

(Unofficial translation)

**Lao People's Democratic Republic  
Peace Independence Democracy Unity and Prosperity**

Prime Minister Office

Reference: 18/PM

Date: 4 October 2002

**Prime Minister's Order on  
Forestry Management Policy for the year 2002-2003**

Attention: Minister of Agriculture and Forestry; and Provincial Governors

- Pursuance to the Law on the Government of the Lao PDR No. 01/95 dated 6 March 1995
- Pursuance to the Law on Forestry No. 01/95 dated 11 October 1996
- Refer to the results of consultation and proposal of the Minister of Agriculture and Forestry No. 0124/AF.02 dated 22 August 2002

Prime Minister orders:

- 1) Ministry of Agriculture and Forestry shall re-explore forestry coverage areas in the whole country, allocate and classify existing forest area to reflect the actual situation. It should determine the areas for the complete abolition of deforestation while strategies should be set for forest protection and reforestation with a view to achieving sustainability and non-exhaustible resources.
  - As for exploring wood from the natural forest in 2002-2003 and subsequent years, the Government will approve an allocation of the rights to cut the forest within reservations where the approved logs need to be processed into semi-processed and finished products for domestic consumption and export with a view to raising national foreign currency revenue.
  - Logging and its related trading activities are stipulated in Article 9 and Article 11 of the Prime Minister Decree on Sustainable Forestry Management No. 59/PM dated 22 May 2002.
- 2) The Government completely prohibits exporting of logs and sawn timber from the forest. Nevertheless, logs and sawn timbers from industrial plantations will be considered on a case-by-case basis.
  - The government should stop issuing licenses for transit trade of logs and processed timbers of neighboring countries, except when a formal request has been made by related governments.
- 3) With regards to the Government's policy towards industrialization and modernization, improve infrastructure and production techniques to domestic wood processing factories, by rationally the existing resources in each province according to the production capacity of factories. Terminate the operation of under-standard and illegal sawn mills.
  - Timber processing factories and other factories that use wood as energy wishing to carry out activities in 2002-2003 and subsequent years are encouraged to use planted

wood mainly. They should start planting fast-growing trees and plants which can be used as input for their operations as specified below:

3.1 **Factory category I**, defined as a factory with more than 200 workers, with more than 200 horse power (hp) engines and with high environmental impact, shall plant at least 15 hectares of the forest.

3.2 **Factory category II**, a factory with 51-199 workers and 51-199 hp engines, and having medium environmental impact, shall plant at least 10 hectares.

3.3 **Factory category III**, a factory with 10-50 workers and 5-50 hp engines, and having low environmental impact, shall plant at least 5 hectares.

- Any factories which fail to carry out plantation for their production materials, or operate under-standard or illegally will be ordered to be shut down by the Minister of Agriculture and Forestry.
- 4) Minister of Agriculture and Forestry and provincial governors shall survey and monitor the natural forests that is affected by deforestation, illegal logging or shifting cultivation and similar causes, and then propose to the Government to be announced as 'Closed Forest' and reforested areas. In addition, [Minister of Agriculture and Forestry and provincial governors] shall survey wild plants in order to ban their exploitation explore them completely.
- 5) Ministries, ministerial equivalent agencies, and provinces including Vientiane Municipality and Special Administration Zone shall strictly implement and monitor this Order and other legislation related to forestry management.
  - Any sector, local authority, or any person who fails to adhere to this order shall be subject to punishment as terms stipulated in the Forestry Law and related laws.
- 6) This Order shall be effective from the date of its signing. Previous orders on forestry which are not in conflict with this Order shall remain valid.

Prime Minister of the Lao PDR

Boungnang Vorachith