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## NATIONAL CONSULTATION REPORT

## SUSTAINABLE FOREST TRADE IN THE LOWER MEKONG REGION

# LAO PDR

## Summary Notes from National Project Consultation Workshop

**Location** Vientiane Plaza Hotel

**Date** Thursday, 17 September 2020

**Chair** Mr Sousath Sayakoummane,  
DG DOF and Ms Sara  
Sekkenes, UNRC

**Participants** 58 participants  
(including 15 women, and  
11 participants through  
remote connections); see  
participants list appended.





## Objectives:

A

To present project outcomes, activities and national priorities to a broader stakeholder group;

B

To receive feedback on the above, with the aim to seek additional relevant information and identify potential synergies and scope for coordination with the project.



## Workshop methodology:

- Presentation: Project rationale and project outline
- Presentation: feedback received from the online-survey
- Breakout group discussions:
  - a. certification
  - b. small holders and trade
  - c. data for sustainable trade
  - d. cross-boundary cooperation

### Questions:

1. Map out the key developments and issues around the subject matter
  2. What can be a vision for the next 2 years; What are priority actions to be taken – and by whom?
- Plenary feedback



## Key messages coming from the workshop discussions:

- Keen interest in promotion of sustainable plantations market and industry in Lao PDR. Efforts needed on creating an enabling environment, particularly to ensure small holders' (ie, eg., out-growers') engagement in the legal/sustainable supply chain, including in practical solutions for forest certification;
- Private actors in particular are already engaged in forest certification, and welcome national institutions and infrastructure for certification. However, challenges abound for smallholders in both production and processing supply chains.
- Plenty of trees planted by smallholders, but, much of this doesn't reach the market (or doesn't reach a lucrative market). Why?
  - Current market prices of logs are too low for attracting long-term investment by farmers – and high transportation costs make it even more constraining to make a profit margin;
  - Land tenure security is low, and farmers just plant as a means to claim land;
  - Available financial packages (loans etc) are designed for annualized returns, and therefore not amenable to tree planting; etc.
- There is still great gaps in data and data management system in the forestry and forest trade sector (eg. data to support legality from harvest to sales, ie. TLAS; registered plantations; forest inventory and annual allowable cuts) – it would be important to work on data and databases that are centralized and can be shared between different ministries.
- Inter-governmental trans-boundary cooperation agreements with the neighbouring countries will facilitate local trans-boundary efforts, including elevating the communication on official enquires on investigations etc. MoUs with Cambodia, Myanmar, Thailand are needed.



## Suggestions received from participants:

"The project should not focus on what has been the trends and issues in the past (ie., exports of natural wood), but, the potential lying ahead – particularly the potential demand for the paper and pulp industry that is already presenting itself; An expansion of pulp mills in the region will require an additional 13.5 million BDMT per year (25 million m3). The question is, where will this wood come from? Lao has plenty of potential to feed this demand, and to reap the benefits from such a scenario." Peter Fogde, Stora-Enso



"Plantation timber is not the only possible future for a sustainable forest sector/industry. There is also potential for NTFPs, for example, bamboo and rattan, that the project may look into."

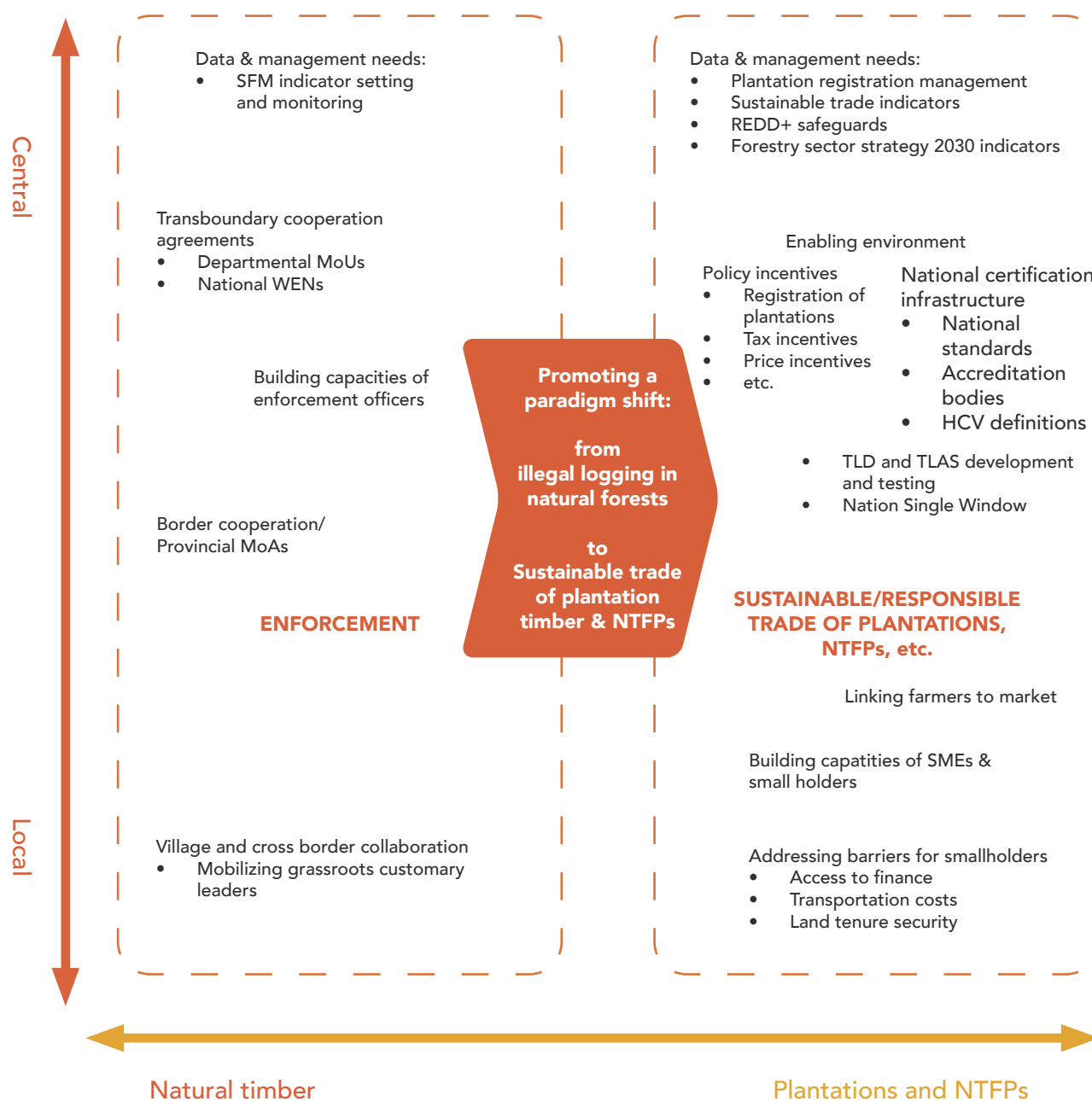
Dominique Van der Borght, GRET

"Please do not focus on the traditional trade of forest products (ie, natural/native species) - look at new materials as well." Stephen Midgley, ACIAR

"Focus on cross-sector collaboration especially between sectors of Forestry, Agriculture, Agriculture Land Management, Land, and Investment." Luck Bounmixay, WorldBank

"Cross-border cooperation should consider not only a top-down strategy, but also a bottom up approach building on customary leaders in communities located on the borders (these ethnic groups are found on both sides of the border); the Ethnic Division of the MoHA is strategically planning to conduct legal awareness and empowerment in 10 provinces bordering Vietnam so we could consider supporting such initiatives to support law enforcement and control illegal logging and illegal timber trade through borders"

Steeve Daviau, SUFORD

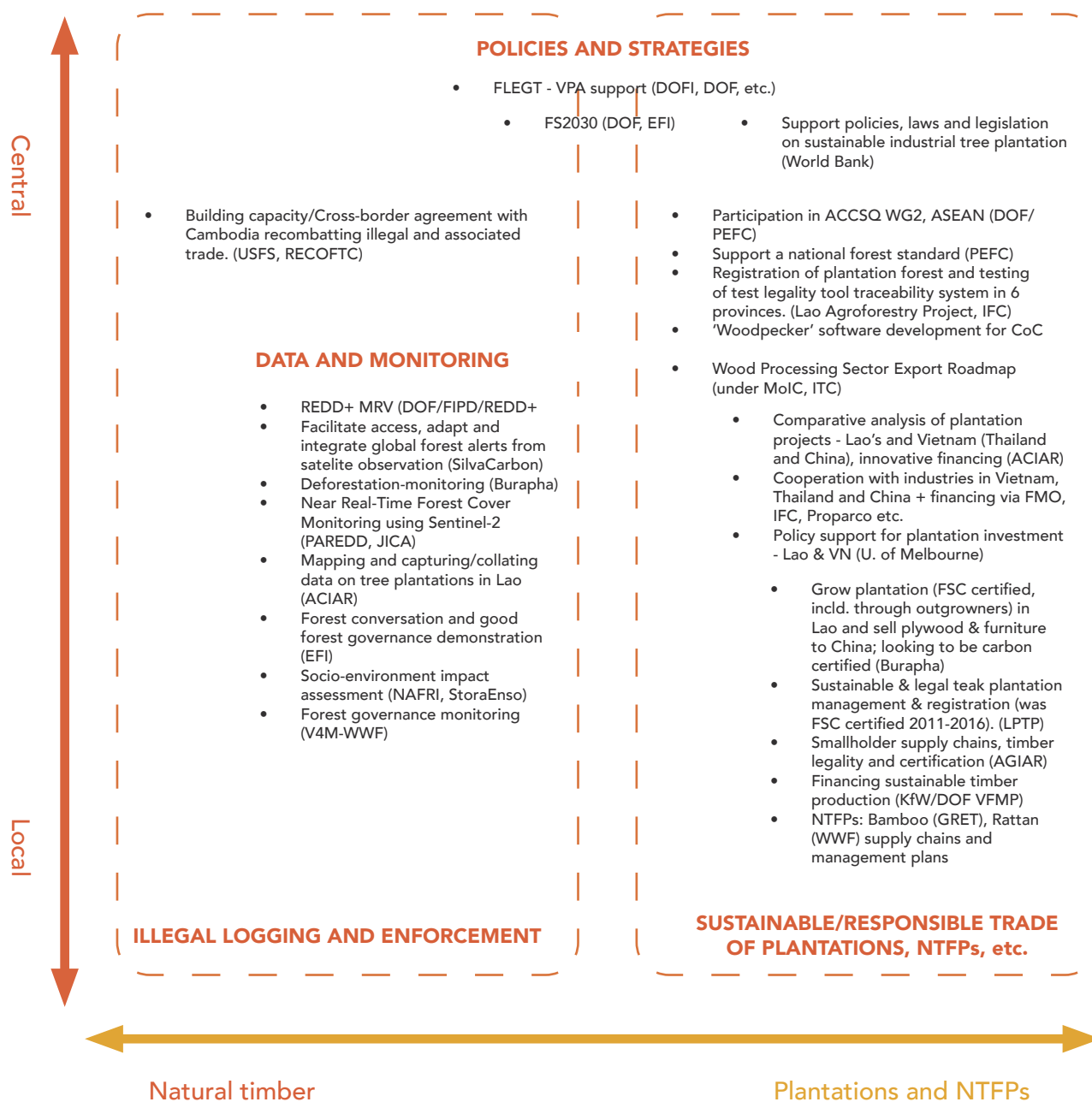


**Diagram 1: Priority areas identified through breakout discussions and plenary feedback**

Discussions from the breakout groups and feedback to plenary identified the areas mentioned in the diagram above as areas requiring more work.

Discussions from Group 3 on cross-boundary mechanisms were largely about mechanisms for “enforcement” of illegal logging and unsustainable practices, focusing primarily on the central and provincial level mechanisms such

as MoUs (for central line agencies) and MoAs (for provincial level) to be signed with bordering jurisdictions to facilitate information exchange and eventual investigation and prosecution. Discussions from Groups 1 and 2 were largely addressing needs for Lao to become a source of sustainable timber and wood products, namely from plantation forests. While there a various on-going initiatives and projects (eg, FLEGT), there is more work to be done to for the national enabling environment as well as for local supply chains and actors thereof, to be able to produce and process sustainably.



**Diagram 2: Responses from on-line survey on "what related activities are you working on?"<sup>1</sup>**

Prior to the consultation workshop, all identified stakeholders were invited to a simple on-line survey to identify what related activity was on-going and how such the Sustainable Forest Trade in the Lower Mekong Region project could coordinate and synergize with such initiatives.

The result of the survey is as depicted above, where evidently, there are a host of initiatives and projects that are active in supporting sustainable and responsible production and trade of forest products, particularly those other than natural timber.

Work on data and monitoring is also widely supported by initiatives. In comparison, not many respondents to the survey were involved in enforcement related initiatives.

<sup>1</sup> Note: Information presented is indicative. Only information collected from surveys are presented. Does not include all projects/initiatives/researches that are on-going.

## Annex 1: Agenda and links to project materials

TIME	ACTIVITIES	RESPONSIBLE PERSONS
	Registration	FAO
8.30	Opening remarks	Mr Sousath Sayakoummane, DG DOF Ms Sara Sekkenes, UNRC on behalf of UN-REDD
8.50	Self-introductions	All
9.20	Project presentation / (Lao language) Q&A	Akiko Inoguchi, FAO All
9.50	Coffee break	
	Priority setting for Lao PDR	
10.15	1. Survey and results / (Lao language)	Khampasong Siharath, UN-REDD
11.15	2. Facilitated group discussions on: a. certification b. small holders and trade c. data for sustainable trade d. cross-boundary cooperation  Questions: a. Map out the key developments and issues around the subject matter b. What can be a vision for the next 2 years; What are priority actions to be taken – and by whom?	All facilitators: a. Bounchan b. Dalaphone c. Sengkham d. Khampet
12.15	Lunch	
13.15	3. Plenary feedback from three groups and Q&A from the floor	Participant rapporteurs All (presentation from Peter Fogde, Lao Plantation Forestry Group)
14.15	Closing remarks	Ivar Jorgensen, Policy Director, NORAD
	Coffee and departure	

### Links to other related materials

- Summary project document - English
- Summary project document - Lao

## Annex 2: List of participants

The final list of confirmed participants

The national project consultation workshop on 17 September, 2020

NO	NAME	ORGANIZATIONS/STAKEHOLDERS
I	Government participants	
1	Mr. Sousath Sayakoummane	DOF DG
2	Mr. Chaynoy Sisomphone	DOFI
3	Mr. Bounchan Lattanavongkot	PFS
4	Mr. Khamphet Keosouvanh	DOFI
5	Ms. Baisone Inthirath	NAFRI
6	Mr. Bounchan Mek Aloun	FRC
7	Ms. Yommala Phengsouvhan	DOF
8	Mr. Phonesavanh Maneevong	DOF
10	Mr. Phouthasack Baochanh	DOSM/ MOST
11	Dr. Kinnalane Phommasack (Ms)	REDD+/DOF
12	Mr. Manitho Phompiti	LNCCI
13	Mr. Peter Thavone	DOF
II	Non-Government participants	
14	Ms. Sara Sekkenes	UNRC
15	Luck Bounmixay	World Bank
16	Sengkham Inthiravongsy	Sengkham Inthiravongsy
17	Ms. Sengdaovone Bangonsengdeth	State Bank of Laos (Central Bank)
18	Ms Lamphet Vongvichit	BURAPHA AGRO-FORESTRY company
19	Mr. Dominique Van der Borcht	GRET
20	Mr. OulathongViengkham	AFC (agro-Forestry Consultancy)
21	Ms. Pankham Silisomchanh	PEFCITCOC
22	Mr. Kevin Kamp	TABI
23	Mr. Bounyadeth Phouangmala	RECOFTC
24	Ms. Dalaphone Sihanath	IFC
25	Mr. Micah Ingalls	Center for Development and Environment University of Bern
26	Mr. Amphone Souvannalath	ARMI
27	Mr. Siegmar Senhoenherr	ProFEB, GIZ



NO	NAME	ORGANIZATIONS/STAKEHOLDERS
28	Mr. Phoukhong Phongsa	Freelance
29	Ms. Kinnaphone Sounthongdeng	International Trade Center (ICT)
30	Ms. Anne-Katrin Pfister	International Trade Center (ICT)
31	Ms. Phimpheing Oudom	RRDPA
32	Mr. Tobias Goedde	ProFEB, GIZ
33	Mr. Joost Foppes	NIRASIO-VFMP
34	Mr. Colin Moore	WCS
35	Mr. Steeve Daviau	SUFORD
36	Mr. Thomas Okfen	ProFEB, GIZ
37	Mr. Bounchan Sakounnavong	WWF
38	Ms. Khambang THIPPHAVONG	Lao Biodiversity Association
39	Mr. Nori Kitamura	F-REDD project (DOF/JICA).
40	Mr. Peter Fogde	Stora Enso Lao Co., Ltd
41	Mr. Bualith Inthilath	Stora Enso Lao Co., Ltd
42	Ms. Akiko Inoguchi	FAO, Lao
43	Mr. Khampasong Siharath	UN-REDD
44	Ms. Phokham Thavichith	UN-REDD
45	Mr. Phouthasack Chanthavong	FAO, Lao
II		
46	Mr Rob Cole	MRLG
47	Mr Stephen Midgley	ACIAR
48	Mr Pheakkedey Nguon	EFI
49	Dr Rod Keenan	Melbourne Uni
50	Mr Ivar Jorgensen	NORAD
51	Mr Martin Greijmans	RECOFTC
52	Mr Patri Jhongsathit A.	UN-REDD
53	Dr Nguyen Dzung	UN-REDD
54	Ms. OZAWA Nahoko	JICA
55	Mr Pierre Boullin	FAO, Rome
56	Mr Fanzo.Fonvinyuh Gordian,	FAO, Bangkok
57	Mr Ben Vickers	FAO, Bangkok
58	Mr. Mathieu Vanrijin	FAORAP



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