

FORESTRY LAW

CHAPTER I GENERAL PROVISIONS

Article 1. Objectives

This Forestry Law determines the 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 at maintaining a balance of nature, making forest and forestland stable sources of living and use for the people, ensuring a sustainable condition and protection of the environment, water resources, protection from soil erosion and maintenance of soil quality, protecting plants, tree species wildlife and aquatic life, as well as contributing gradually to national socio-economic development.

Article 2. Forest

Forest is a precious natural resource of the nation and its specific ecology consists of biodiversity, water resources and forestland with various tree species growing naturally or planted in the protection forest zone, conservation forest areas and production forest areas.

Article 3. Interpretation of Terms

The terms applying in this Law have the following meaning:

1. *Forest resources* are various resources both living and non-living consisting of soil, plants, trees, water, aquatic life, wildlife and all other things existing in the 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 regeneration of vegetation through seeds, roots, stumps of various tree species growing in the forest regeneration zone with ground clearing and thinning to extend trees growth.
4. *Forest regeneration through supplementary planting* is the supplementary planting of tree species that are 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 are scattered and irregular, or some of the original species in the areas close to extinction or already disappearing in need of regeneration.
5. *Regeneration Forest* is the forest areas in degraded condition and has been designated for regeneration such as young secondary forest designated regenerating from old fallow forest to become a plentiful natural forest again.
6. *Dry dip carp forest* is natural forest areas with low density of the trees with a specific forest ecology; it performs the function of keeping underground water with shallow soil layers and rocky slabs under the soil surface. The main tree species growing in this forest area have thick bark and a small trunk resistant to drought and forest fire. In addition, this is also a place to collect food stuff, medicines and so on for the people.
7. *Conversion of Forestland* is the change from Forestland type to another land type with other purposes.
8. *Lease or concession of Forestland* is the utilization of forestland for carrying out forestry activities such as forest regeneration and planting of trees, NTFP collection and industrial plantations.
9. *Degraded forest* are the forest areas that have been heavily damaged such as land without forest or barren forestland, which are allocated for tree replanting, agriculture- trees products, permanent animal husbandry areas or using land for other purposes in accordance with the socio-economic development plan.
10. *Fallow forest* are the forest areas where deforestation for cultivation has been practiced or areas which have gone under various forms of encroachment for many years. These areas have a possibility of becoming rich natural forests in the future again.
11. *Degraded Forestland* are the forestland areas where forests have been heavily and continually damaged and degraded causing the loss of balance in organic matter, which may not be able to regenerate naturally or become a 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* are the forestland areas without trees caused by natural or human destruction.

13. *Village use forests* are the forest areas located within village areas and allocated to be under the village management, preservation and utilization according to the land and forest allocation plan.
14. *Forest products* are all kinds of Non-Timber Forest Products (NTFP) growing naturally and they can include trunks, stems, vines, tubers, roots, buds, shoots, leaves, flowers, fruits, grains or seeds, bark, oil, resin, mushrooms, honey and so on.
15. *Wood products and Non-Timber Forest Products* are timber and NTFPs that have gone through processing stages to transform them from their original form 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 law and regulations.
17. *Forest development* means the regeneration of degraded forest areas or reforestation after logging or heavy destruction using technical and scientific methods to upgrade the quality of the area and increase forest cover.
18. *Forestland development* means the improvement of land quality from degraded land to become abundant land.
19. *Natural forest* means forests where trees and NTFP species have occurred and developed in nature without human assistance
20. *Ecosystem* refers to the interrelationship between living and non-living systems that exist in nature.
21. *Biodiversity* means diversity of ecosystems consisting of various types and species of living things such as vegetation, animals, insects and micro-organic bodies in a certain space of nature.
22. *Log yard I* refers to the holding place of logs that are removed from cutting places in the logging area according to the logging plan.
23. *Log yard II* refers to the holding place of logs transported from log yard I ready for transport to the processing factories all year round incorporating the consideration of methods to avert natural disasters and other accidents, as well as being the place where logs are measured, listed and where the quality classification of the log is recorded.
24. *Forest and Forestland activities* mean management, protection, development, utilization and inspection of forests and forestlands.
25. *Cutting circumference size* means the certain diameter or circumference of trees in the production forest that the state permits for logging to supply raw materials to processing industry factories.
26. *Buffer zone* means the forest and Forestland areas surrounding the Conservation Forest areas of 100m to 500m in width.

27. *Wood processing industrial 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 production between provinces within 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 authority unit at the grass roots level including village clusters.
32. *Carbon market* means: the trade of Carbon Dioxide (CO₂) sequestered by forests 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 nation community and The State manages through centralization and unity through out the country.

Trees planted by people or planted by an organization in the areas designated with their labor and/or funds within recognition of the Forest and Forestland Management Organization shall 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 Forestlands in connection with the socio-economic development plan and in building facilities and technical bases for preserving the environment, water resources, biodiversity and people's livelihoods including the provision of sedentary livelihoods.

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

The State encourages indirectly, the utilization of forest for such purposes as tourism sites, recreation sites, research sites, carbon market offsets and so on according to the laws and regulations.

Article 6. Principles of protection, development and utilization of forests and Forestlands

Protection, development and utilization of forests and Forestlands shall be implemented according to the following principles:

1. Ensuring the central 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 protection, regeneration, development of forests and Forestlands, water resources, biodiversity and the environment to abundance with people's participation.
4. Ensuring benefits to the State, organizations and individuals engaged in protection, development of forests and Forestlands according to the laws and regulations.
5. Ensuring effective, efficient and sustainable utilization of forests and Forestlands without negative impacts on the environment.
6. Linking the forestry development strategy of Lao PDR with regional and international.

Article 7. Obligations in the protection and development of forests and Forestlands

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

Individuals, households and organizations have the obligation to protect and develop forests, forest resources, Forestlands, water resources, biodiversity and environment in accordance with the laws and regulations and to refrain from causing degradation, depletion or erosion of forests and Forestland areas, and to prevent forest fires 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 areas through the exchange of experiences, information, science, technologies, human resource development, participation and execution

of bi-lateral agreements and international treaties to which Lao PDR is a signatory

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 Forests
2. Conservation Forests
3. Production Forests

Article 10. Protection Forests

Protection Forests are forests classified for the function of protecting water resources, river banks, road sides, preventing soil erosion, protecting soil quality, strategic areas for national defense, protection from natural disasters, environmental protection and so on.

Article 11. Conservation Forests

Conservation forests are forests classified for the purposes of conserving nature, preserving plant and animal species, forest ecosystems and other valuable sites of natural, historical, cultural, tourism, environmental, educational and scientific research experiments.

Conservation Forest consists of National Conservation Forest areas and Conservation Forest areas at the Provincial, District and Village levels which is described in the specific regulation.

Article 12. Production Forests

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

Article 13. Forest areas

Respectively classified as protection forest, conservation forest and production forest areas and include dense forest, degraded forest, bare forestland and village use forest according to the designed zone 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 surveys.

Article 15. Forest survey

A forest survey has the following contents:

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

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 management and development planning.

Article 16. Forest classification and management planning

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

Forest classification planning shall follow these principles:

1. To be according with the socio-economic development plan, national defense and security, forestry strategy Forest and forestland use plan;
2. To ensure the unified formulation of plans for forest preservation and forest development;
3. To ensure sustainability of logging, use of timber and forest products as well as natural regeneration of trees and NTFP;
4. To ensure the construction of infrastructure such as hydropower dams, roads and so on.

Article 17. Research experiments

Research experiments for breeding, improving the growth, use of timber, and forest products in terms of quantity and quality are allowable research for testing and piloting effective models and technical standards for forest management are also promoted.

The State promotes organizations and individuals to study, research and to invest in establishing a technical research institute.

Article 18. Logging survey

The logging survey is to define the quantity and species of timber classified in the production forest which has been planned for the construction of infrastructure and submitted to the government for consideration and approval for logging.

The logging survey in the Production Forest zone shall follow the main principles 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 the regulations.
2. Selection, marking and stamping of the trees to be cut according to the regulations to ensure regeneration and prevent negative impacts on the environment.
3. Defining logging and hauling roads, and places for log landings or log yards.
4. Formulating an annual harvest plan for submission to the government for consideration and approval.

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

Article 19. Survey for harvesting forest products

The survey for harvesting forest products is to define the quantity and species of NTFPs in Protection Forest, Conservation Forest, Production Forest and infrastructure construction areas and then submit to the government for consideration and approval.

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

The State allows the import, distribution, management, inspection, and registration of all kinds of logging, processing, log hauling and transportation vehicles and machinery.

Import of vehicles specified for hauling logs and logging machinery shall obtain the permission from the concerned ministries with the approval of the

Ministry of Agriculture and Forestry. Possession of logging machinery shall be registered with the agriculture and forestry authorities.

Logging machinery, vehicles for log hauling and transportation involved in projects approved by the government shall operate in accordance with specific regulations.

Import, distribution, possession and use of all kinds of timber processing machineries shall require the permission from the Ministry of Industry and Commerce as prescribed in the Processing Industry Law.

Article 21. Measuring and quality grading

Logs compiled at the log yard II shall be measured thoroughly, graded and recorded in the log list according to regulations of 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, and Production Forest areas;
- preservation of water resources within the forest zone;
- preservation of tree and NTFP species;
- prevention and against pests and tree diseases;
- prevention against forest fires;
- restriction of shifting cultivation and illegal logging.

Article 23. Preservation of Protection Forest

Preservation of Protection Forests is to preserve water resources, prevent soil erosion and maintain soil quality, safeguard strategic areas for national defense, to prevent natural disasters and to protect the natural environment and so on.

Protection Forest areas are divided into total protection zones and controlled use zones.

Total protection zone are the forest areas of which the slope is above 35 degrees, containing areas of water resources, forests along the rivers, roads and other areas with a high risk of environmental 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, feeding animals, constructing houses or any other construction activities, including extraction of soil, stones, mining and ore and harvesting of NTFP with exceptional cases stated 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 similar to the total protection zone, but people are allowed to use wood and forest products according to the management plan.

Article 24. Preservation of Conservation Forests

Preservation of Conservation Forests is to maintain abundance in the forest as well as the preservation of plants 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 park which are suitable for tourism as well as areas for scientific research experiment.

Conservation Forests are divided into total protection zones, controlled use zones, corridor zones and buffer zones.

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. Transportation of plant and animal species is also prohibited with exception to the cases stated 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 similar to the Total Protection Zone, but people are allowed to use wood and forest products according to the management plan.

Corridor Zones are managed areas for preserving tracts of forest to provide passages for animals between two Conservation Forests or between a Conservation Forest and another category of forest to preserve existing biodiversity and to increase the general wildlife population. In this zone, it is prohibited to cut trees, conduct forestry activities or any other activity that may obstruct or destroy the passage for the animals.

Buffer zones are managed areas for preventing any encroachment and destruction in the Conservation Forest.

Article 25. Preservation of Production Forests

Preservation of Production Forests is to maintain the abundance of forest for satisfying the requirement of the national socio-economic development and poverty eradication of the multi - ethnic people..

Preservation of Production Forest areas has the following contents:

1. Clear demarcation of the Production Forest areas
2. Surveying and classifying forests in the Production Forest areas into preservation zones and development zones such as forest area for the protection of water sources, environment, forest areas to be reserved for research, forest areas of historical, socio-cultural values, areas for forest regeneration and areas for possible logging and NTFP harvesting.
3. Planning and taking measures for the preservation and development such as planning the conservation and water resources protection zones including environmental protection, and plans for forest regeneration and logging plan.
4. Implementing management of Production Forests according to the plans and the measures with participation of the local people.
5. Logging and harvesting of NTFPs shall be carried out strictly following the procedures and laws and regulations.
6. Systematically Conducting monitoring and evaluation on the plan implementation.
7. Implementing regulations and measures for preservation.

Article 26. Preservation of water resources in forest zones

Preservation of water resources in forest zones is to protect the forest area where rivers, streams and creeks originate and flow. The government assigns the Ministry of Agriculture and Forestry to demarcate water resource protection areas, to formulate plans and measures for protecting them, and collaborating with other sectors concerned and local administration authorities.

Preservation of water resources in forest areas contains the following measures:

1. Survey of forest conditions in water resources area;
2. Demarcation of water resources in 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. taking measures and regulations for strict management and maintenance such as the prohibition of cutting trees or logging, shifting cultivation, burning forests, construction houses, forest business operation and other forms of forest destruction in the area.
5. Others necessary activities.

Article 27. Preservation of trees and NTFP species

Preservation of tree and NTFP species, mainly prohibition species and rare are at risk of extinction in 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 defined by the State is encouraged to increase and enrich the species.

Preservation of tree and NTFP species contains the following measures:

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

Article 28. Prevention and Eradication of pests and diseases in trees

Prevention and eradication of pests and tree diseases is to prevent the out-break and spreading of pests and diseases, and e implement eradication measures in time and effectively.

Prevention and eradication of pests and diseases contains the following measures:

1. Study the out-break and spreading of forest pests and diseases;
2. Conducting prevention and control activities of pests and diseases to prevent the spreading of pests and diseases in the forest area;
3. Defining pest and free disease zones and protection zones;
4. Establishing research center for pest disease prevention and eradication, and issue certificates of production management, distribution and utilization of pest and disease free tree seeds;
5. Strict prohibition of the import or transport of tree seeds infected with pests and diseases;
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 fires is to protect forests and forest resources from destruction by fire.

Prevention and control of forest fires contains the following measures:

1. Taking any regulations and necessary measures on forest fire prevention and control;
2. Conducting dissemination, education to people to raise awareness about the danger and causes of forest fires and to avoid any activities leading to forest fires, such as burning of grassland, burning for shifting cultivation, making fire camps in the forest and throwing cigarettes in the forest;
3. Planning forest fire prevention;
4. When forest fires occur, all parties are encouraged to use vehicles, equipment and labor to extinguish the fire according to the Law on Prevention and Control of Fire.
5. Other necessary activities.

Restriction of shifting cultivation is to carry out all activities in encouraging, promoting, and disseminating policies and laws to the people who practicing shifting cultivation to change to sedentary livelihood.

Restriction of illegal logging is to carry out all activities related to the management, preservation, forest development and use including monitoring, inspecting and implementing incentive policies for outstanding people and measures against violators to ensure tree harvesting is lawful and according to regulations relating to the forest.

Section 3

Forest development

Article 30. Forest regeneration and forest plantations

Forest regeneration and forest plantations are designed to preserve and to develop the national forest resources aiming to supply the demand of the utilization of timber and other forest products in a sustainable manner to preserve water resources, soil, aquatic life, wildlife and keep the environment in balance condition, which is an important source of revenue for the State, organizations and individuals.

Article 31. Principles of forest regeneration

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

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

1. To survey the situation of reproductive conditions of trees species in the forest area that would be planting;
2. To demarcate the area by marking boundary signs;
3. To select tree species suitable for the forest area;
4. To formulate forest regeneration plans or projects;
5. To strictly carrying out the management and maintenance;
6. Registration of forest regeneration activities in accordance with regulations.

Article 32. Plan for forest regeneration and forest plantations

The forest and forestland management organizations in collaboration with local administration authorities and sectors concerned which are responsible for formulating short, medium and long term plans for regenerating forests, forest planting in the areas of their competence, in addition they are required to indicate the tree species that would be planted, land area, location and funds including the operators who would regenerate and maintain the area.

Article 33. Demarcation of forest regeneration areas, forest plantations and species trees plantations

The forest and forestland management organizations in collaboration with parties concerned and local administration authorities to survey and to demarcate forest regeneration and forest plantation areas.

The area for forest regeneration should focus on degraded natural forest and young fallow forest areas. Forest plantation areas, should focus on degraded forestland and bare forestland which have been classified.

Definition and selection of tree species that would be planted shall be based on the soil and climatic conditions within the locality and actual requirements or needs of the area.

Article 34. Promotion of forest regeneration activities

The State promotes individuals, households and organizations to regenerate degraded natural forest and young fallow forest areas through supplementary plantation activities and maintain such areas to increase forest density dense forests again and they will benefit from the promotion policy of the State in accordance with regulations.

Article 35. Promotion of tree and NTFP plantations

The State promotes individuals, households and organizations to plant trees and NTFPs for protecting the environment and commodity production by issuing appropriate policies for the domestic and foreign investment such as policies on the property, credit, exemption or reduction of land taxes, tax and

duties on plant tree species, a lease or concession, technical services and so on in accordance with regulations.

Plantation of trees and NTFPs in the Production Forest area is to supply raw materials of timber and forest products to industry and handicraft processing factories to produce commodities as well as improving people's living conditions in accordance with the socio-economic development plan.

Plantation of trees and NTFPs in Protection Forest and Conservation Forest areas to preserve water resources, biodiversity and environment is not allowed with the exception of customary use in the management utilization zones. The policy, rights and interest of the forest planters is provided in specific regulations.

Article 36. Management of tree and NTFP plantation activities

Management of tree plantations and NTFP activities in the Protection Forest, Conservation Forest and Production Forest areas shall be carried out in accordance with regulations such as the selection of planting areas, site preparation, selection of tree and NTFP species, including the import of seeds, collection of seeds, production of seeds, planting, maintenance, prevention of fires, pests and diseases, and registration of the planted forest.

Article 37. Sources of the Fund

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

Sources of the Fund come from the State budget allocation, natural resource utilization projects, contributions from individuals, organizations, collectives, social organizations of local and international agencies and so on.

Article 38. Management and use of the Fund

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

The Forest and Forest Resource Development Fund is to be used in the specific forestry activities, and mainly for Protection Forests, Conservation Forests and Production Forests, forest plantation and forest regeneration, for preserving water resources and the environment, and for generating wildlife and aquatics animal species, for dissemination of policy, laws and regulations, and technical aspects related to forest activities.

Section 4

Forest utilization

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

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

- utilization for village public benefits
- utilization for households
- customary utilization
- utilization for business operations

Utilization of all categories of forest and forest protection shall avoid causing any negative impacts to forest and forest production areas, nature, the environment and society.

Article 40. Utilization of forest and forest products for village benefit

Utilization of timber for construction activities such as the village office, meeting hall, schools and dispensary are allowed to use the timber only from the village use forest with the authorization of the District or Urban Administration authority by recommendation of the District or Municipal Agriculture and Forestry Office in accordance with the Provincial or Vientiane Capital annual logging plan which is approved by the government.

Non-commercial utilization of forest products for medicinal use, decorative activities, exhibition is allowed in the classified forest zones.

Commercial utilization, shall be practiced as stated in Article 43 of this Law.

Article 41. Utilization of forests for households

The State allows people in the village to use non-prohibited timber species in the village use forest for constructing and repairing houses in particularly for those households in necessity, such as households which have no house to reside in, households with very old houses, or houses which have collapsed, damaged or destroyed by disaster, with the approval from the village administration authority and permission from District or Municipal Agriculture and Forestry Office and accordance with specific regulations.

For natural trees prohibition, special and controlled tree species that exist in the field, orchard areas of individuals or households which the State granted the right to use such land, shall inform the village forestry unit for inspecting and management. These individuals and households have the right to use and enjoy the benefits from these trees according to regulations.

Planted trees of household can be cut and transported exempt prohibition trees and special species trees shall inform to the village forest unit to inspect and to manage them according to law and regulation.

Article 42. Customary utilization of forests

Customary utilization of forests is the use of forest and forest products that has been practiced for a long time in accordance with laws and regulations. The State allows the use of timber and harvest of forest products in non-prohibited forests for household utilization without adverse impact on forest resources, and the environment as well as reflecting the rights and interest of individuals or organizations.

Customary utilization of forest and forest products shall be practiced in accordance with a designed plan and with village regulations and laws and regulations on forests.

Article 43. Utilization and forest products for business operations

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

Tourism and recreation shall be undertaken in the management areas of protection forest, preservation forest and production forest in so-designated zones.

Logging and harvesting forest products for commercial purposes are allowed in the construction of infrastructure areas and Production Forest areas and shall be logging as the principles are described in Article 49 of this Law.

As for wood for construction poles and energy, harvest shall be undertaken only in the state permit areas for constructing infrastructure and in only the areas of clearance for production activities.

The State does not permit any individual or organization lease or concession of natural forest to undertake logging and harvesting of NTFPs.

Article 44. Conversion of natural forest categories

The conversion of Production Forest to Protection Forest or Conservation Forest, or Conservation Forest to Protection Forest is approved by the government based on proposals made by the Ministry of Agriculture and Forestry.

The conversion of Protection Forest to Conservation Forest or Production Forest, or Conservation Forest to Production forest requires the approval from the National Assembly's Standing Committee based on proposals made by the government.

Article 45. Business operations in the forest

Business operations in the forest consists of the following main activities:

1. Production of tree and NTFP seedlings;
2. Planting trees and NTFPs;
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 with the desire to operate businesses using forest and forest products shall have approval from the forest and forestland management authority and register the enterprise according to the Law on Enterprise.

Article 46. Production of tree and NTFP seedlings

The State promotes individuals, households and organizations to undertake tree and NTFP seedling production to supply the demand of the market and forest development.

Article 47. Tree and NTFP planting

The State promotes individuals, households and organizations to be engaged in commercial tree and NTFP planting to supply raw materials to processing industry factories through incentive policies as described in Article 35 of this Law.

Planting trees and NTFPs shall be carried out in the designated sites in accordance with the principles as described in Article 33 of this Law.

Article 48. Felling of planted trees

Felling and transport of planted trees for commercial commodities shall report to the village forestry unit except prohibited tree species and special trees require the permission from Provincial or Vientiane Capital Agriculture and Forestry Office by proposal made by the District 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, surveys and sustainable management plans have been completed and only in the areas that the government permits the construction of infrastructure.

Logging and harvesting of forest products in the Production Forest area shall abide by the following main principles:

1. Assigning forestry staff to be posted at logging sites for managing, monitoring and controlling the logging correctly in line with the principles and regulations;
2. Using logging units that are officially established;
3. Logging shall be carried out in the areas and exercised as in the approved plans by the government;
4. Logging only the species and trees marked and stamped to be cut by the Forest and Forestland Management Organizations;
5. Felling trees must be carried out in accordance with the technical prescriptions and in the season and all harvested trees must be collected for maximum utilization;
6. Applying the selective cutting system to ensure natural regeneration, minimizing impacts on the natural environment and society and limit 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;
8. After logging, clean up the areas and conduct enrichment planting;
9. After logging is completed according to the plan, the logging area shall be declared as a closed forest and formulated measures for regeneration activities and forest maintenance to ensure that logging shall be able undertaken in the next cycles will be conducted.

Logging in the general forest that the government permits for constructing infrastructure there are specific management regulations.

The harvest or collection of forest products shall follow specific regulations issued by the relevant organization.

Annual logging plans shall be approved by the National Assembly based on the proposal made by the government.

Article 50. Processing of timber and forest products

The processing timber and forest products received promotion from the government for encouraging value-added activities aiming to satisfy domestic consumption and to process finished products for export.

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

Article 51. Distribution of NTFP and wood products

Only standardized NTFP and wood products can be distributed.

Internal distribution and external distribution shall follow the market mechanism in compliance with law and regulation of Lao PDR and international agreement to which it is a signatory.

Article 52. Import and export of timber and forest products

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

The government is the only authorized body to grant permission for export of natural logs and planted trees of prohibited species, sawn timber, tree stumps and trees. Planted trees that are not listed for prohibition and special species can be exported, however in compliance with the related regulations.

Import and export of timber and forest products shall be in accordance to the law and regulations.

Article 53. Transport of timber and forest products

Transportation of logs and forest products within the country shall be in compliance with the laws and regulations such as: the payment of resource tax and duties, each log must be marked and stamped as "PM" (in Lao alphabet Por Mor), with documents for transport, transporting through pre-determined routes with weight checkpoints, in the right season and time, and declaration at the prescribed checkpoints.

Article 54. Ecotourism

The government promotes individuals, households and organizations to operate business on ecotourism scenic sites, valuable biodiversity areas in the protection forests, conservation forest and production forest as classified zones and shall not cause negative impacts on the environment.

Article 55. Logging unit

The Logging unit is an organization has been established by the approval of the Ministry of Agriculture and Forestry to conduct logging and hauling logs from logging sites to the log yard II, including tree plantation and maintenance of forests with people's participation and The logging unit is under the administration of the agriculture and forestry authorities.

After establishment, the logging unit shall strictly operate in accordance with the plan and logging regulations and other laws, and regulations and accomplish its full 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 management as follows:

- Protection Forestland
- Conservation Forestland
- Production Forestland.

These 3 categories of forestlands cover of the regeneration forestland, dry forestland, degraded forestland or barren forestland and village use forestland.

Article 57. Management of forestland

The Ministry of Agriculture and Forestry is authorized to manage forestland and to define forestland types in collaboration with other sectors concerned to study and making regulations in the management, preservation, development and utilization of these types of land including preservation of environment and then submit them to the government for consideration and approval.

Section 2 Preservation of forestland

Article 58. Preservation of forestland

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

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

Article 59. Preservation of Protection Forestland

Preservation of Protection Forestland is to demarcate Protection Forestland into total protected zones and controlled use zones as well as formulating plans and management measures to prevent causes will happen or happening cause of soil erosion, degradation of soil quality, change of the watershed ecosystem, deterioration of water sources, impacts on strategic areas for national defense and security, and the environment.

Article 60. Preservation of Conservation Forestland

Preservation of Conservation Forestland is to demarcate Conservation Forestland into total protected zones, controlled-use zones, corridors and buffer zones, as well as formulating plans and management measures to prevent all encroachments and destructive actions and events that may adversely affect the forest ecosystem and cause damage to flora and fauna, biodiversity, cultural values, historical, natural heritage and other values in the Conservation Forestland.

Article 61. Preservation of Production Forestland

Preservation of Production Forestland is to formulate zoning plans of management areas for sustainable use in accordance with the management plans of Production Forests as well as taking any measures for managing, preservation and preventing all actions and events that lead to encroachment, destruction or conversion of Production Forestland into another land category or have adverse impacts on forest ecosystems and the environment causing deterioration of natural resources.

Section 3**Development of forestland****Article 62. Development of forestland**

The Ministry of Agriculture and Forestry is authorized to develop forestland by creating a coordination mechanism between sectors concerned, local administration authorities and all parties in the society including people to take part in forestland development by issuing policies, methods and measures related to preservation, improvement and rehabilitation of land to be in better condition with higher values and maintaining a healthy forest ecosystem.

Article 63. Development of Protection Forestland

Development of the Protection Forestland are the activities leading to improve soil quality and land soil rehabilitation through regenerating young fallow

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

Article 64. Development of Conservation Forestland

Development of Conservation Forestland are activities in the land plots in Conservation Forest areas for improving soil quality, soil rehabilitation, tree planting and planting of various plants species aiming for conservation of forest ecosystems, wildlife species, biodiversity, cultural, historical and natural heritage and other values within the Conservation Forestland area.

Article 65. Development of Production Forestland

Development of Production Forestland refers to the activities for the improvement of soil quality and rehabilitation of land in the Production Forest areas to make land became abundance focusing on plantation of tree species that are suitable for soil and climatic conditions to increase quality and quantity of timber and forest products for satisfying the requirement of socio-economic development and improve living condition of people.

Section 4
Utilization of forestland

Article 66. Categories of forestland utilization

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

- utilization for public benefits
- utilization for households
- utilization for business operations

All categories of forestland utilization shall not cause negative impacts on forest, soil quality, nature, the environment or society.

Article 67. Utilization of Forestland for public benefits

Utilization of forestland for public benefits is to use forestlands for tree planting to preserve the environment and landscape values, to create tourism sites and recreation sites with the permission from relevant authorized organizations.

Article 68. Utilization of forestland for households

Utilization of forestland for household is to use degraded forestland or barren forestland according to the households' availability of labor and funds for

forest regeneration, planting trees or NTFPs in the land area of not more than three hectares per laborer in the household. In the case of additional need for more area, households have the right to request for lease or concession such area from the State.

Article 69. Utilization of forestland for business operations

Utilization of forestland for business operations in the degraded forestland where forests cannot be naturally regenerated and barren forestland areas, which are so designated, and shall be operating in accordance with the Law on Enterprise and other related laws.

Article 70. Conversion of forestland

Conversion of forestland under the management of the State to another land type is possible if it brings a high level of benefits to the nation and to livelihoods of the people and it is included in the national socio-economic development plan, and able to be undertaken only in the designated areas.

Entities that have been approved to convert land shall be responsible for paying fees for technical services, royalties and conversion fees. In the case of temporary conversion such as mining exploitation and other production activities, the land must be restored and replanted.

In case that the State needs to convert forestland, which is allocated to an individual or organization use for the purposes and setting up target to be used for another purpose with a high level of national benefits, the State shall compensate the individual or organization according to laws and regulations.

Article 71. Types of converted forestland

There are 2 types of converted forestland: temporary type and permanent type.

The temporary type of converted forestland is to convert the forestland into another land type to conduct certain activities. After these activities are completed, such converted land must be re-converted back to its original forestland type such as the conversion of forestland into industry land for mining exploitation.

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

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

Article 72. Organizations have the rights to make decisions on conversion of degraded forestland

The conversion of degraded forestland to other land is possible when there is a necessity and only benefit to the local without any cause of negative impacts to nature, the environment and society. Such a conversion is only allowable in designated areas.

Organizations have the rights to decide on the conversion of degraded forestland, which not naturally regenerate:

1. Provincial or Vientiane Capital Administration authorities for degraded forestland areas of not more than 100 hectares per one activity by the proposal made 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 for degraded forestland areas of more than 100 hectares to 1,000 hectares per one activity by a proposal made by the National Land Management Authority based on the agreement with the Ministry of Agriculture and Forestry and Provincial or Vientiane Capital Administration Office. In the case of more than 1,000 ha, the parties shall have the approval from the National Assembly Standing Committee.

Article 73. Organizations have the rights to make decisions on the conversion of barren forestland

The conversion of barren forestland to other land is possible when there is a necessity and only benefit to local without any negative impact to nature, the environment and society and can be converted only in designated areas.

Organizations have the right to decide on the conversion of barren forestland:

1. District or Municipal Administration Authority for barren Forestland areas of not 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 Authority for barren forestland areas of 30 hectares to 200 hectares per one activity based on the proposal made 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 areas of 200 hectares to 10,000 hectares per one activity by the proposal made by the National Land

Management Authority based on the agreement of the Ministry of Agriculture and Forestry and Provincial or Vientiane Capital Administration Authority. In the case of more than 10,000 ha, such parties require the approval from the National Assembly Standing Committee.

Article 74. Lease or concession of forestland

The lease or concession of forestland for regenerating forests, planting trees, industrial trees plantations and NTFPs operating in degraded forestland, which not be able naturally regenerate, and in barren forestland which is designated, and shall follow the principles:

1. To study on socio-economic information, appropriateness to natural conditions such as soil, weather, elevation from sea level, rainfall, water resources, rights to use the land, local labor availability; to survey the situation of forests and forest resources and other necessary aspects.
2. Formulation of economic feasibility analyzed report which is approved by the Forest and Forestland Management Organization and other authorities concerned.
3. Formulation of an environment and social impact assessment including appropriate mitigation measures, with the approval from the concerned authorities.
4. Formulation of an action plan which focuses on preserving of water resources and the environment, land preparation, village development, promote people to participate in the production process, by applying technology, and including benefit sharing.
5. To implement the laws and regulations concerned.

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

The scope of right to approve a lease or concession of degraded forestland, which not able to naturally regenerate into a forest, planted forest, industrial trees species or NTFP as follows:

1. Provincial or Vientiane Capital Administration Authority has the right to approve a lease or concession of degraded forestland, which not able to naturally regenerate with an area of not more than 150 hectares per one project and with a maximum lease or concession period not more than 30 years with extensible depending on the case, made through a proposal of 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 a lease or concession of degraded forestland, which is not able to naturally regenerate, with area of more than 150 hectares but under 15,000 hectares per one project and with a lease or concession period more than 30 years, but with the maximum period not more than 40 years, with extensible depending on the case, through a proposal made 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, such parties require the approval from the National Assembly Standing Committee based on the proposal of the government.

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

The scope of the right to approve a lease or concession on barren forestland for regenerating forests, planted forests, industrial tree species or NTFPs are follows:

1. Provincial or Vientiane Capital Administration Authority has the right to approve a 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 extensible depending on the case, through a proposal made 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 a 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 no more than 60 years with extensible depending on the case, through a proposal made by the National Land Management Authority based on the agreement of the Ministry of Agriculture and Forestry. In the case of more than 30,000hectares, such parties require the approval from the National Assembly Standing Committee based on the proposal made by the government.

In the rural and remote areas the period of lease or concession is more than 40 years, but with the maximum of the period not more 70 years with extensible depending the cases.

CHAPTER V
SCOPE OF PRESERVATION AND DEVELOPMENT
OF FOREST AND FORESTLAND

Section 1
Scope of preservation and development
of forest and forestland at the central level

Article 77. Forest and forestland developed and preserved 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, and the Ministry of Information and Culture to carry out the preservation and development of forest and forestland resources in a sustainable manner in accordance with the strategy national socio-economic development plans, the forestry strategy and the environment management strategy and the scope of the formulated management plans.

Article 78. Approval of forest and forestland areas preserved and developed by the central level

Protection Forest, National Conservation Forest and Production Forest areas with an area of more than 50,000 hectares which may cover several provinces, or cities are approved by the National Assembly based on the proposal made by the government.

Section 2
Scope of preservation and development of forest and forestland areas at local levels

Article 79. Allocation of forest and Forestland areas to local administration authorities

After forest zoning, forest category classification and delineation of forest and forestland areas, the government shall allocates those forests and forestland areas to the Provincial and Vientiane Capital, administration authorities, and then they shall allocate them to District or Municipal Administration Authorities who shall allocate them to village administration authorities to be responsible for management, preservation, development, use and strictly monitoring in accordance with laws and regulations.

In case that forest and forestland areas cover several provinces and the Vientiane Capital, the Provincial and Vientiane Capital Administration Authorities concerned are required to collaborate with each other in the management,

preservation, development, use and monitoring within their respective administration authorities and conduct such activities in accordance with the formulated management plans.

Article 80. Forest and forestland areas preserved and developed by Provincial or Vientiane Capital Authorities

Provincial or Vientiane Capital Administration Authorities allocate forest and forestland areas to various authorities in their line to manage, preserve, develop and use the area under their administration authorities.

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

The

Provincial Governor or Vientiane Capital Mayor are responsible for allocating forest and forestland areas to District or Municipal Administration Authorities and other sectors within their line agencies as described in Article 79 of this Law so as to manage, preserve, develop and use the area under their administration authorities.

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

Article 82. Forest and forestland areas preserved and developed by villages

The

District Governor or Municipality Chief is responsible for allocating forests to village administration authorities for the management, preservation, development and use according to land management, and the forest allocation plan at the village level.

The forests under the village responsibility shall be classified into three categories i.e. Protection Forest that includes water resources and river side forests, road side forests, Conservation Forest that include sacred forests and cemetery forests, and village use forests. In addition, there shall be unclassified land areas which are defined as production areas.

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

The Approval of forest and forestland areas that are under preservation and development of the local levels proceed as follows:

1. Forest and forestland area at the Provincial level are approved by the government based on the proposal made by the National Land Management Authority with agreement of the Ministry of Agriculture and Forestry;
2. Forest and forestland areas at the District or Municipal level require the approval by the Provincial Governor or Vientiane Capital Mayor based on the proposal made by the Provincial or Vientiane Capital Land Management Authority by the agreement of the Provincial or Vientiane Capital Agriculture and Forestry Office;
3. Forest and forestland areas at the village level require approval from the District Governor or Chief of Municipality based on the proposal made by the District or Municipal Land Management Authority by the agreement of the District or Municipal Agriculture and Forestry Office;
4. Utilization forestland at the village level according to land management and land-forest allocation plans for household and individuals use requires approval by the District Governor or Chief of Municipality based on the proposal made by the District or Municipal Land Management Authority with agreement of the District or Municipal Agriculture and Forestry Office.

Section 3

Forest and forestland preservation and development by households

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 individuals and organization which the State allocates forest and forestland areas for preservation and development;
2. Organizations of all economic sectors that the State allocates forestland through a lease or concession, or recognizes the right to use and own planted forest, including transferring of right to use of planted forest and forestland;
3. Households and individuals that the State allocates forestland to lease or concession, or recognizes the right to use and own planted forests including the transferring of the right to use planted forest and Forestland;
4. The armed forces agency that the State allocates forestland for preservation and development;

5. Scientific research institutions, and training skills and development centers that the State allocates forest and forestland areas for preservation and development;
6. Social organizations that the State permits to lease or concession for forestland areas for preservation and development.

Article 86. Forestland preservation and development by households

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

Article 87. Approval of forestland areas for preservation and development by households

Utilization of forestland areas by households according to the land management and land and forest allocation plan for use by households and individuals requires approval by the District Governor or Head of the Municipality based on a proposal made by the District or Municipal Land Management Authority after coordination with the District or Municipal Agriculture and Forestry Office and village administration authorities.

Article 88. Provision of a sedentary livelihood

The government and local administration authorities are responsible for encouraging and promoting people to practice sedentary occupations such as cultivation of agricultural crops, livestock husbandry, tree planting, handicrafts, etc in accordance with the laws and based on the potential capability of each locality through land and forest allocation, technical promotion, establishment of technical service centers, vocational training as well as providing credit.

**CHAPTER VI
RIGHTS AND OBLIGATIONS OF NATURAL FORESTS, FOREST PLANTATIONS
and FORESTLAND USERS**

Article 89. Acquisition of rights to use natural forest, planted forest and forestland areas

Right to use natural forest, planted forest and forestland areas is acquired through:

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

Article 90. Allocation right to use forest and forestland areas

The allocation right to use forest and forestland areas of the State is the decision of authorized organizations to grant forest and forestland areas to village administration authorities for long term sustainable use according to the management plan and laws and regulations.

Allocation of rights to use forestland is the decision of authorized organizations to grant forestland to individuals, households and organizations living in the designed forest area for the sustainable use according to the contract and laws and regulations.

Article 91. Transferring rights to use forest and forestland areas

The transfer of rights to use planted forest and forestland areas is allowed through means of sale, hand over or exchange, and shall be made in accordance with the related laws and regulations.

The right to use natural forest areas not to be transferred through inheritance.

Article 92. Inheritance rights to use forest and forestland areas

The right to use forest plantations and forestland areas can be inherited to children, husband or wife, father, mother, nieces, nephew or relatives after the holder of the user rights has past away. Inheritance shall be made in accordance with the laws and regulations.

The right to use natural forest areas not to be transferred through inheritance.

Article 93. Rights of forest and forestland users

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

1. To preserve;
2. To use;
3. To obtain usufruct;
4. To transfer user rights;
5. To inherit user rights.

State organizations only have the rights to manage, preserve, develop and use natural forest according to the laws and regulations, but have no right of transfer, inherit, lease or grant concession, except in cases described in Articles 75 and 76 of this Law.

The rights to customary use shall practice as described in article 42 of this law.

Article 94. Rights to preserve forest and forestland areas

Individuals, households and organizations have the rights to preserve planted forest and forestland areas according to the laws and regulations.

The State organizations have the rights to preserve natural forest and forestland areas that allocated by the State according to the laws and regulations.

Article 95. Right to use forest and forestland areas

Individuals, households and organizations have the rights to use forest and forestland areas including development of planted forests and forestland for certain purposes according to the designed plans which satisfy their own needs.

The State organizations have the rights to use and to develop the natural forest and forestland which is granted to use according to the allocation plans and laws and regulations.

Article 96. Right to usufruct from forest and Forestland areas

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

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

Article 97. Obligations of forest and forestland users

The users of forest and forestland areas 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 areas to be became continuously abundant;
3. To protect forests, forestlands, water resource in forests, the environment, wildlife and aquatic animals;
4. To restore the land, replant trees, and regenerate the forest when mining exploitation and other activities are completed;
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 funds to the Forest and Forest Resource Development Fund;

8. To provide information on the uses of forest and forestland as well as coordination and cooperation with the sectors concerned;
9. To use all methods to prevent forest destruction, forest fires, illegal logging and NTFPs, illegal hunting of wildlife and aquatics animals.
10. To execute other obligations as provided in laws and regulations.

Article 98. Loss of rights to use forest and forestland

The holders of the right to use forest and forestland shall lose their 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. Lose rights to use forest and Forestland by court's judgment.

Article 99. Termination of the right to use planted forest and forestland areas

The right to use planted forest and forestland areas of individuals, households or organizations shall be terminated in any of the following cases:

1. Voluntary renunciation of using right;
2. Transferring the right to use to another person;
3. Death of person or abolishment of an organization without any inheritors.
4. Transferring back the rights to use forestland to the public benefit, but the State shall compensate any loss in accordance with laws and regulations;

**CHAPTER VII
Prohibitions**

Article 100. Prohibitions for civil servants and forestry officers

The following behaviours are prohibited for civil servants and forestry officers:

1. To abuse of position and receiving bribery for their own benefits;
2. To abuse over function that causes damage to the State, collectives, or rights and interest of the people;
3. To abandon the duties and behave irresponsibly for the assigned tasks related to forests;
4. To release State and official confidential information 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 operate or take part in businesses concerning harvesting and trading of timber and forest products;
7. To give the log stamp hammer to a businessman or unauthorised people including staff who have no relevant responsibility;
8. To move, change or destroy boundary signs/stakes for Protection Forest, Conservation Forest and Production Forest areas;
9. To engage in violence, intimidation or threats and other illegal measures.
10. To have logging machinery and log hauling vehicles in the possession;
11. Other prohibited behaviours as provided in laws and regulations.

Article 101. Prohibitions for businessmen

The following behavior is prohibited by domestic and foreign businessmen:

1. To carry out forest and forest resource survey, logging, harvest of timber and NTFP exempt when permission is received;
2. To build veneer mills, sawmills, furniture factories and timber and NTFP processing factories without permission, and inside or nearby any forest categories;
3. To encroach and destroy forest and forest resources in the totally prohibited zones of Protection Forest and Conservation Forest, corridor zones between the Conservation Forests or between one Conservation Forest and other forest categories and other areas;
4. To illegally occupy trees, forests or NTFP and forestland areas in the possession, to cut trees in compensation of the log volume approved in the previous year's logging plan and logging before approval.
5. To clear any forest and forestland areas outside the approved areas;
6. To move, change or destroy boundary marking signs/stakes of Protection Forest, Conservation Forest and Production Forest areas;
7. To import foreign labour, log hauling vehicles and logging machinery and equipment without permission;
8. To cut, purchase, sell and transport any natural trees prohibition species and special trees which are nearly extinct without permission from the government such as: May Dou Lai (*Pterocarpus macrocarpus* sp.), May Kha Nhoung (*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 documents;
10. To offer bribery to forestry civil servants, forestry officers and people;
11. To falsify documents, seal, and log stamp hammer;

12. To use violence or refer to another person's name to intimidate civil servants, forestry officers or local people;
13. Other prohibited behaviours as provided in the laws and regulations.

Article 102. Prohibitions for people

The following behaviours is prohibited by people:

1. To destroy forests by encroachment, clearing, cutting, burning, and using chemical matters to kill trees, or other illegal actions;
2. To set up settlements in Protection Forest, Conservation Forest and Production Forest areas or manufacture without permission;
3. To cut, purchase, sell and remove or harvest natural timber prohibited species and special trees which are nearly to extinct without permission from the government such as: May Dou Lai (*Pterocarpus macrocarpus* sp.), May Kha Nhoung (*Dalbergia cochinchinensis*), May Padong (*Shorea hippocras*), May khamphi (*Dalbergia bariensis*), May Longleng (*Cunninghamia Sinensis*), May Champa Pa (*Michelia Champaca*);
4. To illegally occupy trees, forests, NTFP and Forestland;
5. To cooperate with businessmen, civil servants or forestry officer(s) in illegal logging, encroachment or destroying forests and forest resources;
6. To falsify documents, seal and log stamp hammer;
7. To use violence or refer to another person's name to intimidate civil servants, forestry officers, or other people;
8. To move, change or destroy boundary marking signs/stakes of Protection Forest, Conservation Forest and Production Forest areas;
9. To purchase or sell illegal timber;
10. Other prohibited behaviors as provided in the laws and regulations.

Article 103. Prohibitions for organizations and other individuals

To prohibit organizations and individuals behavior as follow:

1. To abuse of rights or the use of violence or referring to another person's name to intimidate civil servants and forestry officers, or other people;
2. To abuse the position/title and function for their own and others' benefits;
3. To operate businesses on logging, trading of timber and NTFPs by their own investment or with shareholders without permission;
4. To permit the conversion of forest and forestland categories, to permit a lease and concession of forestland unlawful, including the exchange of timber within projects;
5. To issue permission for logging and NTFP harvest;
6. To obstruct the working performance of forestry officers in action;
7. To suppress justice procedures on the proceedings of forest cases;

8. Other prohibited behaviors as provided in the laws and regulations

CHAPTER VIII

The Management and Inspection of Forest and Forestland areas

Section 1

The Management of Forest and Forestland areas

Article 104. Forest and forestland management organization

The government manages forest and forestland areas in a centralized and uniform way through out the country by assigning the Ministry of Agriculture and Forestry to be as central agency of coordination 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, the Department of Forestry acts as the secretariat;
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 the management of the forest, forestland, and various forestry activities, the Ministry of Agriculture and Forestry has the following rights and duties:

1. To perform as the secretariat to the government in elaborating the strategies and policies into programs, detailed projects, and laws and regulations for the preservation and development of forest and forestland areas throughout the country;
2. To disseminate, give instructions and guidance, monitor and inspect the implementation of forestry laws and regulations;
3. To do scientific and technical research related to forestry and to establish the network of statistic information and data collection, to provide training and upgrading technical knowledge on forestry;
4. To coordinate with concerned organizations in the implementation of forest and forestland activities mainly through surveys, classification, approval of use, lease or concession grants;
5. To cooperate with foreign countries regarding forestry activities;
6. To summarize reports on the results of the implementation of forestry activities across the country and submit to the government regularly;

7. To execute other rights and duties as provided in the laws and regulations.

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

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

1. To elaborate policies, strategies, resolution orders and regulations related to the management and use of forest and forestlands in the area of their own responsibilities, and to implement them;
2. To disseminate forestry laws and regulations;
3. To give guidance, encourage, 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 businesses, requesting for use, lease or concession of forestland to the Ministry of Agriculture and Forestry for further consideration;
5. To issue the permission for logging and harvesting NTFPs according to the notice of the Ministry of Agriculture and Forestry based on the approval of the government;
6. To coordinate implementation with concerned organizations in forest and forestland activities mainly through surveys, area zoning, approval of use, lease or granting concession;
7. To summarize reports on the 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 regularly; .
8. To execute other rights and duties as provided in the laws and regulations.

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

In the management of 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, ordinance, notices, and guideline related to forestry activities;
2. To disseminate forestry laws and regulations;
3. To give guidance, encourage, monitor, and inspect the work performance of the Village Forestry Unit mainly concerning the preservation and development of forest and forestland;
4. To organize the people at the village level to manage and preserve forest and forestland, and making arrangements in the allocation of land and forests to individuals, households and organizations;

5. To study the approval on the conversion of barren forestland according to the laws and regulations;
6. To summarize reports regularly on the implementation results of forestry activities within the District or Municipality and submit to the Provincial or Vientiane Capital Agriculture and Forestry Office and District or Municipal Capital Administration Authority;
7. To execute other rights and duties as provided in the laws and regulations

Article 108. Rights and duties of Village Forestry Units

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

1. To study and propose to the Village administration authority to issue regulations on customary use of village forests in compliance with the forestry laws and regulations;
2. To disseminate regulations on forests mainly concerning the importance and value of forests, forestland, water resources in forests and the environment to the villagers within their village;
3. To implement laws and regulations on forests, the allocation of forests and forestland to individuals and organizations within the village to manage, preserve, regenerate, plant trees, and expand forests for use in an effective way;
4. To organize villagers in managing, preserving, using forests and forestlands, water resources in forests, NTFPs and the environment within the village according to the real situation in the village;
5. To monitor the situation of forest change, the environment and forestry activities within the village and then report to the District or Municipal Agriculture and Forestry Office;
6. To take a leading role in monitoring and preventing adverse activities that may cause harmful effect to the forest, NTFPs, water resources in forests and the environment, such as illegal cutting of trees, forest burning and any actions that caused damage and destroy the forest on time.
7. To summarize and report implementation results of forestry work in the village to the District or Municipal Agriculture and Forestry Office regularly.
8. To execute other rights and duties as provided in the 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 in the management, preservation and development according to their respective roles and functions as provided in the specific

regulation. Inspection shall be exercised as described in Article 116 of this Law.

Section 2

Inspection of forest and forestland

Article 110. Purpose of inspection of forest and forestland areas

The inspection of forest and forestland areas is monitoring the activities of management, preservation, development and use of forests, forestlands and NTFPs by organizations, civil servants and forestry officers, and people including forest business operations, in order to ensure that those activities and operations are according to the laws and related regulations and other laws concerned focusing on the preservation and development of forests, forestlands 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, the Department of Forestry Inspection performs as secretariat to the Ministry of Agriculture and Forestry.

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 the implementation of laws and regulations related to the forest;
2. To inspect activities and projects related to forests, forestland and forest resources including the business operations in forestry and NTFPs;
3. To conduct investigations or interrogations of cases concerned with forests and forestland by applying investigative/interrogative and preventive measures as provided in the Criminal Procedures Law;
4. To propose to the parties concerned to issue an ordinance to cease forestry activities or to revoke functions and position of those staff, or related officers who have committed a crime;
5. To contact and coordinate with concerned authorities at the central and local levels in the implementation of their own rights and duties;
6. To provide a summary report on the inspection from time to time to relevant authorities regularly;
7. To execute other rights and duties as provided in the laws and regulations.

Article 113. Forestry officers

Forestry officers are government employees belonging to the Forest and Forestland Inspection Organization with the mandate of conducting inspection and investigation of the cases related to forests and forestlands in compliance with the Forestry Law and the Criminal Procedure law.

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

Article 114. Rights and duties of forestry officers

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

1. To conduct patrols and on-site inspections and following targets i.e. logging sites, log transport routes, log-yards, and factories using timber as raw materials, warehouses for timber and other places deemed necessary;
2. To receive and record cases and asking documents which are considered in violation of the laws and regulations on the forest;
3. To proceed with criminal cases of suspects mainly to conduct the investigation process include taking measures of investigation and preventive measures;
4. To summarize the investigation and prepare files of document submit to the People's Prosecutor to consider I charges criminal to the Court;
5. To contact and coordinate with other organizations concerned including local administration authorities regarding of the implementation of their duties.
6. To execute other rights and duties as provided in the laws and regulations.

Article 115. Forest and forestland inspection forms

There are three types of forest and forestland inspection forms:

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

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

Inspection with advance notice is the inspection carried out, when deemed necessary, by sending advance notice of 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 shall be inspected both check documents and inspect on the site.

Article 116. External inspection

External inspection is to check the performance of the Forest and Forestland Management Organization and the Forest and Forestland Inspection Organization to ensure capability strengthening, transparency and fairness.

External inspection includes:

1. Inspection undertaken by the National Assembly as provided in the Law on Oversight Function of 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 state enterprises to inspect the performance of officers of the Forest and Forestland Management or Inspection Organizations. When a violation of the law and regulation occurred they also have the right to propose to the concerned organizations to inspect such matter..

**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 utilization of forest and forestland areas without permission, and not relevant to the objective, and not pay for forest maintenance, and other fees as described in the regulations and law, then the Forest and Forestland Inspection Organization in collaboration with other concerned organization and local administration authority at the same level to settle such issues. If the forest and forestland user is not satisfied with the settlement, they have the right to submit a petition to the upper unit responsible of the settlement organization to settle the case and shall exercise according to the Law on Petition.

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 developed forest and forestland, the transferring rights to use forest and forestland and other civil contracts are settled by the court of law.

Settlement of civil conflicts related to forest and forestland, the village administration authority the location of forest or forestland to arbitrate the conflict,

If parties not happy with that settled judgment, they can submit to the District or Municipal administration authority for doing more arbitration, if the parties still not happy with the settled judgment either they , have the right to bring the case to the 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 the natural environment of the multi-ethnic people , with the special inclusion of young generations, the State determines 1st June as National Arbor Day with the aim of creating abundant and sustainable use of forest resources,.

Article 120. Uniform, Logo and Seal

The Forest and Forestland Management Organization and the Forest and Forestland Inspection Organization have their own uniform, logo and seal to be used in performing official tasks allocated by the Ministry of Agriculture and Forestry.

CHAPTER XI REWARDS FOR PERSONS WITH OUTSTANDING PERFORMANCE AND MEASURES AGAINST violators

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 areas, planting, forest regeneration and protection against the destruction of forest and forest resources, shall be commended with other rewards according to the regulations.

Article 122. Measures against violators

Individuals or organizations violated 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 violated laws and regulations related to forests and prohibitions with minor significance that is not

considered criminal and with damage worth less than 1,000,000 Kip, and are sincere to report and confess their incorrect actions and completely return the illegal assets shall be subject to warning and corrective education.

Article 124. Disciplinary measures

Any civil servant or state employee violated forestry related laws and regulations and prohibitions with minor significance that not considered criminal, and with damages worth less than 1,000,000Kip, and do not cooperate with the investigative authorities, shall be subject to the disciplinary measures according to the following case:

1. To be reprimanded and warned of such offense and recorded in his or her personal profile;
2. To suspend the promotion, salary increase and commendations;
3. To remove from one's post and transferred to a lower one;
4. To be dismissed from the public service without any incentive remuneration.

In addition, the person shall return all of the assets acquired illegally.

Article 125. Fine measures

Individuals, organizations, or enterprises who violated forestry related laws and regulations and the prohibitions as provided in this law which is not considered criminal and caused damage worth more than 1,000,000Kip, shall be fined the equivalent of the value of damaged timber, timber products, including forest resources based on the actual market price.

In the case of a second or habitual violation, the offender shall be fined 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 violated this law and caused damage to the benefits of the State, households and individuals by their misconduct with regard to the forest, shall be liable to pay the compensation equal to the damage caused.

Article 127. Penal Measures

Individuals, who violated this law and committed a crime such as: cutting trees or cleared forest not in compliance with the forestry regulations, burned or destroyed forest by any methods, harvesting NTFP not in compliance with laws and regulations, gave the log stamp hammer to someone who does not have authority/responsibility, unauthorized cut, traded or transport natural timber of protected and special species which are close to extinction without permission,

suppressing justice procedures on forestry cases, granting an approval of natural forest conversion or issued the permission of unlawful logging shall be subject to criminal sanctions and shall be punished in prison as described in Articles 139 and 143 of the Penal Law, and shall be fined 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 shall be subjected to additional punishments such as confiscation of assets, vehicles and equipment related to the offences, the State suspended or revoked the permits or revoked rights to use the forest, forestland and forest resources.

**CHAPTER XII
FINAL PROVISION**

Article 129. Implementation

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

Article 130. Effectiveness

This law becomes into effected after 60 days from the day that the President of the Lao People's Democratic Republic issued a presidential decree promulgation.

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

President of the National Assembly
(Signature and Seal)

Thongsing THAMMAVONG