Towards institutionalizing village forestry in Lao PDR

Introduction to the Lao forestry sector

Laos is a landlocked country with a predominantly Buddhist population of 4.5 million. Its 236,800 km\(^2\) of mainly mountainous land is awash with magnificent scenery and rich history. Laos is among the poorest countries in the world. Its GDP is about USD 350 per capita. More than 80% of its people live in the rural areas, most of them at subsistence level.

Laos has limited natural resources, but compared to many other Asian countries, it is still quite rich in forest resources. Its 11 million hectares of forests cover about 47% of the land. Timber and timber products account for about 30% to 50% of total export revenue. However, the heavy reliance on timber as an important source of revenue comes at a high price. Its forest cover has declined steadily during the last few decades, endangering the environment, biodiversity, and the future supply of forest products. About 60,000-70,000 hectares of closed-canopy forests are lost every year, while some 100,000 hectares of forest fallow are cleared annually for slash-and-bum cultivation. Forest degradation is also a very serious problem.

The main causes of deforestation and forest degradation are logging, shifting cultivation, and land clearing for permanent agriculture. Shifting cultivation is a problem especially in parts of the country where the availability of arable land is limited, e.g. because of a mountainous terrain combined with the pressure from an increasing population. The number of people depending on shifting cultivation is almost 1.3 million, but the Government of Laos is trying to reduce this number by promoting sustainable agriculture and alternative livelihood.

Commercial pressure to use the forest is great. The Government has banned logging concessions since 1991, but in practice both authorized and unauthorized logging continues. Selective harvesting of valuable timber species is extensively practiced. As a result, their stocks are gradually depleted and the biodiversity of the forest is reduced. Harvesting practices are wasteful and inadequate attention is paid to regenerating the forest.

The underlying causes of these negative trends are complex and intertwined. The main causes are:

- Population growth, which is estimated to be 2.5%-2.9% per year.
- Low productivity of agriculture.
- Lack of alternative sources of income at the national, provincial, and village level.
- Inadequate incentives to utilize forest resources wisely. All forestland is owned by the state and land tenure arrangements are not clear; as a result most of the forests are "common access lands".
- Weak policy and legal environment in the past. Policies, laws, and regulations supporting sustainable forest management are being introduced only now.
- Lack of effective forest management and conservation approaches and capacity.

Government response to the problems in the forestry sector

The Government realizes that the depletion of the forest must be stopped. It has done a lot in recent years to improve the situation. Some of the major thrusts being pursued to tackle the current problems in the forestry sector include:

- Passing of a new Forestry Law in 1996.
- Expanding of the protected area system to cover almost 14% of the total land area.
- Strengthening of the information base through a nationwide forest inventory.
- Strengthening of human resources through training.
- Development and piloting of sustainable forest management systems.
Two major forestry programmes are assisting the Government to pursue the above initiatives. The Lao-SIDA forestry programme has been a major partner of the Government in forestry development during the last fifteen years. Recently in 1995, the Forest Management and Conservation Programme (FOMACOP) was established to develop systems for the sustainable management of forests and the conservation of biodiversity. FOMACOP is a joint undertaking of and the Government of Laos, the Government of Finland, the World Bank, and the Global Environmental Facility (GEF).

FOMACOP operates at two levels:

- At the national level, it is assisting the Government in developing the policy and legal foundation to support sustainable forest management and biodiversity conservation. For instance, assistance is provided to the Department of Forestry in developing a transparent system for contracting forest management, a National Code of Harvesting Practice, environmental guidelines for sustainable forest management, and regulations and other national guidelines to support the new Forestry Law.

- At the field level, it is developing and piloting systems for sustainable forest management and also for managing National Biodiversity Conservation Areas (NBCA).

New policies emphasize people-oriented forestry and the role of the private sector

The Lao forestry sector is dominated by the state. However, the state has recognized that it does not have adequate resources to manage and protect all the forests on its own, and that new participatory management approaches are needed. The forest management contracting guidelines currently being developed allows for state partnership with large-scale enterprises and with village organizations. Taking a holistic view, FOMACOP is concerned with both partnerships, particularly in developing national guidelines for them, but its field activities are focused on the development of state partnership with villagers. This is in line with the change in emphasis of Government policy from large-scale state production forestry towards people oriented forestry. This change is being endorsed in Party and Government policies, for example, the proceedings of the Sixth Party Congress in 1996, and also the policy of allocating forestland to the local people for management and tree growing. FOMACOP is convinced that involving villagers can develop the best possible and sustainable forest management since:

- They live there and can take care of the day-to-day management of the forest.

- They can earn a lot from forest management and will be encouraged to protect the forest.

- The income from forest management remains in the rural area thereby promoting rural development and reducing rural-urban disparity.

- Forest management will benefit a larger number of people, who are mainly rural-based, rather than a few urban-based individuals.

Sustainable forest management through village forestry

The idea, that the best way to attain sustainable forest management is by involving villagers, is now catching on in Lao PDR. A form of community forestry called village forestry is presently being developed. Village forestry is defined as a partnership between organized villagers and the state for the sustainable management of designated forests. Conceptually it means the empowerment of villagers by strengthening their capacity and motivation and by giving them the authority to protect and manage forests and to benefit from their efforts.

Village forestry is being piloted on a large scale in two southern provinces called Savannakhet and Khammouane. In 1996, village forestry was initiated in 15 villages in Savannakhet. Early this year another 32 villages in Savannakhet were included in the programme, while 14 more will be included in Khammouane late in the year. It is envisaged that village forestry will cover more than 200,000 hectares in more than 100 villages in five districts by 1999.

Technical assistance for village forestry is provided in developing practicable organizational and forest management systems, building the capacity of state and village institutions to apply them and piloting their application. The general view is to institute a sound basis for expanding the application of the developed management systems to other districts and provinces in the next phase of FOMACOP starting in the year 2000.
Features of the village forestry approach adopted in Laos

Community forestry has been adopted in many countries, so what makes village forestry in Laos different? The difference lies mainly in the level of participation of the local people. As we all know, the level of local people’s participation could vary within a broad spectrum. At one end, the role of the local people is merely to supply labour in implementing state-drawn forest management plans. At the middle of the spectrum, the local people are empowered to make many of the management decisions, but the forestry staff retains the responsibility for making technical decisions, based on the notion that these are beyond the capability of the local people who are not technically trained. Village forestry in Laos falls at the other end of the spectrum where the following message applies:

*Whoever manages decides. Whoever decides plans. Whoever plans collects the needed information.*

This means that the villagers, who are the forest managers, formulate and implement the long-term forest management plan and annual operations plan, and make all management decisions. They also collect the social, technical, and economic information needed to formulate and implement the plans. This approach removes many of the bottlenecks inherent in state-driven forest management operations. For example, the villagers need not wait for the state to produce the forest management plan; they produce it themselves. They also need not wait the state to provide them maps and forest inventory information; they do mapping and inventory work themselves.

Can the villagers really do all these? Our recent experiences have indicated that villagers can be taught not only community organizing skills, but also technical forestry skills, such as aerial photo-interpretation, land-use mapping, and forest inventory, to the extent that they can do this themselves with minimum guidance from the state’s forestry staff. We are also presently developing simple, easy-to-implement rules for forest management planning that the villagers can learn and apply themselves, again with minimum guidance.

The role of the state forestry staff in village forestry involves:

- Extension work to encourage the villagers to organize themselves for village forestry.
- Training of key villagers in the organizational, technical, and entrepreneurial aspects of village forestry (discussed below).
- Assistance in generating and assessing the different options in planning and operations, but with the villagers making the actual decisions.
- Provision of management controls, such as in suggesting needed corrections in the draft long-term forest management plan or annual operations plan to ensure, for example, that the management of the forest is sustainable.

Aspects of village forestry

Since village forestry involves organized villagers, the first task is to convince the villagers on the importance of managing the forest as a means to help themselves and develop their village, and of organizing themselves. The next task is to assist them in organizing: first by selecting a core group of key villagers; next, in strengthening the core group; and finally, in evolving a full-scale village forestry organization. It is only after the villagers have organized they can begin to learn and apply the technical aspects of forest management.

It is not enough, however, that the villagers are organized, and through this organization, they are able to manage the forest and benefit from forest management. Village forestry is also a business enterprise. So that this business can be run successfully, its managers must have the necessary entrepreneurial skills. As a business it also requires investments in labour, capital, and other resources: If the future net returns are not adequate, because the managers do not have the knowledge and skills to increase it, the business may incur losses and eventually collapse.

It is clear from the above that villagers need to develop organizational, technical forestry, and entrepreneurial knowledge and skills so that village forestry will succeed. Therefore, the following have been incorporated as important integral aspects of village forestry:

- Village organizing. The initiation of village forestry focuses on village organizing and the other aspects of social preparation. The primary task is to encourage the villagers to organize a core group from
among them, who can represent them in their initial dealings with the state. The core group members are oriented to their role and taught the basics of running an organization, including the formulation of the group's operating rules and action plan. Their needs for further training are also assessed. Subsequently, the core group members learn the process of forming a village forestry organization (VFO) by building upon the organizational structures that are already familiar to them. Organizational development of the VFO continues indefinitely.

- **Participatory forest management.** One of the roles of the core group is to organize village work teams to do forest management activities. The primary task early in the process is to demarcate the boundaries of the village and collect basic technical information that will be useful subsequently in forest management planning, e.g. village land-use map, forest inventory. Subsequently, the villagers learn the basics of forest management planning including: land-use planning to delineate the forest from other land uses, specification of how the forest harvest and growing stock are to be regulated, specification of how the forest is to be regenerated and its condition improved, and how the forest is to be protected. Afterwards, they learn how to formulate and implement annual operations' plans based on the forest management plan.

- **Rural enterprises.** Given the heavy load in village organizing and participatory forest management activities, early in the process it is enough to train the core group members on the basics of developing and managing simple projects and on cash bookkeeping. What they learn are subsequently put to use later when they begin to list, screen, and plan selected micro-enterprises that are designed to address the most crucial problems in the village, e.g. water supply. Funding for these enterprises can come from their own village development fund once it is established. An important source of financing in the future will be the village's own revenue from forest harvesting. Entrepreneurial development is accelerated in subsequent years. There is a good potential, for example, for village forestry organizations to federate themselves for the purpose, say, of establishing their own sawmill or other small-scale forest-based industries.

Figure 1 shows the model of how the three aspects of village forestry are being instituted in the villages in two districts in Savannakhet and one district in Khammouane. Fifteen of these villages are into their second year, 46 villages into their first year. Other models will be loped to adopt village forestry to specific conditions in other districts, including:

- Federation of VFOs for a number of villages (each with their own VFOs) sharing in the management of a large tract of timberland
- Federation of VFOs for a number of villages (each with their own VFOs and timber resources) sharing in the operation of timber processing plants
- Village forestry for villages with poor quality or degraded forests
- Village forestry for villages in buffer zones of NBCAs
- Village forestry for villages inside NBCAs
- Village forestry for villages practicing shifting cultivation

**Figure 1: Model for instituting forestry in a Savannakhet village**
Early experiences in implementing village forestry in Lao PDR

The objective of FOMACOP to develop and promote village forestry all over the country is very ambitious. However, the experiences obtained during the first two years of operation offer some hope in terms of the interest and capability of villagers and forestry staff. At present, practically all the village work including participatory delineation of village boundaries, land-use mapping and forest inventory, are already being done by the villagers after the forestry staff have trained them. The villagers have shown a great capacity to learn. They are generally very motivated since they know that they will benefit from forest management, whereas in the past they were severely restricted in the use of the forest. State forestry staffs in the province and the districts also appear to be highly motivated, because they feel that they are doing something useful. In the past, their role was mainly to control the people's use of the forest; they had nothing to do with real forest management.
These preliminary results have already been noticed by decision-makers at the national and provincial levels. Many are now convinced that this is the best way to put the forest under sustainable management, and they are putting their full support into village forestry. The main challenge in institutionalizing village forestry, by securing a strong legal foundation for it, still lies ahead. Fortunately, the Ministry of Agriculture and Forestry has already put in its agenda for the remaining part of 1997 to submit a national village forestry strategy and also village forestry regulations for adoption by the Government.

As early as next financial year it is expected that the first batch of villages will start timber harvesting following a village-formulated, state-approved forest management plan. This will create a steady income for them, supply wood to forest industries, and generate revenue to the province and the national government in the form of royalty payments, without straining the capacity of the forest to produce all these benefits on a sustainable basis. If this takes place as planned, an important milestone would have been achieved. Subsequently a further challenge is to replicate the success in a scale that can make a difference from a provincial and national perspective.

Moving towards a National Village Forestry Programme

There are a few other projects in Laos, which are engaged in people-oriented forestry. While some differ from FOMACOP in the approach used, others have independently adopted a similar approach. Since ultimately the success of these different projects will depend on surmounting common challenges, it makes sense for these projects to coordinate and cooperate in their various activities. FOMACOP itself has taken the initiative to reach out to the other projects and to the national authorities in order to institute a National Village Forestry Programme.

The objective of the proposed National Village Forestry Programme is to develop village forestry and promote its adoption as a major system for the sustainable management of the Lao forests. It is envisaged that this objective can be attained in three phases spanning a period of fifteen years.

First phase of five years (current phase)

- A National Village Forestry Strategy will be formulated to coordinate those projects that deal with people-oriented forestry, develop different village forestry models, and promote the adoption of village forestry nationwide.

- A strong policy and legal foundation for village forestry will be built.

- The national institution for coordinating people-oriented forestry projects will be strengthened.

- Village forestry models with their respective concepts, guidelines, and operating procedures will be developed and tested extensively by the different projects, all of which will be sharing experiences and lessons learned.

- A large number of forestry staff, as well as villagers, will be trained as trainers in village forestry. They will form the corps of trainers who will be instrumental in accelerating the spread of village forestry in the next phase.

Second phase of five years (starting in year 2000)

- Provincial units for promoting village forestry will be established.

- Nucleus districts for initiating the village forestry thrust of the provinces will be selected and strengthened.

- A national training center for village forestry will be established in Savannakhet.

- Forestry staff already trained in village forestry will be mobilized to train provincial and district staff from other provinces.

- Cross-village visits will be arranged to enable villagers elsewhere to benefit from the experience of villagers who are already engaged in village forestry.
• The different provincial and nucleus district forestry offices will promote village forestry

• Different village forestry models will be developed to suit a variety of conditions

Third phase of five or more years

• Village forestry will continue to be promoted so that it is adopted, adapted and extensively practised all over the country.

The ultimate objective of village forestry - to provide maximum benefits from forestry to the villagers and to the entire economy in a sustainable manner by providing the villagers an opportunity to become capable resource managers - is a noble one. It is also a very challenging task. It would be interesting to see how well it works, and how well its implementation is supported by the different stakeholders, some of which are at risk of losing some of the benefits that have accrued to them earlier.