

13.10.2024



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Lao PDR Forestry Strategy to 2035 and Vision to 2050

Vientiane Capital

May 2024

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LIST OF ACRONYMS

ACIAR	Australian Centre International Agricultural Research
ADB	Asian Development Bank
AFoCO	Asian Forests Cooperation Organisation
APFNet	Asia-Pacific Network for Sustainable Forest Management and Rehabilitation
CBD	Convention on Biological Diversity
CITES	Convention on Trade in Endangered Species of Wild Fauna and Flora
CSO	Civil Society Organization
DOF	Department of Forestry
EFI	European Forest Institute
EU	European Union
FAO	Food and Agriculture Organisation of the United Nations
GDP	Gross Domestic Product
GIZ	Gesellschaft für Internationale Zusammenarbeit
GNI	Gross National Income
GRET	Professionals for Fair Development
IUCN	International Union for Conservation of Nature
JICA	Japan International Cooperation Agency
KfW	Kreditanstalt für Wiederaufbau
MAF	Ministry of Agriculture and Forestry
NA	National Assembly
NC	National Communications
NDC	Nationally Determined Contribution
NTFP	Non Timber Forest Product
PDR	People's Democratic Republic
PFA	Protection Forest Area
PM	Prime Minister
RECOFTC	Centre for People and Forests
REDD+	Reducing Emissions from Deforestation and forest Degradation
REL	Reference Level of Greenhouse Gas Emissions
SDC	Swiss Agency for Development and Cooperation
Sida	Swedish International Development Cooperation Agency
SUFORD	Sustainable Production Forest Management Project
tCO ₂ e	Tonnes of carbon dioxide equivalent
TLAS	Timber Legality Assurance System
UNCCD	United Nations Convention on Combating Desertification
UNDP	United Nations Development Program
UNDRIP	United Nations Indigenous Peoples' Rights Declaration
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollar
VFI	Village Focus International
VFMP	Village Forestry Management Project
WB	World Bank
WCS	Wildlife Conservation Society
WWF	World Wide Fund for Nature

FOREWORD

Forests are a precious resource of the nation, playing a key role in the protection of the water resources, environment and biodiversity, absorption of carbon dioxide, habitats of plants and animals, and they represent an important potential for the socio-economic development of the nation as well as providing a source of livelihoods and materials for use by the people living in forest areas. Recognizing the importance of this, the Party, government and local authorities have always been concerned about forestry and have set direction, policies, laws, resolutions, orders and other legislation on the management, protection, development and use of forests and forestlands. The aim is to conserve forestland and increase forest cover to 70% of the country's land area, with the intention of enriching forest resources with potential for socio-economic development, protection of soil quality, improved climatic conditions, water resource conservation, biodiversity conservation and sustainable green growth.

The first Forestry Strategy covering the period 2005 to 2020 established a system for the management, protection, planting, rehabilitation and sustainable use of forests and forestlands in protection, conservation and production forest areas. In addition, clear policies were set to improve the livelihoods of people living in forest areas by planning village forest management related to land allocation, assigning land and forest use rights to village authorities and villagers to manage, protect, develop and use forests sustainably, as well as to increase productivity and develop the rural economy according to the local potential.

In recent years, the government, local authorities, development partners and people of all ethnic groups have focused on sustainable forest management and protection, and have planted and rehabilitated degraded forest, thereby increasing forest cover from 41.5% (9.8 million hectares) in 2005 to 62% (14.7 million hectares) by 2020. In addition, forest and forestland throughout the country has gradually been put under systematic management, with consistent and appropriate management and inspection plans, with public participation in accordance with the law. A total of 51 sustainable production forest management plans have been completed along with the identification of degraded forest areas and barren forestlands, as sites for investment in industrial plantations to supply domestic wood processing plants and to substitute for imports from abroad. In addition, 7 conservation forest areas that are ecologically rich and unique in nature have been upgraded, 6 to national park status and one to a national wildlife conservation area, thereby also providing sites for ecotourism. The management and inspection of logging, timber transportation and timber businesses has been tightened, thereby reducing deforestation, illegal logging, illegal timber transportation and the illegal export of timber, non-timber forest products and aquatic and terrestrial wild animals.

Better collaboration and coordination with relevant sectors and development partners has provided the means to promote forests as nature tourism sites, as a base for forest carbon trading, as providers of forest ecosystem services and as the basis for trade in timber and timber products in accordance with the law and international management standards.

Despite these achievements, challenges still remain, including forest and forestland encroachment in various forms and illegal trade in timber, rare and endangered aquatic and terrestrial wildlife and wild plants. Coordination among the relevant sectors is not yet as good as it should be and the insufficient number of qualified staff and inadequate budgets for forest management are also constraints.

Recognising the importance of the above issues and the remaining problems, this the second Forestry Strategy document, forms the basis for directing development of the forestry sector in a green and sustainable manner. As such, it will serve as a reference to guide other relevant sectors and local authorities in accordance with their respective responsibilities and needs,

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thereby ensuring consistency with the strategic plans of each sector and forestry development plans in each locality.

Vientiane Capital, dated:
Minister of Agriculture and Forestry

SECTION I: ASSESSMENT OF THE IMPLEMENTATION OF THE FORESTRY STRATEGY 2005 TO 2020

1.1 Implementation Achievements

The Forestry Strategy 2005-2020 set the policy on forest and forestland management, development, protection, and use following a sustainable, green growth approach. To achieve this, the strategy identified four main measures: (1) increasing forest cover to 70% of the country's total land area by restoring degraded forest to 6 million hectares and planting trees on 500,000 hectares, (2) promoting processed wood products for domestic and export markets thereby contributing to national economic development, creating jobs and increasing family incomes, (3) conserving rare and endangered plant and animal species, and (4) protecting the environment, reducing soil erosion, protecting water resources, maintaining forest ecosystem services and contributing to climate change mitigation.

To achieve the above 4 objectives the strategy comprised 10 programs, 39 action plans and 146 projects as shown in Table 1.

Table 1: Summary of programs, action plans and projects

L/D	Program number	Action plans	Number of projects
1	Land and forestland use	4	13
2	Management of Production Forest Areas (PFAs)	5	15
3	Management of NTFPs	3	10
4	Tree planting development	5	14
5	Harvest and logging plans, taxes and royalties	1	6
6	Wood processing industry and wood exports	4	15
7	Conservation of biodiversity	5	22
8	Protection forests and watershed management	1	5
9	Forest Land use management at the village level	4	13
10	Cross-cutting issues	7	33
Totals:		39	146

Through the implementation of the strategic plan over the past 15 years (2005-2020), the following achievements have been made.

1) Management of Forests and Forestland:

Forest and forestland management focused on the management of protection, conservation and production forest areas, biodiversity conservation and the protection of terrestrial and aquatic wild animal species. This produced a number of results as follows:

- Forests and forest land throughout the country now have plans for their management, protection, development and sustainable use involving participation of the people. According to government statistics, this facilitated an increase in forest cover from 41.5% (9.8 million

hectares) in 2005 to 62% (14.7 million hectares) in 2020 equal to 72% of planned targets¹. During the same period the Food and Agriculture Organization (FAO) estimated the increase to be to 82% (see Figure 1). This ranked Lao PDR as 8th in the world for increased forest cover based on FAO data.

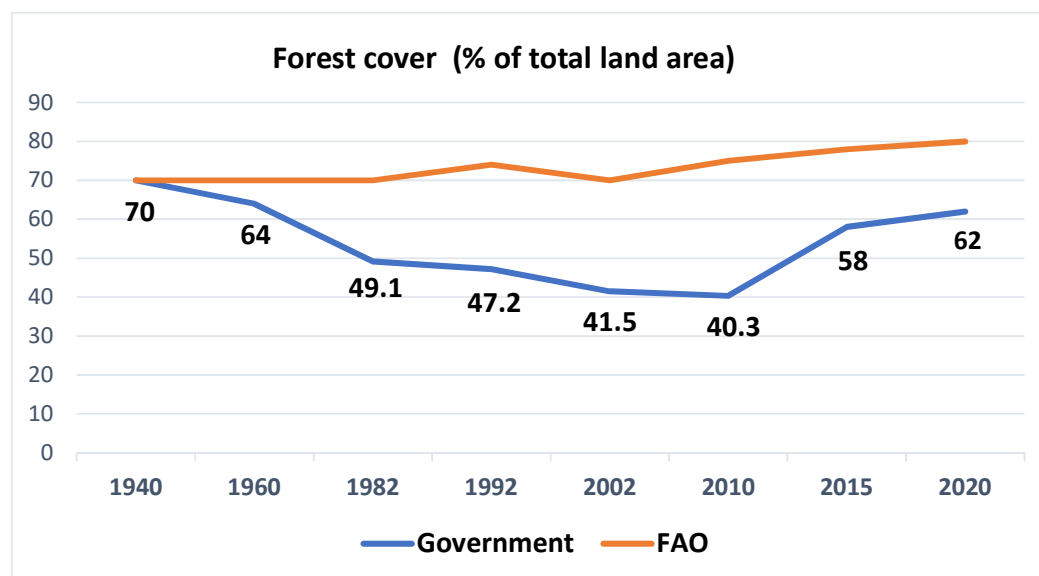


Figure 1. Change in forest cover as estimated by the Lao government and FAO

- The demarcation of a total forest area of 15.8 million hectares, covering 67% of the total forest area in the country has been completed using satellite imagery. This includes 139 protection forest areas covering approximately 7.9 million hectares, 174 conservation forest areas covering 4.8 million hectares, and 51 national production forest areas covering 3.1 million hectares, for all of which, sustainable management plans have been completed.
- There is now a sustainable management and protection system in place for protection forests and watersheds as defined in the Decree on Protection Forest². Watershed protection is important and necessary to maintain and enhance ecosystem services, to sustain the economic benefits from hydropower projects and to ensure soil and water conservation through the sustainable use of natural resources in critical watersheds. Protection plans have been completed for ten watersheds namely Nam-Ou, Nam-Tha, Nam-Sam, Nam-Nguem, Nam Theun-Nam Kading, Nam-Ngiep, Se Bang Hiang, Se Bang Fai, Xe-Don and Xekong-Xe Kha Marn.
- A participatory national conservation forest management planning system has been developed, and mechanisms for the management and propagation of plants and aquatic and terrestrial wildlife, and their habitats have been systematically improved. Another outstanding achievement is the re-classification of 6 conservation forests that are ecologically rich and unique in nature as national parks, namely: Nam Et-Phu Loei, Nakai-Nam Theun, Hin Nam No, Dong Hua Sao, Sepian and Phu Khao Khouy, all of which have potential for nature-based ecotourism. In addition, a wildlife sanctuary has been established in Savanakheth for the

¹ Forest cover change assessment report issued by MAF No. 0356/MAF, 10 March 2021. The assessment shows the forest cover in 2019 was 62.0%. 62.5% in 2020 is estimated by extrapolation based on the increase between 2015 and 2019, which is 0.8%/year.

² Decree number 333/PM, 19 July 2010, on protection Forests.

protection of the Elds Deer (*Rucervus eldii*), a globally endangered species endemic to Southeast Asia.

- A comprehensive system along with detailed implementation guidelines has been established for the sustainable co-management of production forests with the participation of local communities. The system comprises initial planning, forestland allocation, timber harvesting plans and equitable benefit sharing. Notably, the system has been certified by the Forest Stewardship Council for 110,000 hectares. In addition to this, sustainable production forest management plans have been completed in 78 PFAs and in 315 sub-management areas involving district administration areas covering 3.1 million Ha across all PFAs in the country.
- Biodiversity of particularly valuable and endangered plant and animal species, along with their habitats, are now being managed systematically. This includes completion of a survey and assessment of the status of 2,200 potential NTFPs that identified more than 2,000 species with medicinal properties and more than 200 species with market potential., More than 290 species of NTFPs that have been classified as List I II and III³, and their management responsibility is now allocated accordingly between central and local levels in accordance with the Forestry Law⁴.
- 6,800 of the country's 19 most important native tree species have been identified and protected as future seed sources in an area of approximately 6,700 hectares.
- Control of the trade in endangered animal and plant species has been strengthened by Lao PDR becoming a signatory to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). A National Elephant Conservation Action Plan and a National Ivory Action Plan have also been developed. In addition, aquatic and terrestrial wildlife species lists (I, II and III) were improved.

2) Forest Development Work

Forest development work focuses on promoting tree planting and the rehabilitation and enrichment of degraded forest areas in order to protect the environment, increase productivity and develop nature tourism resources as described below:

- Tree planting on public and private land, deforested and degraded forestland totalled 490,330 hectares⁵, equal to 98% of the planned target. The species planted include rubber, eucalyptus, teak, aquilaria and natural, endemic species as shown in Figure 2.

³ Tree, NTFP and aquatic and terrestrial wildlife species are classified into Lists I, II and III for management purposes. List I species are rare, at risk of extinction, and have strict controls on their use. List II species are less rare and are less strictly controlled. List III species are more common and have fewer controls on their use.

⁴ MAF Decision, No. 0279/MAF, 19 Feb 2020, on Identification of NTFP Lists I, II, and III.

⁵ Summary of evaluation of implementation of the 7th Agriculture and Forestry 5 Year Development Plan VII (2011-2015) and the 8th 5 Year Direction (2016-2020 Ministry of Agriculture and Forestry No. 0139/MAF 16 February 2016.

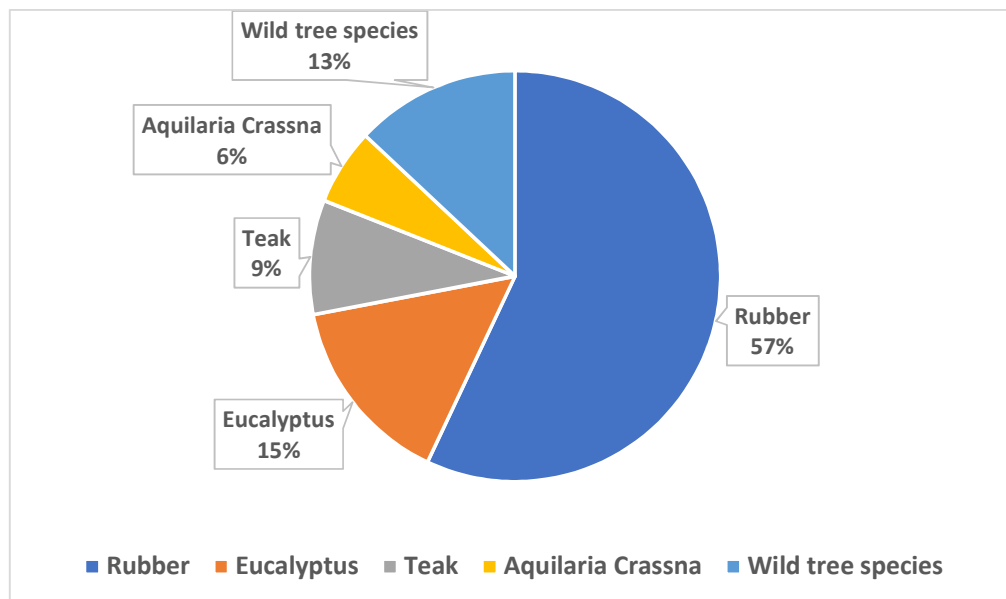


Figure 2. Tree species planted under Forestry Strategy (2005-2020)

- The dominant tree species planted were those used for commercial purposes. These had a total investment value of approximately 1.4 billion US dollars, of which 1.4 billion USD was foreign investment and 0.15 billion USD was domestic investment. Trees were also planted in degraded forest areas and in state production forest areas or on land of individuals, legal entities and organizations for which the state had given land-use rights. Regulations on plantation management and use, including harvesting, transportation, trade and export were also improved in a systematic manner.
- Restoration of degraded forests through assisted natural regeneration, enrichment planting or replanting, reached 4.5 million hectares, representing 75% of the planned target. Village-level, forest restoration manuals were produced with the aim of generating income and other benefits for villagers through improved village forest management activities. Participating villagers now have the right to receive benefits from the sale of planted trees and NTFPs and income generated from trade in forest carbon credits as defined in the Forestry Law (2019).
- With the participation of government agencies, entrepreneurs and local communities, forest areas rich in nature and culture were developed as nature-tourism sites for the common benefit of all parties involved. Such tourism sites include Nam Ha in Luang Namtha Province, Namkat Yorapa in Udomxay Province, Nam Phien Yorapa in Vientiane Capital, Nam Kan in Bokeo Province, Phu Phaman in Khammouan Province and Dong Huasaow in Champasak Province.

3) Forests and Forestland Use

The use of forests, forestland, timber, and NTFPs focused on the management, inspection and use for the public benefit, while simultaneously ensuring that all types of use do not have negative impacts on society, the environment or forest quality as required under the Forestry Law. Key achievements in this regard are described in the following paragraphs.

The National Assembly issued a resolution to adopt the following state forest land use types based on the National Land Allocation Master Plan, namely: 4.7 million hectares of

conservation forest land, 8.2 million hectares of protection forest land, 3.1 million hectares of production forest land and 0.5 million hectares of industrial timber plantation land⁶;

The use of land and forests at the village level was systematically improved based on land use within the village administrative area. This involved identifying and demarcating the various types of forestland use, formulating a village forest management plan, assigning management and protection responsibilities to village authorities according to their rights and responsibilities as defined in the Forestry Law⁷⁸. Villages located in or adjacent to protected forest areas can collect forest products from the natural forest, farm, plant trees and forest products in controlled use zones and in buffer zones allocated by the state to improve the economic situation of local families through commercial activities⁹.

Industrial wood processing factories have been improved and their production processes have been comprehensively upgraded, including labor skills. Between 2006 and 2020, 1,133 sub-standard factories that acted in violation of forest related laws and regulations and caused social and environmental impacts were closed, reducing the number of factories from 2,102 in 2006 to 969 in 2020. In addition, 1,231 small-scale household wood-processing businesses were closed reducing the number from 1,352 in 2006 to 121 in 2020.

The government has promoted investment in wood processing with good results. Sun Paper Co., Ltd. established a paper mill with a total investment of 1 billion US dollars, Burapha Agro-Forestry Co., Ltd set up a 20 million US dollar plywood/veneer factory, Mekong Timber Plantations Co. Ltd invested 15 million US dollars in a wood processing factory, and other smaller companies also invested in the business. A Timber Legality Assurance System (TLAS) was initiated to improve opportunities for the industry to better access regional and international markets, particularly in regard to trade with European Union (EU) countries.

The fee and revenue collection systems were continuously upgraded and improved. All types of wood and NTFPs that are harvested according to the approval of the government, including illegal timber, must be properly and completely accounted for and registered as state property with the financial sector¹⁰. Timber auctions must be conducted in accordance with laws and regulations, to ensure transparency and maximum benefit to the state. Income from the sale of wood, including revenue from confiscated wood, must be transferred to the state treasury in accordance with the Law on State Budgets.

4) Cross-cutting issues

- More than 100 laws, regulations and technical guidelines were announced between 2005 and 2020 to strengthen the forestry sector and to better manage, protect, enrich and ensure sustainable use of forest resources. The most important of these was the revised Forestry Law No. 64/NA, dated June 13, 2019. This focuses on the management, protection and promotion of forests and tree planting. It is in line with the Party's policy guidelines on green and sustainable development linked to rural development and

⁶ Article 1 Resolution of the National Assembly No. 098/NA 28 June 2018

⁷ Village authorities and villagers are responsible for the management all forest areas within the village boundary not merely village protection conservation and village use forests

⁸ Article 39 New Village Forest Management Planning and Article 114 improved forest and forest land Protected and developed by villages

⁹ Forestry Law, No.64.NA, date 13 Jun 2019, article 70 and 71.

¹⁰ Orders No.57/PM, 2014, on the management of revenue collection from the sale of timber and NTFPs into the state budget.

poverty reduction in accordance with the 3 Build (Sam Sang) principles. Article 63¹¹ of the revised law provides the basis for the use of village forests for commercial activities by villagers.

- Controls were tightened in a number of areas through various Orders and Decrees:
 - Order No. 15/PM on the management and inspection of timber harvesting, timber transport and the wood processing industry;
 - Order No. 05/PM on Wildlife Management;
 - Order No. 09/PM and Decree No. 247/PM on the promotion of tree planting.
- Controls on the enforcement of laws and regulations on forests and forestland were also tightened. In early 2008, investigation units were established at central provincial and district levels to work in cooperation with the investigation units of other related sectors to implement measures against those who violate orders No. 15/PM and No. 05/PM. As a result, illegal timber movement and export and illegal trade in timber, wildlife, NTFPs, forest products and wood products have decreased. A network was established to enforce the law on aquatic and terrestrial animals, and forests to more effectively combat and suppress illegal domestic, regional and international trade in these.
- The organization and personnel of the forestry sector were developed and improved on an ongoing basis in line with their responsibilities and job requirements. This resulted in more clearly defined roles, rights and duties throughout the forestry sector, from central to local levels. The most important of these was the transfer of qualified management staff to National Parks and conservation forests. Positions and responsibilities were clarified and personnel were recruited based on their knowledge, skills and ability according to actual work requirements. Most importantly, the rights and responsibilities of staff and the coordination mechanisms with other related sectors in forestry management are now clearly defined in the Forestry Law.
- Research and experimentation in forestry has been improved including propagation, reproduction, genetic improvement of trees and NTFPs, and improved growth of trees and NTFPs in terms of quantity and quality. Research into technical standards that are effective in the protection and development of forests was also conducted. Collaborative research with the private sector and research institutes was also strengthened, such as with Burapha Agro-Forestry Production Company Limited, the parent company of Tree Planting Team, Stora Enso and the Australian International Agricultural Research Centre (ACIAR). Such collaborative research involved testing for pest and disease tolerance, planting techniques, plant spacing and agroforestry practices.
- Gender equity was promoted and integrated into development planning throughout the forestry sector. Emphasis was placed on the role and participation of women in forestry activities, especially those which generate income for women across all ethnic groups. These included rattan and bamboo handicrafts, weaving, home gardens, animal husbandry and the sustainable harvesting of NTFPs.
- The Forest Protection Fund was established to accumulate capital and raise revenue from forestry and activities related to the use of forest resources. Contributions to the fund included those from both domestic and international sources. Legislation governing the fund was updated in line with changing conditions, and management system changes were made to be more flexible, fast, fair and transparent, thereby ensuring effective fund use according to annual plans. Since its inception in 2005, the

¹¹ Article 63 Utilization of Forests, Timber and NTFPs by Households.

- fund has raised a total of 98 billion kip, and has achieved 100% completion of all forestry projects in each year's plan.
- Plans were developed to reduce greenhouse gases from deforestation (REDD+) consisting of 3 tasks:
 - 1) Ensuring readiness, including strategies to reduce greenhouse gases from forest destruction, determining the reference level of greenhouse gas emissions (REL), developing the national forest monitoring system and the social and environmental protection management system, and improving the national forest change monitoring system.
 - 2) Assessing the reduction of greenhouse gases from deforestation for the first period (2015-2018) which showed that carbon dioxide emissions decreased by 14 million tons.
 - 3) Finalising the agreement to buy and sell forest carbon under the REDD+ project in 6 Northern provinces with a contract value of 42 million US dollars.
 - Cooperation and coordination with relevant sectors and development partners was promoted both domestically and internationally to implement the protocols under conventions to which Lao PDR is a signatory, namely CBD, UNCCD, CITES and UNFCCC, (Ramsar). Between 2009 and 2020, the strategies and workplans on national biodiversity, tiger management, Asian elephant conservation plan, and REDD+ national strategy, to achieve this, approximately 313 million US dollars was received and used to implement these forestry projects, the most prominent of which were:
 - 1) The Sustainable Production Forest Management Project (SUFORD);
 - 2) A project on management of the conservation forest system, including the creation of a national park and nature tourism sites;
 - 3) A program to reduce greenhouse gases from deforestation (REDD+);
 - 4) The Village Forestry Management Project (VFMP);
 - 5) Program for the protection and sustainable use of forest ecosystems and biodiversity (ProFEB);
 - 6) The National rattan and bamboo operation plan.
 - 7) Naby smaller projects implemented across the country.
 - Important domestic and foreign development partners included WB, KfW, GIZ, JICA,, AFoCO, FAO, UNDP, SIDA, ADB, ACIAR, SDC, EU, EFI, RECOFTC, APFNet, IUCN, WCS, WWF, VFI, GRET, Finland and a number of Civil Society Organizations (CSOs).

1.2 Success Factors

The successful implementation of the Forest Strategy from 2005 to 2020, as described above, was due to the following key factors:

- 1) The Party and the Government established policies, laws, strategies, and national socio-economic development plans as the basis for promoting, facilitating and implementing, the Forest Strategy with the active participation of all parties, both domestic and international.
- 2) The Party and State provided guidance to the agriculture and forestry sector at all levels in the implementation of programs, action plans and projects as set out in the Forestry Strategy on a regular and continuing basis. As a result, forest and forestland have been systematically managed following a step-by-step process.

- 3) The organizational structure of the forestry sector was periodically updated to be consistent with changing conditions. The capacity of administrative, managerial and technical staff was continuously improved, and upgraded through in-country and overseas training.
- 4) Scientific, technological and innovative research results were applied in the management, monitoring and inspection of forests and forestlands. Such use is increasing and further research continues to be developed and used.
- 5) Cooperation, technical support and funding from domestic and international development partners was received and support from individuals, legal entities and domestic and foreign organizations continues to increase.
- 6) There were valuable contributions, improved coordination and stronger ownership from relevant sectors, and sections of society, particularly the Lao people of all ethnic groups.

1.3 Remaining Challenges and their Causes

Despite the achievements described above, a number of challenges still remain, and these are addressed by the Second Forestry Strategy (2020-2035). These challenges are described in the following:

- 1) The protection of forests and forestland has not yet fully followed all the required steps and procedures. For example, the boundaries of forestland in many protection and production forests have not yet been demarcated; most protection and conservation forests do not yet have a management plan and forest boundary posts and sign boards are not in place in many cases. This has resulted in forest encroachment and transformation to other uses.
- 2) The management and control of the use of forests and forestland still does not strictly follow the law and regulations, causing forests and forestland to continue to be encroached and destroyed. This results in a loss of forest area and a decline in the forest's economic, biodiversity and ecological values.
- 3) Forestry development is not yet systematic, and has inadequate support, particularly for tree planting to replace natural trees harvested to provide timber and raw materials for domestic wood processing and for the export of wood products.
- 4) Development of the forestry sector is not as strong as it should be. This is particularly the case in regard to policy and legislation. Organization and staff development is weak and budget is not sufficient to meet manpower needs. This means that the transfer of staff to each forest area is only feasible in some cases.

The above-mentioned challenges are caused by numerous factors that are often interrelated, but the main causal factors that can be identified are as follows:

- 1) Implementation of the national policy on land use and sustainable land use planning at both macro and at the local levels is still slow, especially the allocation of each land type in accordance with the Land Law and the National Land Allocation Master Plan.
- 2) The control and prevention of forest encroachment, destruction and degradation is still weak for a number of reasons:
 - The demand for land for production is high, but the allocation of agricultural and forest land for commodity production has not been strictly implemented in accordance with the law, regulations and the National Land Allocation Master Plan;

- Most of the people living in forest areas are poor and have to follow shifting cultivation practices as they have no capital to invest in other more profitable ways to earn a living;
 - The need to transform forest land for socio-economic development is increasing day-by-day, but the planning and allocation of land for investment has not been completed, resulting in encroachment and destruction of forests and forestland in many areas.
- 3) The identification of areas for tree planting, for forest restoration or for land concessions and leases to plant trees and NTFPs have not yet been completed. This means that the policy to promote investment in tree planting cannot be implemented as required under the law. As a consequence, forest restoration and environmental protection has been negatively impacted.
 - 4) The performance of the wood and NTFP processing industry has not been adequately improved or developed. The supply and demand of wood for processing is not in balance and so the supply of legal wood does not meet the needs of the industry. This has led to illegal logging and the destruction of forestland.
 - 5) The dissemination of policy, laws and regulations through awareness- raising on forest conservation, protection and sustainable use has not yet reached all sections of society and this has left gaps and created opportunities for illegal harvesting, transportation, trade and export of timber, NTFPs and aquatic and terrestrial wildlife.
 - 6) The organization and performance of the forestry sector in the management, protection, development and use of forest resources is weak and non-systematic. As a result, technology and innovation are not properly applied in the work of the sector. In addition, coordination in forestry management among related ministries such as Agriculture and Forestry, Natural Resources and Environment, Health, Energy and Mining, and Industry and Commerce at the central and local levels is not fully harmonized.
 - 7) The allocation of state budget and investment in forest protection and development is insufficient, and frequently relies on foreign aid which has its own specific targets, objectives and conditions of use. In addition, coordination and exchange of information between foreign aid projects is often weak, causing duplication and inefficiency.
 - 8) Encouraging and promoting the settlement of people living in forest areas to other places with better family livelihood opportunities is difficult and, so far, has not been widely implemented.

1.4 Lessons Learned

A number of important lessons were learned from the implementation of the first Forestry Strategy (2005-2020) as described below:

- 1) Party political theory and political training that requires party members and government staff to take effective charge of implementing their roles and responsibilities is considered a decisive factor in the successful implementation of their work.
- 2) The dissemination of forestry policy, laws and regulations so that people from all sections of society recognize, understand and participate in the management, protection and development of forests is vitally important.
- 3) A number of factors can be identified as essential to ensure successful forestry outcomes. These include: (i) the integration of policies and strategies in programs,

plans and projects, (ii) the allocation of sufficient budget, (iii) the clear assignment of responsibilities, and (iv) regular monitoring of program implementation.

- 4) Improving organizational structure in regard to the development of staff capacity, along with the relocation of staff to local implementation levels, especially to the three state forest category areas is considered an important measure for the successful management and protection of forest resources.
- 5) Comprehensive and coordinated land use planning integrating all relevant sectors in accordance with the National Land Use Master Plan is an important priority for defining forestland boundaries, managing forests effectively and increasing forest productivity.
- 6) Improving the livelihoods of people from all ethnic groups living in forest areas by providing stable occupations and promoting increased productivity based on local potential is important in tackling forest encroachment and increasing people's participation in forest management and protection.
- 7) Obtaining funding from international cooperation agencies for forestry activities is an essential element for effective forest management and protection. Income from private sector sources through payment for forest ecosystem services is another way of financing forest management, protection and development. All potential funding sources need to be strengthened and continue to be used in accordance with the guidelines of the Party and the Government.

SECTION II: DIRECTION, VISION, TARGETS AND EXPECTED OUTCOMES

Formulation of the Forestry Strategy to 2035 and the Vision to 2050 is based on the Party's guidance on forestry and forestland, the National Socio-Economic Development Plan, the National Master Plan for Land Allocation, the National Rural Development and Poverty Eradication Plan and on in-depth consultations with all relevant sectors and development partners. National and international sustainable development issues, and the impacts of climate change are addressed by the Strategy. Formulation is also based strongly on the key role that forest and forestland play in socio-economic development and the assessment and lessons learned from implementation of the previous Forestry Strategy.

Important elements of this Forestry Strategy include visions, targets and expected outcomes. At the same time, the Strategy sets out the Strategic Plans, Focal Activity Areas, Priority Projects and the main tasks that need to be implemented in order to achieve the expected targets and outcomes.

2.1 Direction

Direction for formulating the Forestry Strategy to 2035 and Vision to 2050 is set by key national policy priorities described in the following:

- Resolution of the Party Central Committee No. 026/PCC, dated 03/08/2017, on the enhancement of land management and development, which focuses on defining a rational strategy and plans for each land category to conserve forestland at 70% of the country's land area.
- Resolutions of the 11th Party Congress and the 9th Five-Year National Socio-Economic Development Plan (2021-2025), which focus on (i) developing quality human resources to promote socio-economic development, rural development and poverty alleviation and (ii) the protection and use of natural resources in a rational, sustainable, economical and efficient manner.
- The National Socio-Economic Development Vision to 2030, the 10 Year Socio-Economic Development Strategy (2016-2025) and the National Green Growth Strategy of Lao PDR to 2030¹².
- Resolutions of the Political Department of the Central Committee of the Party¹³, order of the Prime Minister¹⁴ and the Decree on poverty alleviation criteria and development criteria ¹⁵, in the management, protection and use of natural resources and the environment in strict accordance with the law. This is one of the measures to establish the province as a strategic unit, the district as a comprehensive unit, and the village as a development unit (Sam Sang or 3 Build).
- International conventions and treaties to which Lao PDR is a signatory, such as the Convention on Climate Change (UNFCCC), the Convention on Biological Diversity (CBD), the Convention on Combating Desertification (UNCCD), Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the Ramsar Convention (wetlands), Indigenous Peoples' Rights Declaration (UNDRIP),

¹² Which has set the forest cover rate indicator from 40.3% in 2010 to 70% in 2025.

¹³ Resolutions of the Political Department of the Central Committee of the Party, No.03/PCC, date 15 Feb 2012, on establishing the province as a strategic unit, the district as a comprehensive unit, and the village as a development unit.

¹⁴ PM Order No.34/PM, date 23 Aug 2016, on directions, goals and measures to establish the province as a strategic unit, the district as a comprehensive unit, and the village as a development unit.

¹⁵Decree No. 348/Gov, date 16 Nov 2017, on poverty alleviation criteria and development criteria.

National Communications (NC), the National Plan for climate change mitigation of the Lao PDR, Nationally Determined Contribution (NDC) and others.

2.2 Vision to 2050

Forests and forest resources are healthy, play an important role in national socio-economic development, contribute to the improvement of people's livelihoods, reduce poverty, protect biodiversity and the environment, and help to cope with climate change.

2.3 Overall Goal of The Forestry Strategy to 2035

The forestry strategy goal is the management and protection of forest resources in order to stop their destruction, along with the rehabilitation, development and enrichment of degraded forests. Under the Strategy, forests are seen as a source of carbon credit accumulation, as tourist attractions, and as providers of raw materials for the wood processing industry. It is envisaged that forest management will use modern technology, techniques and innovation and thereby contribute significantly to income generation and development of society and the national economy in a green growth and sustainable manner.

2.4 Targets and Expected Outcomes

In order to achieve the afore-mentioned Vision and Goal, the Forestry Strategy to 2035 has set out eight (8) targets as follows:

- 1) Survey and allocate forestland to cover 70% of the country's land area, of which:
 - 8.2 million hectares or 35% are Protection Forestland;
 - 4.7 million hectares or 20% are Conservation Forestland;
 - 3.1 million hectares or 13% are Production Forestland;
 - 0.5 million hectares or 2% is land for tree planting.
- 2) Increase forest cover to 70% of the country's land area, by:
 - Managing the present forest cover of 14.7 million hectares or 62% and protecting it from being destroyed and degraded;
 - Rehabilitating at least 1.3 million hectares of degraded natural forest;
 - Planting trees and NTFPs on 500,000 hectares of barren forestland. Of this, at least 0.1 million hectares of trees are for environmental protection in conservation and protection forest areas, and at least 0.4 million hectares are for commercial purposes in production forest areas and on other land to ensure a sustainable supply of raw materials for wood processing factories and NTFP markets.
- 3) Promote the development and modernization of wood and NTFP production and processing to add value and create jobs. Wood product quality will be improved for domestic use and for export along with better management of the wood supply chain in order to expand market opportunities.
- 4) Forestry related businesses such as plantations, wood processing, ecotourism, forest carbon trading, etc. will be developed to create jobs and generate income, thereby contributing to the improvement of local livelihoods and to developing the national economy.
- 5) Encourage people living in forests to settle in other areas with better income earning opportunities in order to improve family livelihoods through commercial activities based on the potential in each locality.

- 6) Enrich and improve the quality of forests and forestlands to promote biodiversity conservation, provide better habitats for plants and animals, protect soil and water resources, maintain and enhance ecosystem services and reduce impacts from natural disasters.
- 7) Strictly follow forest legislation and strengthen forest law enforcement to prevent, combat and address deforestation and forest degradation, aiming to reduce at least 55 million tonnes of carbon dioxide (CO₂e¹⁶), of which:
 - Target reductions in GHG emissions caused by deforestation of about 40 million tCO₂e;
 - Target removals through rehabilitation and plantation of about 15 million tCO₂e.
- 8) Develop and improve forestry sector organizational structure, staff capacity and build a strong, modern technical base capable of implementing national policy in order to attract domestic and foreign investment through international and regional integration.

2.5 Strategic Plans and Focus Activity Areas

In order to achieve its targets, this Forestry Strategy is divided into 8 strategic plans, 18 focal activity areas and 50 projects, as described in the following sections.

Strategic Plan I - Forest Management and Protection

Objectives: To sustainably manage forests and forestland of all types, (including wetland) and eliminate their destruction and degradation. The aim is to: (i) reduce greenhouse gas emissions caused by the loss of forests by approximately 40 million tons of carbon dioxide equivalent (tCO₂e); (ii) maintain the quality of soil, air, water, biodiversity, and the environment; and (iii) contribute to the economic and social development of the nation. This will be achieved through the 6 focal activity areas described in the following sections.

Focal Activity Area 1.1 - Management and Protection of Forest Areas

Objectives: To manage 8.2 million hectares of protection forest and protection forestland as a system with the aim of: (i) maintaining water resources, riparian forests and roadside woodland; (ii) preventing erosion and maintaining soil quality and (iii) preventing natural and environmental disasters. This is to be achieved through 3 priority projects:

- Project 1:** Identifying 8.2 million hectares of protection forest areas and protection forestland at national, provincial, district and village levels for government and local authorities to develop management plans to protect, develop and sustainably use these areas, including village forests in villages both within and adjacent to protection forest areas¹⁷.
- Project 2:** Promoting and supporting the implementation of protection forest management plans, including demarcation, patrolling, restoration and management, in order to develop the livelihoods of people living inside and adjacent to protection forest areas.

¹⁶ CO₂ refers only to Carbon Dioxide, while CO₂e stands for "Carbon Dioxide Equivalent" which includes CO₂ and other greenhouse gases.

¹⁷ Forestry Law Article 39 Village forestry management planning and Article 114 Forest and forestland protected and developed by villagers.

Project 3: Identify and develop management and protection plans for water resources, watersheds, riparian forests and roadside forests that are important for the maintenance of small, medium and large watersheds.

Focal Activity Area 1.2 - Management and Protection of Conservation Forest Areas

Objectives: To sustainably manage 4.7 million hectares of conservation forest and conservation forestland, with the aim of preserving forest ecosystems, biodiversity and the beauty of natural landscapes. This is to be achieved through 2 priority projects:

Project 1: Identifying 4.7 million hectares of conservation forest and conservation forestland at national, provincial, district and village levels for government and local authorities to develop management plans to protect, develop and sustainably use conservation forest areas, including village forests in villages both inside and adjacent to conservation forest areas.

Project 2: Promote and support the implementation of conservation forest management plans, including demarcation, patrolling, restoration and management, in order to develop the livelihoods of people living inside and adjacent to conservation forest areas.

Focal Activity Area 1.3 - Management and Protection of Production Forest Areas

Objectives: To manage and enrich 3.1 million hectares of production forests and production forestland to ensure sufficient wood volume to meet the needs of the wood processing industry. This is to be achieved through 2 priority projects.

Project 1: Identify 3.1 million hectares of production forest areas and production forestland approved by the state, and develop or improve management plans to protect, develop and sustainably use these forest areas at the village level in all villages within or adjacent to production forest areas

Project 2: Promoting and supporting the implementation of the management plans for the protection of production forests including demarcation, patrolling, restoration and management, in order to develop the livelihoods of people living inside and adjacent to production forest areas.

Focal Activity Area 1.4 - The Management and Protection of Wetland

Objective: To manage, protect and develop riparian land in a sustainable manner, to maintain ecosystem balance, biodiversity values, and water quality and to reduce floods and drought and increase carbon sequestration and climate change mitigation/adaptation. This is to be achieved through 2 priority projects:

Project 1: Survey and identify riparian land in forest areas to develop and improve plans for their sustainable management, protection, development and use.

Project 2: Promote and support implementation of the management plans for the protection of riparian forests including demarcation, patrolling, restoration and management in order to develop the livelihoods of people living on or adjacent to wetland.

Focal Activity Area 1.5 - Management and Protection of Biodiversity, Trees, Plants and Wildlife

Objectives: To protect biodiversity by managing species conservation for trees, NTFPs, plants and wild animals, particularly prohibited, rare and endangered species so as to

maintain genetic resources to enrich biodiversity and forest resources in the future. This is to be achieved through 4 priority projects:

- Project 1:** Managing seed sources for tree and NTFP species with a focus on identifying and restoring seed sources for rare and endangered species and implementing measures to manage and protect these sources with public participation.
- Project 2:** Review and update Lists I, II, and III for trees, NTFPs and aquatic and terrestrial animals that are rare and endangered. This will involve assessing the risks to the survival of these species in the wild and implementing measures to manage, protect and inspect them with the participation of local people.
- Project 3:** Manage critical biodiversity conservation areas by identifying key habitats of rare and endangered plant and animal species and by implementing measures to manage, inspect and protect these areas.
- Project 4:** Publicize and raise awareness on the importance of the protection of forest resources and establish and celebrate special national and international days related to biodiversity and endangered species. In addition, topics related to forest management, biodiversity conservation and wildlife protection will be integrated into school curricula at all levels.

Focal Activity Area 1.6 - Prevention of Forest and Forestland Encroachment and Deforestation

Objectives: Ensure the implementation and enforcement of laws and international conventions to which the Lao PDR is a signatory and prosecute perpetrators through strict adherence to the law, following all steps in the legal process aimed at preventing forest encroachment and deforestation. This will be achieved through 5 priority projects:

- Project 1:** Improve the monitoring of forest encroachment and deforestation to ensure effectiveness, and strengthen the ability of forestry sector staff, relevant government agencies, village level organizations and society at large to prevent the loss of forest resources.
- Project 2:** Improve coordination, cooperation and exchange of information within national, regional and international forestry enforcement networks according to the law, in order to tighten controls and prevent illegal activities.
- Project 3:** Strengthen and build capacity in the forest investigation units and officials of the people's prosecutor's offices and people's courts to ensure that action is taken against those who violate the law, following due legal process.
- Project 4:** Strengthen the prevention of forest and forestland encroachment and deforestation, illegal timber harvesting and transportation. Manage and inspect prohibited wildlife and plant species in collaboration with all stakeholders and local authorities, to identify any illegal use of the forests and forestlands and prosecute the offenders.
- Project 5:** Prevent forest fires in forest and forest areas by developing detailed projects, sub-regulations, mechanisms and methods in collaboration with other countries, regions and worldwide.

Strategic Plan II - Forest Tree Planting and Rehabilitation

Objectives: To promote tree planting and the restoration and enrichment of forest areas with the aim of: (i) increasing forest cover to 70% of the country's land area, (ii) sequestering 15 million tCO₂e, (iii) contributing to national socio-economic development, and (iv) protecting the environment and biodiversity. This will be achieved through 2 focal activity areas.

Focal Activity Area 2.1 - Supporting Tree and NTFP Planting

Objectives: To plant at least 0.5 million hectares of trees and NTFPs, to ensure the protection of biodiversity and the environment and to provide an adequate supply of raw materials for the wood and NTFP processing industries. This will be achieved through 4 priority projects:

- Project 1:** Develop a master plan for planting trees and NTFPs in the nation's forests by establishing a database and maps of degraded and periodically cleared forest areas inside and outside state protection, conservation and production forests. This will enable appropriate tree and NTFP planting areas to be identified following environmentally friendly practices to the benefit of all sections of society.
- Project 2:** Promote tree and NTFP planting to protect the environment, water resources, biodiversity values and forest ecosystem services in degraded forests and barren land within protection, conservation, riparian, forests and forest lands allocated by the state over an area of at least 0.1 million hectares.
- Project 3:** Promote tree and commercial NTFP planting in degraded forest areas and on barren land within production forests and on other land over an area at least 0.4 million hectares to ensure an adequate supply of raw materials for the wood and NTFP processing sectors.
- Project 4:** Promote the registration and certification of planted trees, NTFPs and existing trees to verify ownership rights and locations.

Focal Activity Area 2.2 - Forest Restoration for Protecting the Environment and Biodiversity

Objectives: To restore at least 1.3 million hectares of degraded natural forests to protect the environment, conserve biodiversity and mitigate climate change. This will be achieved through 2 priority projects:

- Project 1:** Produce a national forest restoration master plan by developing a database and a national forest restoration map. The Project will also involve developing appropriate practices for both natural and artificial forest restoration including opportunities for income generation for local communities.
- Project 2:** Promote and support implementation of the Forest Restoration Master Plan through the registration of forest areas that have been restored. The registration documents will include the names of those responsible for the restoration and/or the investment along with regulations and the rights, responsibilities and the benefits that will accrue to the investors.

Strategic Plan III - Utilization of Forests and Forestland

Objectives: To ensure that forests and forestland are used effectively, sustainably and economically in accordance with the law with the aim of improving the supply and quality of wood with associated value addition for both domestic and export markets. Improved management of the wood supply chain and an expanded market base are also envisaged. These objectives will be achieved through 2 focal activity areas.

Focal Activity Area 3.1 - Nature Tourism Development

Objectives: To promote sustainable ecotourism and nature tourism together with the protection and development of forests in order to contribute to the country's Gross Domestic Product (GDP) and Gross National Income (GNI). This will be achieved through 2 priority projects:

- Project 1:** Promote nature tourism in forest areas based on surveys to identify potentially promising sites and natural tourism resources. Promote and support entrepreneurs and relevant parties to invest in and further develop the nature tourism sector.
- Project 2:** Develop and strengthen community involvement in nature tourism based on the potential, local conditions, and community readiness by establishing groups, associations or cooperatives for tourism at the community level.

Focal Activity Area 3.2 - Forest Carbon Credit Trading

Objectives: To develop forest carbon credit trading and clean energy, capable of generating income and contributing to growth in GDP and GNI. This will be achieved through 3 priority projects:

- Project 1:** Establish the basis for forest carbon trading by developing policies and legislation for its promotion and management, develop the capacity of civil servants to set benchmarks and monitor forest gain or loss and degradation, including greenhouse gas emission caused by forest destruction.
- Project 2:** Promote a forest carbon trading business by implementing programs or projects on forest carbon trading in which the state will invest and support individuals, legal entities and organizations to enter the business and help them to access the carbon credit market in both mandatory and voluntary forms (Compliance and Voluntary Markets).
- Project 3:** Support development of clean energy by enabling stakeholders to implement plans or projects financed by government, the private sector or villager co-investors. This will enable individuals, legal entities and organizations to produce environmentally-friendly clean energy.

Strategic Plan IV - Development of wood and NTFP processing sectors

Objectives: Modernise wood and NTFP processing, focusing on quality standards in order to add value and expand market opportunities. There are 2 focal activity areas.

Focal Activity Area 4.1 - Wood processing sector development

Objectives: Modernise wood processing, focusing on quality and standards in order to add value to the finished product for both domestic and international markets. This will be achieved through 3 priority projects:

- Project 1:** Improve the management of wood processing factories to ensure quality standards are operating in a systematic manner which complies with laws and regulations. This will involve the establishment of a factory database, timber supply chain data, and monitoring systems to verify timber sources in a Timber Legality Assurance System (TLAS).
- Project 2:** Support small and medium wood processing factories by focusing on establishing groups, associations, cooperatives, productivity networks and model factories for wood processing by communities, including skill development support for wood product value chains.
- Project 3:** Strengthen wood processing businesses by focusing on the development of the wood processing system as a whole. The aim is to make the sector competitive in the market by ensuring the regular supply of legally sourced raw materials and the use of modern equipment and adequate skill levels in the labour force.

Focal Activity Area 4.2 - NTFP Processing Sector Development

Objectives: Modernise NTFP processing, focusing on quality standards in order to add value in both domestic and international markets. This will require a modernised industry, new technology and innovations to the finished product. This will be achieved through 3 priority projects:

- Project 1:** Ensure that required quality standards are met by focusing on efficient management and improved NTFP processing facilities operating in a systematic manner that complies with relevant laws and regulations. The establishment of a factory database and the monitoring of NTFP supply chains to verify NTFP raw material sources will also be needed.
- Project 2:** Strengthen NTFP processing businesses by focusing on the development of NTFP processing systems. To make the sector competitive in the market will require improved efficiency, the regular supply of legally sourced raw materials, modern equipment and adequate labour skills.
- Project 3:** Promote individuals, legal entities or organizations to invest in NTFP value chain development in a participatory manner with villagers. Upgrade skills, techniques, harvesting methods, maintenance procedures, processing, exporting, advertising and marketing for NTFPs.

Strategic Plan V - Improve the Livelihoods of People Living Inside Forest Areas

Objectives: Improve livelihoods of villagers living inside forest areas to reduce poverty in a manner that simultaneously reduces negative impacts on forest resources. This will be achieved through 2 Focal Activity Areas.

Focal Activity Area 5.1 - Land use planning and land allocation of villages located inside forest areas

Objectives: To develop and improve capacity and productivity of local livelihood activities and promote cooperation to develop economic models based on local potential in order to supply domestic and international markets. This will be achieved through 2 priority projects:

- Project 1:** Improve the understanding of forestry officials in regard to the land use rights of villagers living and farming inside protection, conservation and production forest areas prior to the official designation of these state forest areas. An improved understanding will be developed through land use surveys, data collection and an assessment of rights of villagers before issuing land titles or land use certificates for residential and permanent agriculture land based on relevant laws and regulations.
- Project 2:** Improve forest land use planning and allocation, especially in areas where the state has allocated land to farmers for residential and permanent agriculture use. Government agencies will provide compensatory support to any villagers whose livelihoods are affected by any required land use changes in order to reinstate incomes. This will help to reduce poverty, thereby reducing negative impacts on forest resources.

Focal Activity Area 5.2 - Development of occupation opportunities and livelihood improvements

Objectives: Promote commercialization of agriculture and forestry activities of villagers. Develop family livelihood models for crop production, livestock raising, handicrafts, and small businesses to prevent unplanned settlement in forest areas. This will help to protect the forest and prevent shifting cultivation. It will be achieved through 3 priority projects:

- Project 1:** Build villager capacity by establishing groups or cooperatives for planting trees and NTFPs. The project will provide technical training on seedling production, planting, maintenance, agroforestry, and agro-silvo-pastoral systems appropriate for local conditions. This will enable villagers to implement activities in line with government policy on tree and NTFP planting.
- Project 2:** Support development of agro-silvo-pastoral systems, focusing on developing technical manuals and guidelines. This project will include support for villagers to obtain funding to implement agricultural, agroforestry and agro-silvo-pastoral systems.
- Project 3:** Promote small businesses related to agroforestry at household and community levels, focusing on supporting and promoting agroforestry. Develop market access for agroforestry products and promote non-monetary exchange of these products at the community level.

Strategic Plan VI - Strengthening the Forestry Sector

Objectives: To strengthen the forestry sector and enable it to carry out its duties efficiently and effectively, and to ensure that the organization is able to achieve the goals laid out in this Forest Strategy. This will be achieved through 5 focal activity areas.

Focal Activity Area 6.1 - Improving Organizational Structure and Staff Capacity

Objectives: To ensure that forestry sector organization, its management systems and its administrative processes are compatible, and are staffed by personnel who are capable of implementing this Forestry Strategy and ensuring it achieves its targets by 2035. This will be achieved through 2 priority projects:

- Project 1:** Improve the organization of the forestry sector and its management structure from central to local levels by reviewing and improving roles and responsibilities, assigning positions and recruiting personnel in accordance

with the needs of each position. It will also involve developing and improving infrastructure and facilities, especially field offices, training centres, forestry technical services centres, etc.

Project 2: Develop and update staff capacity to enable them to network with the international forestry community by developing and implementing short, medium and long-term staff development plans, creating, improving and developing manuals and technical guidelines. It will also provide facilitation support where necessary for management, inspection and legal proceedings related to forests, forestland and forest resources.

Focal Activity Area 6.2 - Formulate and Improve Policy and Legislation

Objectives: To ensure that there is comprehensive and clear policy and legislation for the management, protection, development and use of forests and forestland that conforms with state management systems and laws. This will be achieved through 2 priority projects:

Project 1: Develop and update policy on forestry and forestland in accordance with national economic and social development policy and plans on a regular basis.

Project 2: Improve legislation on forestry and forestland by reviewing, strengthening and developing new legislation on the management, protection, inspection, development and use of forests and forest resources including wildlife in a systematic manner. Develop and implement a timber and wood product legal assurance system of Lao PDR (Lao TLAS).

Focal Activity Area 6.3 - Experimental Research and Information

Objectives: To strengthen and improve the quality and relevance of forestry science and research in order to effectively contribute to the implementation of the projects contained in this Forestry Strategy to 2035 and Vision to 2050 to ensure that they meet their targets. This will be achieved through 2 priority projects:

Project 1: Develop and improve research techniques and tools on a number of topics related to technology and innovation, including (i) plant genetics, (ii) value addition for wood and wood products (iii) conservation models for the management and protection of forests, plants and wildlife, (iv) planting and restoring forests, (v) effective use of forests, (vi) the propagation, reproduction and growth of trees.

Project 2: Develop, manage and regularly update a forestry information system, to enhance data and information supply, sharing and exchange, with the aim of improving the protection, development and utilization of forests and forest resources.

Focal Activity Area 6.4 - The Forest Protection Fund

Objectives: To properly manage and use the proceeds of the Forest Protection Fund according to its established goals and regulations in a sustainable, transparent and accountable manner. This will be achieved through 2 priority projects:

Project 1: Strengthen the forest protection fund by focusing on system development and improving the management and use of the fund in an effective and transparent manner. Develop additional mechanisms for generating revenue, accumulating capital and raising funds from forestry activities and activities related to the use

of forest resources, as well as soliciting contributions from domestic and foreign sources.

Project 2: Create and expand sources of income from the collection of fees for forest ecosystem services with a focus on forest carbon payments within the framework of the international convention on climate change and other mechanisms. In addition, opportunities will be explored to access funding by developing an effective and efficient system for fee collection from payment for forest ecosystem services with transparent benefit sharing.

Focal Activity Area 6.5 - Promotion of Gender Roles in the Forestry Sector

Objectives: To raise the profile of the role of women in managing, protecting, inspecting, developing and using forest resources to ensure that the percentage of women participating in forestry work is at least 35%. This will be achieved through 2 priority projects:

Project 1: Enhance the standing of women working in the forestry sector by increasing their role in the management, protection, development and use of forest resources as well as expanding their roles in forestry inspection and in legal proceedings and the prosecution of offenders who break the laws governing forests and terrestrial and aquatic wildlife.

Project 2: Enhance and protect the rights, and legitimate interests of women of all ethnic groups who are involved in the management, protection, development and use of forest resources at the village level.

Strategic Plan VII - National, Regional and International Cooperation

Objectives To better organize and expand policies of the party and of the government regarding domestic, regional and international cooperation based on the principle of non-interference to ensure that all parties benefit from the enhanced cooperation in terms of funding, technology, education and research.

Strategic Plan VIII - Budget and Funding Sources

Budget for the implementation of the Forestry Strategy to 2035 and Vision to 2050 will be mobilized from a range of sources, namely state budget, loans and grants from international cooperation agencies, national and international private sector funding and contributions from individuals. Parties that access these funds are required to ensure quality and efficiency in the use of the funds by working effectively on the strategic plans, the focal activity areas and their priority projects as set out in this Forestry Strategy.

SECTION III: PRINCIPLES AND IMPLEMENTATION MEASURES

In order to ensure that the targets and expected outcomes of the Forestry Strategy to 2035 are met, the following implementation measures will be adhered to:

3.1 Principles of Implementation

The key principles to be followed in the implementation of Forestry Strategy to 2035 and the Vision to 2050 are as follows:

- 1) Ensure that all activities are sustainable, conform with the law, and make sure activities are appropriate for local socio-economic and bio-physical conditions.
- 2) Promote the participation and ownership of people located in or are reliant on forests and forestland for their livelihoods.
- 3) Strengthen the overall role of the forestry sector and ensure gender equity.

- 4) Enhance cooperation with international organizations, NGOs and the private sector.
- 5) Ensure inclusive participation and ownership, transparency and equitable benefit-sharing.

3.2 Implementation Measures

The key measures to be used for implementation of the Forest Strategy to 2035 and Vision to 2050 are as follows:

3.2.1 Organization and Coordination

At the national level, the Ministry of Agriculture and Forestry manages, monitors, inspects, evaluates and supports the implementation of the Forestry Strategy. Implementation is by local authorities through a process of elaborating the strategy into provincial forestry plans according to prevailing conditions. Implementation is done with the participation of all relevant stakeholders, including relevant government agencies, development partners, the private sector, local entrepreneurs, NGOs and villagers, within the scope of their respective rights and responsibilities.

3.2.2 Supporting Policies and Legislation

Implementation of all the work in this Forestry Strategy will help to formulate and revise policy and legislation according to the law. In order to improve efficiency and effectiveness, this will include policies on forest management, protection, rehabilitation and enrichment, tree and NTFP planting, and the use of forest resources. A strong technical base will be established to protect the environment, water resources, biodiversity and the livelihoods and occupations of people living in forest areas.

3.2.3 Monitoring and Evaluation

Monitoring and evaluation (M&E) will be based on the objectives, targets and expected outcomes set out in Section II 2.4. The M&E framework will be developed in a systematic manner with central and local level participation, and will be updated on a continuing basis. The Department of Forestry, together with other relevant sectors, will implement the Forestry Strategy based on the M&E framework with regular inspection and reporting in line with the National Five-Year Socio-Economic Development Plan. In addition, meetings will be held at regular intervals with all relevant sectors in order to make any necessary changes to the strategy based on changing conditions, new issues arising and lessons learned from implementation.