and Forestland Inspection Organization has the following rights and duties:

1. To inspect implementation of forestry related laws and regulations;
2. To inspect activities and projects related to forest, forestland and forest resources including conduct of business in forestry and NTFP;
3. To conduct investigation/interrogation of criminal cases concerned with forest and forestland by applying investigative/interrogative and preventive measures provided in the Law on Penal Procedures
4. To request the parties concerned to issue an order to cease forestry related operations or to revoke duties and position of staff and inspection officers who are considered conducting unlawful activities;
5. To maintain contact and coordination with concerned sectors at the central and local levels for implementation of their own rights and duties;
6. To submit periodic summary reports on the inspection and investigation results to its immediate higher level;
7. To execute other rights and duties as provided in laws and regulations.

**Article 113. Forestry inspection officers**

Forestry inspection officers are government employees belonging to the Forest and Forestland Inspection Organization with the mandate of conducting inspection and investigation/interrogation of the cases related to forest and forestland in compliance with the Forestry Law and the Law on Penal Procedures.

The organization, functions and qualifications of forestry inspection officers shall be provided in specific regulation.

**Article 114. Rights and duties of forestry inspection officers**

In addition to the rights and duties provided in Article 112 of this Law, the forestry inspection officers have the following specific rights and duties:

1. To conduct patrol and on-site inspection of the following targets i.e. logging sites, log transport routes of logs, log-yards, factories using timber as raw materials, warehouses for timber and other places deemed necessary;
2. To receive and record reported cases and to request and check documents related to any violation of forestry related laws and regulations;
3. To conduct penal lawsuit to accused person through interrogation and investigation including the application of interrogation-investigation measures and preventive measures;
4. To summarize interrogation-investigation and prepare files of the case to be submitted to the People's Prosecutor to consider criminal charges to Court;
5. To contact and coordinate with other organizations concerned including local administration offices for fulfillment of their duties.
6. To execute other rights and duties as provided in laws and regulations.

**Article 115. Forest and forestland inspection forms**

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

- Regular inspection
- Inspection with advance notice
- Impromptu inspection.

**Regular inspection** is the inspection carried out at fixed intervals and must be performed at least once a year.

**Inspection with advance notice** is the inspection carried out, when deemed necessary, by sending advance notice at least 24 hours before the inspection to the person responsible for forest preservation and development or conducting forest activities.

**Impromptu inspection** is the inspection carried out, when deemed necessary, but it is undertaken urgently and without sending any advance notice to the person responsible for forest preservation and development or conducting forest activities.

The inspection needs to be carried out through both document check and on-site inspection.

**Article 116. External inspection**

The external inspection is to check the performance of the Forest and Forestland Management Organization and the Forest and Forestland Inspection Organization aiming for capacity strengthening, enhancing their transparency and fairness. External inspection includes:

1. Inspection undertaken by the National Assembly as provided in the Law on Monitoring by the National Assembly;
2. Inspection undertaken by the State Inspection Organization as provided in the Law on State Inspection;
3. Monitoring made by Lao citizens, organizations and individuals at the grass root levels, and offices, organizations, technical units and enterprises of the State concerning performance of officers belonging to the Forest and Forestland Management or Inspection Organizations. When observing or having evidence of violation of laws, they also have the rights to request the concerned organizations to undertake inspection of the suspected targets.

**CHAPTER IX  
SETTLEMENT OF CONFLICTS**

**Article 117. Settlement of administrative conflicts related to forest and forestland matters**

Settlement of administrative conflicts related to forest and forestland matters such as uses of forest and forestland without authorization, without respecting the pre-determined purposes and without paying forest maintenance fees or other formality fees in accordance with the described procedures will be undertaken by the Forest and Forestland Inspection Organization and the Forest and Forestland Management Organization concerned in collaboration with local administration offices at the same level. If the forest and forestland user is not satisfied with the settlement decision by them, it has the right to submit the case to the immediate higher level of the organizations to settle the case and this must be in compliance with the Law on Settlement of Complaints.

**Article 118. Settlement of civil conflicts related to forest and forestland matters**

Settlement of civil conflicts related to forest and forestland matters such as inheritance of developed forest and forestland, transfer of use rights to forest and forestland and other civil contracts will be undertaken by the People's Court in accordance with laws.

Settlement of civil conflicts related to forest and forestland needs to be firstly arbitrated by the village administration offices where the forest or forestland is located. If agreement cannot be made, the case must be submitted to the District or Municipal

administration offices for arbitration; if the case is still not settled, either party involved has the right to bring the case to Court.

## **CHAPTER X NATIONAL ARBOR DAY, UNIFORM, LOGO AND SEAL**

### **Article 119. National Arbor Day**

In order to raise awareness about preservation, development of forest, forestland and natural environment of multi-ethnic population, especially young generations, with the aim of creating rich and stable forest resources, the State determines 1<sup>st</sup> June as the National Arbor Day.

### **Article 120. Uniform, Logo and Seal**

Each of the Forest and Forestland Management Organization and the Forest and Forestland Inspection Organization has their own uniform, logo and seal to be used in performing their official duties. They shall be prepared by the Ministry of Agriculture and Forestry.

## **CHAPTER XI REWARDS FOR PERSONS WITH OUTSTANDING PERFORMANCE AND MEASURES AGAINST OFFENDERS**

### **Article 121. Rewards for persons with outstanding performance**

Individuals, organizations or enterprises that show outstanding performance in implementation of this law especially in preservation and development of forest and forestland, planting, forest regeneration and protection against destruction of forest and forest resources shall be awarded with commendations and other rewards according to regulations.

### **Article 122. Measures against violators**

Individuals or organizations violating this law shall be subject to education, disciplinary measures, fine or punishment in accordance with the law according to the seriousness of cases.

### **Article 123. Educational measures**

Individuals, organizations or enterprises who have violated forestry related laws and regulations and prohibitions with minor significance that is not of penal character and with damage value of less than 1,000,000 Kip, and are sincere in reporting, confessing their incorrect actions and completely returning the illegal assets or evidence, shall be subject to warning and corrective education.

#### **Article 124. Disciplinary measures**

Any state employee or inspection officer, who has violated forestry related laws and regulations and prohibitions with minor significance that is not of penal character and damage value of less than 1,000,000Kip, but not honest in reporting and try to hide misconduct, shall be subject to the following disciplinary measures according to the case:

1. To be reprimanded and warned of such offense with recording and filing the memorandum in their personal CV;
2. To suspend promotion, salary increase and commendations;
3. To be removed from one's post and transferred to a lower one.
4. To be dismissed from the public service without any incentive remuneration.

The staff or inspection officer, who has been applied disciplinary measures, shall return all of the assets acquired illegally.

#### **Article 125. Fine measures**

Individuals or organizations, who have violated forestry related laws and regulations and the prohibitions with minor significance that is not of penal character and caused damage value of more than 1,000,000Kip, shall be liable to a fine equivalent to the value of damaged timber, timber products, including forest resources based on the actual market price.

In the case of second or habitual violation, the offender shall be liable to a fine of double the value of damaged timber, timber products, including forest resources based on the actual market price.

#### **Article 126. Civil Measures**

Individuals, organizations or enterprises who have violated this law and caused damage to the benefits of the State, households and individuals by their misconduct with regard to forest, shall be liable to pay the compensation equal to the caused damage.

#### **Article 127. Penal Measures**

Individuals, who have violated this law with penal character such as: cutting trees or clearing forest without following forestry regulations, burning or destroying forest by any methods, harvesting NTFP without following laws and regulations, giving log stamp hammer to one who has no authority/responsibility, unauthorized cutting, trading or transporting natural timber of protected and special species which are close to extinction, suppressing legal procedures of forestry cases, giving approval of natural forest conversion, logging or issuance of logging permit without following laws and regulations, shall be subject to a penal lawsuit and punishment as described in Articles 139 and 143 of the Penal Law, and shall be liable to a fine of double the value of damaged timber, timber products, including forest resources based on the actual market price.



**Article 128. Additional punishment**

In addition to the main punishments described in Articles 123,124,125, 126 and 127 above, offenders may be subject to additional punishments such as confiscation of assets, vehicle and equipment used in the offences, suspension or withdrawal of permits, withdrawal of use rights to forest, forestland and forest resources.

**CHAPTER XII  
FINAL PROVISION**

**Article 129. Implementation**

The government of Lao People's Democratic Republic is the implementing agency of this law.

**Article 130. Effectiveness**

This law comes into effect after 60 days from the day that the President of the Lao People's Democratic Republic issues a presidential decree promulgating the law.

This law replaces the Forestry Law, No. 13/ NA, dated 9 November 2005.

**President of the National Assembly**

(Signature and Seal)

Thongsing THAMMAVONG