

LAO PEOPLE'S DEMOCRATIC REPUBLIC Peace Independence Democracy Unity Prosperity ===0000===

Prime Minister Office

No-17 /PM Vientiane Capital, date 22 .09.2008

ORDER

of the Prime Minister on Strengthening the Forest Management, Protection and the Coordination of management Forest and Forestry Business

To: Ministers, Heads of Government Organizations, Mayor of Vientiane Capital City and provincial Governors across the country.

- To implement Forest Strategy to the year 2020, particularly to increase the forest cover up to 70% of total country land; to restrict the reliance of logging of natural forests for revenue generation and to move toward closing, in principle, natural forests in conceivable future with the aim to preserving the richness of forest resources and biodiversity.

- To effectively implement laws and other legislations regarding forestry without further issuing more orders on annual basis regarding the management of forest and forestry business.

- To enable Ministries, government Organizations as well as local Authorities at various levels to strengthen the lead in exercising their mandate, rights and duties regarding the management of forest and forestry business in a more effective and efficient manner, preventing and stopping violations of related laws and legislations.

The Prime Minister Issues the Order:

1)- Ministries, government Organization and local Authorities of all levels are to increase attention and responsibility in exercising their rights, duties and commitment to deal with forest management and forestry business by closely applying 3 measures as follows: educational measures, economic measures and management and legal measures.

2)- The Ministry of Agriculture and forestry is to collaborate with National Land Management Authority, concerned ministries and organizations and local Authorities across the country to redo the survey and clearly demarcate each different forest type to best suit the reality, and complete putting up sign boards for three forest types as: Conservation Forest Areas (national and local) Protection Forest areas (national and local) and Production Forest Areas) in the year 2010.

3)- To strengthen the management of each forest type, for which the Ministry of Agriculture and Forestry is central for coordination with other government agencies

and local authorities to carry out management work for each forest type in each region in conformity with legal framework.

3.1. National Conservation Forest Areas

- To transform Conservation Forest Areas, water source protection forest and water catchment protection into absolute protection regime by declaring permanent forest closure, forbidding logging of timber and non timber forest products, forbidding hunting of wildlife, with the exception of certain types of non timber forest products such as: bamboo shoots, mushrooms, wild vegetables, yams, fruits, medicinal plants, maktao (sugar palm fruit), different rattan shoots etc..for household use by pluroethnic population living in buffer zone which is permitted by the State, in compliance with technical prescriptions in view to achieving sustainable management without extinction threat.

- Ministry of Agriculture and Forestry is to strengthen the management system for National Conservation Forest Areas through appointment of technical forestry staff in sufficient number to be stationed in Conservation Forest Areas, together with necessary budget, vehicles and equipment to effectively manage National Conservation Forest Areas, wildlife, aquatic life, biodiversity and forest resources.

- Ministry of Agriculture and Forestry is to take care of forestry technical matter, develop detailed management plan and regulations for each Coservation Forest Area, undertake research and development of plants varieties and biodiversity, control the harvest of non timber forest products for home use by pluro ethnic people in buffer zone of Conservation Forest Areas.

- Local Authorities at all levels have the duty to take part in the protection of Conservation Forest Areas through the prevention of illegal logging and harvesting of non timber forest products, forbidding encroachment of Conservation Forest Area for production and resettlement land.

- For Phoukhouakhouay and Phouphanang National Conservation Forest Areas, the Ministry of National Defense is to continue with their management through the locally operating military division which has to closely coordinate with concerned units of local Authorities (Vientiane Capital, Vientiane province, Bolikhamxai province) to jointly implement management and protection duties as assigned to, particularly the prevention and stopping illegal exploitation of timber and forest resources; prevention and stopping of forest fires occurring in National Conservation Forest Areas, whereas the forestry technical matters are to be under the responsibility of Agriculture and Forestry sector.

3.2. Protection Forest:

The management is to be transformed into a systematic approach so as to allow the Protection Forests performing their role as perceived; in immediate future, the declaration on permanent forest closure must be made for water source forests, steep slope forests, Protection Forests along international borders with prior government approval and specific forest areas for traditional use of timber and non timber forest products by local people to maintain their livelihood.

- The management of Protection and Conservation forest Areas must be implemented in a participatory manner by selecting the people in the villages situated around Protection and Conservation Forest Areas to be trained and assigned with forestry job (protection, regeneration, rehabilitation) by which they will receive appropriate benefit in kind or money from the performance of this job whereas the Ministry of Agriculture and Forestry is to develop specific regulations.

3.3. Production Forest:

The Ministry of Agriculture and Forestry is to collaborate with local Authorities to review the Production Forest areas which have been established and urgently develop plans for sustainable management in strict compliance with technical principles; Areas for which management plans have not been developed and which have not been declared as Production Forest Areas, must be temporarily closed until the completion of management plans and official declaration as Production Forests by which logging can be carried out according to management plan.

4)- The Ministry of Agriculture and Forestry and Ministry of Industry and Commerce are to cooperate closely to work out government annual logging quota based on the figures of the logging plans submitted by the provinces, which have gone through the pre-logging survey in Production Forest Areas and in areas of various development projects such as hydropower development project, mining project, road or power line construction projects, resettlement and livelihood stabilization project and others which have been approved by the Government.

4.1. The Ministry of Agriculture and Forestry has the duty to prepare annual logging plan for submission to Government for approval. Annual logging plan must be prepared on the basis of forest capability to supply timber as defined in sustainable forest development strategy, at the same time it must be based on the need of internal consumption and the need of timber as raw material for processing finished products for export.

4.2. The Ministry of Industry and Commerce has the duty to find out the need for timber across the country and consolidate the need to submit to the Ministry of Agriculture and Forestry for preparing the annual logging plan.

4.3. The Ministry of Industry and Commerce has the duty to provide guidance and encourage the National Wood Processing Industry Association to consolidate the need for timber species, the number of wood processing factories which are members of the National Wood Industry Association, and submit to the Ministry of Industry and Commerce to further consolidate, then work with the Ministry of Agriculture and Forestry in the preparation of annual logging plan prior submission for Government consideration.

4.4 After the Government's approval on the annual logging plan, the Ministry of Industry and Commerce is to collaborate with the Ministry of Agriculture and Forestry and local Authorities to consider and agree on the allocation of timber to those wood processing factories which meet the standard requirements of the National Wood Processing Industry Association, based on proposed processing plans through bidding or price consultation procedure in accordance to regulations.

5)- The Ministry of Agriculture and Forestry is to collaborate with concerned ministries- agencies and local authorities in ensuring that logging activities are carried out within the legal framework based on the annual logging plan which is approved by the Government.

5.1 Specific rules must be issued regarding logging in Production Forests and logging permits must be granted only to Production Forest areas which have gone through inventory and had sustainable management plan.

5.2 Harvesting timber from infrastructure development project areas must be carried out in accordance to regulations and in specific method as agreed by the Government as:

- A supervision Committee is to be set up to provide guidance and supervise the logging, consisting of concerned line agencies and local authorities or the control work is entrusted to any capable units; bidding or negotiation process is to be carried out for logging contract award.

- Survey on tree species and associated volume must be clearly made and incorporated in the annual logging plan.

6)- The sale of timber harvested from Production Forest and infrastructure development project areas according to the government annual logging plan must be carried out in two forms as: (1) bidding or price consultation method and (2) allocation on higher efficiency priority order to processing factories which meet the required standards of the National Wood Processing Industry Association.

6.1. The State (Ministry of Agriculture and Forestry, Ministry of Industry and Commerce, concerned local authorities..) must stick to the timber quota and be responsible for allocation of timber quota to wood processing factories in accordance to conditions and specific rules laid down by the Ministry of Industry and Commerce; whereas the National Wood Processing Industry Association has no right to allocate timber quota, but only to propose the need for timber species, timber price and timber quantity to inform the State for the preparation of logging plan based on the ability to supply timber on annual basis; at the same time it has the duty to submit to the concerned State authorities to set priority to individual wood processing factories which are members of the Association and specifically considered to continue the operation by the Association.

6.2. The allocation of timber to wood processing factories must be based on purchase-sale contract with the State, which must be implemented as follows:

- for timber harvested from production Forest areas which have management plans, bidding procedure based on approved timber species and quantity must be done applying the price laid down by the Ministry of Industry and Commerce, the bidding excess amount on top of the state set price, must be shared by the people and local authorities in the area in accordance with the regulations in order for the people and local authorities gains benefit and participate in the protection of forests. After the bidding, the Ministry of Industry and Commerce must enter sale contracts with winning companies and strictly respect the contracts in view to avoiding the incidence where harvested timber can not be sold or sold with unreasonable price, resulting in damage to the State.

- For timber harvested in development project areas, the supervision committee is to apply 2 forms of allocation as: (1) through bidding or price consultation and (2) allocation on higher efficiency priority order to processing factories which meet the requirement standard of the National Wood Processing Industry Association.

7)- The Ministry of Agriculture and Forestry is to issue specific rule to manage plantation timber, particularly to survey and register tree plantations of individuals, juridical entities in each locality; regulations on harvesting, the preparation of annual logging plan for plantation timber etc.. guaranteeing some principles as follows:

7.1. The District Agriculture and Forestry Office is to manage, monitor and register tree plantations, whereas the origin of timber harvested from the plantation is to be certified by Provincial and Capital city Agriculture and Forestry Office based on the plantation registration made by District Agriculture and Forestry Office.

7.2. The sale of plantation timber is the responsibility of the plantation's owners and the buyers to negotiate or consult on the price based on the market information

provided by the National Wood processing Industry Association giving priority to domestic processing industry.

7.3. The Ministry of Industry and Commerce is to develop specific rules for the sale of plantation timber, any business entities wishing to export plantation timber in the form of logs or sawn timber must apply for approval from the Ministry of Industry and Commerce with the consent of the Ministry of Agriculture and Forestry. The exporters must implement full export obligations in accordance to the laws.

8)- The Ministry of Industry and Commerce and Ministry of Agriculture and Forestry are to collaborate with relavant ministries, agencies and local authorities to work out policy to promote the use of plantation timber in stead of timber from natural forests as raw materials for wood processing factories and materialistically promote the use of commodities made from plantation timber.

- In each year the Ministry of Agriculture and Forestry is to consolidate logging plan for plantation, then collaborate with the Ministry of Industry and Commerce to inform the National Wood Processing Industry Association

9)- Timber harvesting for energy and commodity such as: firewood, wood for charcoal, fence post, wood scaffolding (props), is allowed specifically in individual areas and village management forest areas allocated through the land-forest land allocation scheme or from infrastructure development project areas which have been thoroughly surveyed which the Ministry of Agriculture and Forestry and local authorities allowed the harvest and must be incorporated in annual logging plan.

- For wooden scaffolding (props) for construction projects in urban areas, plantation derived timber is primarily to be used (eg eucalyptus) and timber from development project areas, at the same time other non-wood materials are encouraged to be used such as steel scaffolding in stead of wooden scaffolding (props) to ensure work safety and construction quality aiming thus to reduce reliance on wood from natural forest.

- For scaffolding wood used by the people in rural areas, beside using the plantation wood and wood from development project areas, timber can be obtained from village managed forest areas through land-forest land allocation scheme.

- The provinces, Vientiane Capital are to carry out survey on supply areas for mai tiou (Cratoxylon spp), various types bamboos and non timber forest products within their own territorial boundary particularly village managed forest areas, individually managed forest areas and sustainable production forest areas, based on the need for raw material by wood processing factories, then submit the figures to the Ministry of Agriculture and Forestry for the inclusion in the annual logging plan.

- For maitiou (Cratoxylon spp) to produce white charcoal harvested from village managed forest areas and individually owned-managed areas, harvest can be carried out all year round but with no environmental impact and under the strict harvest and removal control of local forestry authority based on the annual government approved logging quotas and in compliance with specific logging and removal regulations.

10)- The Ministry of Agriculture and Forestry is to collaborate with Ministry of Industry and Commerce to work out system for promoting the investment in logging activities in order to have logging organisations or units which operate on a professional and continuous basis in combination with tree planting, protection and rehabilitation work under the management responsibility of local authorities and related line agencies. 11)- The Ministry of Agriculture and Forestry, in close collaboration with local authorities is to supervise the implementation of logging plan including the hauling to log landing I and transport from landing I to landing II, which is to be completed before 31 May every year; if it is found out that the implementation of logging plan is not completed by that time, the following two actions are to be taken:

- for timber logged in production forest areas, the incomplete part must be cancelled off;

- for timber logged in development project areas, from the 1st of June to 31st of October of each year, logging activities must be stopped, hauling and transport of timber to landing II are strictly forbidden. In necessary cases where the construction project must be completed in a set timeframe, prior to continuing the logging and transport by using project specific roads which do not affect national roads or travel roads of local population and no affect to environment, the special permit must be granted by the Government.

12)- To strengthen the measures on restructuring and management of wood processing factories as follows:

12.1. The Ministry of Industry and Commerce is to collaborate with local authorities to urgently complete the restructuring of wood processing factories in accordance to the Decision on the management of factories, Decision on standards of wood processing factories and wood product categories, promulgated by the Ministry of Industry and Commerce; undertake the inspection and take measures to abolish targeted wood processing factories, saw mills, wood working factories , which do not meet standard requirements; strictly enforce measures toward abolished factories, factories to be improved but not improved and temporarily ceasing the operation including those wood processing factories which operate without permit and execute demolition or removal of wood processing factories situated inside or in the vicinity of Conservation and Protection forest areas. Only the Government has the right to approve the construction of new wood processing factories (along the direction toward promoting modernized wood processing factories) based on the proposal of the provincial authorities and the agreement of the Ministry of Industry and Commerce and the Ministry of Agriculture and Forestry.

12.2. The Ministry of Industry and Commerce is to collaborate with the Ministry of Agriculture and Forestry to provide guidance to the National Chamber of Commerce and Industry to improve the role and the operation mechanism of the National Wood Processing Industry Association so as to strengthen its institutional, financial, business and production aspects in order to represent all units in wood processing industry sector through organizing them into groups which operate according to their respective role, but within the well established coordination mechanism such as: logging units (or business logging group), tree plantation groups, saw milling groups, wood processing groups, small scale furniture groups, wood and wood product sale shop groups, wood product exporting group, whereas relevant line agencies issue specific regulations for the operation of each group.

12.3. The Ministry of Industry and Commerce is to collaborate with Ministry of Agriculture and Forestry to provide guidance to the National Chamber of Industry and Commerce on developing short, medium and long term strategic plans to promote business operation linked to the protection of the environment and diverse forest

resources in a sustainable manner, transforming the timber business into a stronger economic potential for the nation.

12.4. In case where wood raw material (natural forest logs or plantation logs) from domestic source could not meet the business operation plan and demand for domestic consumption and for export, the Ministry of Industry and Commerce can submit to the Government the request to import natural or planted logs from abroad on the basis of the availability of complete documents certifying the origin and gone through joint inspection by related line agencies (Ministry of Agriculture and Forestry and Ministry of Finance) before permitting the transport of logs for processing inside the country. The importers of this wood raw material must fulfill all obligations according to the laws and must be members of the National Wood Processing Industry Association only.

13)- The Ministry of Industry and Commerce is to issue specific instructions and collaborate with local authorities to guide the Provincial and Capital City Department of Industry and Commerce in supervising the import, purchase-sale of logging equipment or machineries of all kinds; prior to import of equipment or machineries, approval by Agriculture and Forestry authority must be obtained.

14)- The Ministry of Industry and Commerce is to regularly monitor the timber supply to wood processing factories (control the input) and commodity production (control the output)in accordance with the law regarding processing industry and the decision on the management of factories in view to following up the real situation of timber utilization and processing quality as well as the business operation of the factories.

15)- The Ministry of Finance is to manage, control the purchase-sale together with issuing specific regulations on the collection of full revenues from forest royalty and timber business in accordance with its mandate and in timely manner in conformity with the laws. The collection of revenues must be made in local currency (lao kip) at the exchange rate of the National Bank of Laos calculated on the date of payment for the timber sale and the receipt of timber sale must be issued to related line agencies for granting the permit to transport timber each time.

16)- Each of the related line agencies must maintain high sense of responsibility in the managing timber harvesting and timber business.

16.1. <u>Agriculture and Forestry authority:</u>

(1) Carry out forest survey and develop sustainable forest management plan and mark the trees to be harvested in production forest areas and survey the timber volume in development project areas.

(2) Manage and supervise the tree felling of the logging units in conformity with technical prescriptions to reduce the volume loss and timber quality, as well as monitor the logging to ensure that it take place within the permitted boundary.

(3) Supervise logging and hauling activities (logs, stumps, wood galls) in landing I and transport up to landing II.

(4) Carry out grading, scaling and making loglists in landing II.

(5) Hand over the loglists and actual logs already enlisted at landing II to Industry and Commerce authority through properly checking the loglists and writing up the hand-over memorandum together.

(6) Hammer-stamp (F mark) on logs, stumps and wood galls from landing II to landing III or from landing II to processing factories after the receipt of payment

certificate from the Finance authority together with the transport permit from the Ministry of Industry and Commerce.

(7) Hammer-stamp (LF mark) on the logs, stumps wood galls and sawn timber (transformed wood) for export on special case of Government approval.

(8) Carry out patrol in around logging areas, transport roads, log landing, saw mills, wood processing factories, wood energized factories and other necessary places according to laws in collaboration with related line agencies and local authorities.

(9) Carry out investigations, compile legal proceedings against all violations of forestry related laws and regulations then submit to prosecutor for further submission to court for legal action.

(10) Transfer forest resource fees in to Forest and Forest Resource Development Fund.

(11) Coordinate and cooperate with other related authorities.

16.2. <u>Industry and Commerce authority:</u>

(1) Accept loglists and actual timber which have been enlisted at landing II from Agriculture and Forestry authority, as well as protect timber in landing II as shown in loglists received from Agriculture and Forestry authority.

(2) Sign sale contracts and calculate the timber royalties to send to Finance authority; all purchase-sale contracts must be sent to Finance authority for registration in accordance to laws and send to Agriculture authority to monitor.

(3) Develop timber sale regulations; set sale price for each timber category and species based on government fixed price; take the lead in monitoring the world price fluctuation and request guidance from the Government to update the price appropriately, keep the price dynamic and guarantee maximum benefit for the Government.

(4) Manage and monitor saw mills, wood processing factories, furniture factories, wood products storage houses, wood energized factories and other necessary places in accordance to processing laws in collaboration with other related line agencies and local authorities.

(5) Manage and issue the permit to check the transport of timber commodities (logs, stumps and wood galls) finished and semi finished timber products inside the country and for export.

(6) Develop regulations to promote and strengthen the National Wood Processing Industry Association so as to have bargaining power with foreign trading partners and encourage foreign companies to make purchase orders directly from companies inside the country.

(7) Carry out patrol on the transport and removal of timber commodities (logs, stumps and wood galls), finished and semi finished wood products on the transport roads, check posts and other necessary points of interest in accordance to related legal framework.

(8) Coordinate and cooperate with other related authorities.

16.3. Finance authority

(1) Facilitate the approval of fund from Forest and Forest Resource Development Fund to be used for the forest survey, management and protection of three forest types.

(2) Monitor the sale and collection of revenue from timber sale into State budget.

(3) Issue receipt of money from timber sale to be used as reference by the

Industry and Commerce authority in issuing the permit to check the timber removal and for Agriculture and Forestry authority to hammer stamp on timber each time.

(4) Coordinate and cooperate with other related authorities.

16.4. National Chamber of Commerce and Industry

(1) Take the lead in organizing and directing the operation of the National Wood Processing Industry Association in accordance to its role, rights and duties as stipulated in the association regulation.

(2) The National Wood Processing Industry Association has the rights and duties to encourage the wood processing factories which have passed the restructuring exercise to meet standard requirements and has the right to propose to the government regarding the priority setting to enter into bidding of these factories based on the production and marketing plan according to domestic and foreign orders.

(3) The National Wood Processing Industry Association must follow up and annually report on the achievements of business operation of wood processing factories across the country to the government, followed by organizing the annual meeting to select and prioritize wood processing factories nationwide to propose for the Government to consider awarding congratulations in various forms including a adopting policy to strengthen and expand business operation continually.

17)- The Ministry of Agriculture and Forestry is to set up forest resource check posts at some locations deemed necessary; at the same time, it has to take lead in collaborating with the Ministry of Industry and Commerce, Ministry of Finance and other concerned parties to work out patrolling regime and system in logging areas, transport roads, log landings, wood processing factories and timber storage houses deemed necessary according to laws.

18)- The Ministry of Agriculture and Forestry, Ministry of Industry and Commerce and Ministry of Finance are to pay attention to streamlining their units and staff being responsible for forest management work and forestry business management both at central and local levels through effective coordination mechanism, actively executing their respective mandate in serious, strict and transparent manner; firmly protecting and promoting good, honest and capable performers. At the same time, being strict toward those bad collusive individuals seeking self benefit opportunity and contravening the public servant regulations and other related laws.

19)- The Ministry of Agriculture and Forestry, Ministry of Industry and Commerce and Ministry of Finance are to implement meeting routine to discuss views and share opinions with National Chamber of Commerce and Industry and National Wood Processing Industry Association to present direction and measures to address impediments including proposing promotion policy for the Government to endorse aiming to strengthen and modernize domestic processing industry.

20)- The central level timber inspection task force, established through a government decision in the past, must be dissolved and assign the State Inspection Authority to carry out regular inspections on the contraventions of Government's prohibitions regarding management forest and timber business both at central and local level. for instance:

20.1. It is prohibited to propose and to approve the collection of dead trees, tree branches, and individual policy timber is not allowed.

20.2. It is prohibited for any agency and local authority to permit the harvest of any timber species in excess of government approved logging quota.

20.3. It is forbidden to log some protected natural timber species of extinction threat such as: mai khayoung, mai khamphi, mai doulay (Dalbergia spp), Pterocarpus spp, mai Longleng (Forkinia hodginsii), mai Phoutpha, mai Ketsana (Aquilaria crassana), mai Dou (pterocarpus spp), mai moon (Dyospirus mun), mai Manhpa (fragraea fragran), mai ketlinh (rhus suucedanea), mai khonhtaxang (Disoxylon loureiri), mai Champa pa (Paramichella champaca, mai hamxay, may xay) and other protected timber species.

20.4. It forbidden for any central and local line agencies or parties to open bank accounts for revenue from timber sale outside the state budget system and use the revenue from timber sale prior to Government approval.

20.5. It is prohibited to import, sell, possess logging or processing machineries without approval from relevant line authorities. Should there be any case of hiding for illegal use, it must be confiscated then proceed with strict legal action against violators.

20.6. It is forbidden to set up resettlements for erratic migrants or migrants by necessity in the vicinity of protection and conservation forest areas so as to prevent illegal logging and encroachment to clear up land for livelihood activities.

20.7. It forbidden to encroach, occupy and transform forest land into production area, tree planting or resettlement area without approval by related agencies and it is forbidden for line agencies and local authorities to approve any activities in three forest types beyond their respective right and responsibility scope as stipulated in the related laws and legislations.

21)- The Mayor of Vientiane Capital City, Provincial Governors are to be responsible for directing the management and protection of three forest types as: conservation forest, protection and production forests which are situated in their respective responsibility boundary including timber business and preventing illegal logging in their respective locality, together with holding the right and responsibility to direct, supervise and monitor the performance of staff implementing management of forest and timber business in their respective locality; in case of law violations with apparent evidence of wrong doing, urgent coordination with relevant vertical line ministry must be made to settle that down in resolute manner

22)- The approval to import, register and use logging and timber transport vehicles including transport of logs, sawn timber, stumps, wood galls and timber products must be made in conformity with the joint agreement between Ministry of Agriculture and Forestry and Ministry of Public Work and Transport, number 0019/MAF and 2139/PWT, dated 14 February 2008.

23)- Only the Government has the right to consider and agree on specific cases in regard to the transport of logs, sawn timber, stumps, wood galls and semi finished timber products for export; these specific considerations will depend on the purpose, quantity and actual logging situation and the use of timber.

24)- Promotion policy is to be adopted in various forms towards parties, organizations, individuals and juridical entities which have outstanding achievements in tree planting, forest regeneration and protection, finished wood product processing with international standard, fulfill all state obligations and contribute to social support,

particularly in giving priority to buy timber from the State, awarding honor and reputation, providing support on marketing etc..

25)- In case of violation against laws and regulations on forest and timber business management and prohibitions stipulated in this Order by individuals or juridical entities both nationals and foreigners in any locality, the authority of concerned locality is to direct relevant line agencies to take legal action in a strict and timely manner as follows:

25.1. Towards persons encroaching National Protection, Conservation forests, Production forest, persons occupying forest land and transforming the forest land without permission, persons utilizing forest land in contravention to specified purpose, persons clearing, burning forest in Conservation areas shall be educated, fined, and brought to penal punishment as stipulated in forest law and other related legislations.

25.2. Towards persons and juridical entities intentionally violating logging plan, regulations and prohibitions regarding logging, timber removal and timber business with proven evidences (such as timber secretly cut, timber cut in excess to quota, timber illegally cut), that must be confiscated then strictly proceed with legal actions against law violators, after that timber is to be sold by bidding to put revenue into state budget; the law violators shall be strictly not allowed to enter in the bidding or purchasing back the timber, but legal actions shall be taken against concerned persons; first of all, the permit to operate business must be withdrawn immediately from the violating businessmen.

25.3. Towards state personnel and authorities who are directly or indirectly involved for instance: issuing and falsifying the documents, creating favorable condition or facilitating in various ways or being accomplice, receiving briberies from wrongdoers, disciplinary measures shall be strictly taken in accordance to public servant regulations together with legal action proceeded.

26)- The State Inspection Authority and Government Secretariat are to monitor and supervise the implementation of this Order, by compiling and reporting the status of implementation, both the strengths and weaknesses, to inform the Prime Minister on regular basis.

27)- The Ministry of Agriculture and Forestry, Ministry of Industry and Commerce and Ministry of Finance are to develop detailed instruction guidelines for the implementation of this Order.

28)- The Ministers, Heads of Government agencies, Mayor of Vientiane Capital City and provincial Governors are to thoroughly comprehend the contents of this Order, as well as take the lead in rapidly detailing out issues related to their respective area of responsibility and guide the effective implementation.

29)- This Order becomes effective on the day of signing and supersedes the Prime Minister Order no. 09/PM, dated 02/05/2008

Prime Minister of the Lao PDR

Sealed and signed Bouasone Bouphavanh