Introduction

The Lao People's Democratic Republic (PDR) has a total land area of about 236,800 km\(^2\) and a population of about five million people. Much of Laos is mountainous, which restricts access, communications and the development of modern irrigation systems. The country is divided administratively into 17 provinces and one special zone. These are in turn divided into 138 districts, 11,640 villages and 748,529 households (MAF 1997). About 83 percent of the population lives in rural areas, and some 66 percent rely on subsistence agriculture. The incidence of poverty is greatest in the upland rural areas and varies between regions as follows: central region (33.6 percent), northern region (26.5 percent), and southern region (16.2 percent) (World Bank 1998). Based on the poverty incidence measures, more than two million people are considered "poor" in absolute terms.

Agricultural production in upland areas is still dominated by subsistence cropping under a shifting cultivation or swidden (slash-and-burn) farming system\(^1\). Shifting cultivators in the upland areas can only produce enough rice for seven to nine months of their annual consumption. Rural poverty in the uplands is directly linked to land degradation which results from inappropriate agricultural systems. The challenge of stabilizing shifting cultivation and conserving the environment in the upland areas cannot be met unless the issues of poverty alleviation, provision of alternative sources of livelihood, food security, and security of land tenure are addressed simultaneously.

To address the diversity of upland livelihood and socio-cultural systems, the Government of Lao PDR has devised a "focal site" approach to support sustainable decentralized forest management in the uplands. This paper presents the on-going development process in Lao PDR including the efforts of the Ministry of Agriculture and Forestry (MAF) to develop new approaches and mechanisms in supporting decentralized rural development interventions. It also looks at some of the new strategies undertaken among major central line agencies, and between central agencies and local governments to respond to the real needs and expectations of local communities.

The Main Thrust of Decentralized Forest Management

Decentralized rural development policies have long been recognized as a key to alleviating poverty and improving the socioeconomic well-being of rural people. Decentralization is one of the eight national priority development programs in Lao PDR. Government policies for improved social and economic systems are largely geared towards efforts to stabilize shifting cultivation. Implementation of these policies is constrained by many factors, including the remoteness of most upland areas, lack of roads, diversity in livelihood and socio-cultural systems, a predominant barter economy, limited access to credit, and the continuing dangers of unexploded ordnance left from past military activities.

To ensure that the rural poor benefit and greater efficiency in planning and implementing upland development programs is achieved, the government established a National Leading Committee for Decentralized Rural Development in 1994, which was subsequently reorganized in 1996 and 1998. The main role of this Committee is to ensure concerted interventions to designated sites called "focal areas or focal sites". Because agriculture and forestry are still the major sources of livelihood for rural people, MAF and the State Planning Committee (SPC) are the leading agencies in planning and implementing upland rural development programs.

Developing the lowlands for irrigated agriculture was the main tool for overcoming the practice of shifting cultivation. This approach was considered feasible in the upland rural areas of the central and the southern parts of the country due to a relatively higher proportion of flatter lands. However in the northern region, this approach is not viable as the topography is much more mountainous. Thus, policies have shifted to in situ stabilization of upland forestland use, through a gradual reduction of unsustainable (short fallow) shifting cultivation practices. In this adjusted policy, the government strongly supports an integrated and decentralized approach to resource use and management, where the shifting cultivators are considered the central actors in resource management and development.

*The essence of the "focal site" approach to decentralized forest management*
The focal site approach is an area-based livelihood systems approach to decentralized rural development in which interventions are tailored to the area’s specific needs. Such an area-based approach is geared toward promoting locally owned “centers for change and learning”. The main goal is to increase food and commodity production, to create employment opportunities, and develop the conditions for improved living standards. The success of the focal site approach is dependent not only on an enabling policy framework, but also on the way the districts and local institutions are empowered, human resources are developed, and capacities are built for public management and participatory community development.

Thus, development is being concentrated in these focal sites (at the district level) within each province, so that limited human and financial resources are not spread too thin. Likewise, this helps to foster cooperation amongst ministries and harmonize allocation of resources. The main thrust is to ensure integration of macro and mezo-plans so that activities from different sectors can converge at the district level, and respond to the diversified needs of local people. Moreover, the focal site strategy emphasizes the devolution of power to the district-level administration so that development activities and the management of natural resources are directly overseen by local institutions. This strategy views shifting cultivation more positively, meaning that it recognizes improvements of livelihood systems within existing settlements as more sustainable and more socially acceptable alternatives to the development of the uplands.

The main legal framework for decentralized forest management is found in the Land and Forest Laws and corresponding Decrees 40 and 131 (1994 and 1996, respectively). These support the devolution of the responsibility for planning and implementation of rural development and management of agricultural and forestland to provincial and district authorities with required advisory and technical assistance to be provided by the concerned central agencies.

The laws and decrees also strongly support increased participation of villagers in the development process. The government support of decentralization for resource use and devolution of management to local authorities and communities is also contained in Decrees 169 and 186 (1993 and 1994, respectively). In addition, Decree 102 (1993) identifies the "Organization and Management of the Villages", a formal document underpinning the rights, duties and responsibilities of village communities in the use and management of natural resources within their domain. A draft decree prepared by MAF also attempts to clarify the exercise of customary rights as they apply to the use of forest resources.

**On-going institutional changes within MAF**

The acceptance of a focal site strategy for managing upland forest resources has necessitated that improvements be made in developing a policy framework and structure of governance based upon holism (complexity), spatial variations (diversity) and recognition that there is a need to work both with individual farm families, the communities, and existing local institutions.

Holism implies a recognition that agencies need to coordinate development programs. The focal site approach is not the task of a single agency. Thus, there is a need to shift to an area-based livelihood systems approach to develop planning and programming of resources (such as staff, financial, aid, and credit).

Spatial variation implies the effort is decentralized to provinces and districts. Districts should be able to determine "what is possible where" and are the coordinating points for combined efforts among concerned agencies. Projects need to fit into such frameworks and not create their own separate "super-structures".

Greater community participation implies partnerships between government line agencies and communities, building upon what is already there (e.g. indigenous land-use systems/technical knowledge and local regulatory systems). This suggests flexibility in implementing rules and regulations and the need to adjust to national programs and regulations.

As a result, the following structural adjustments are being implemented in MAF to ensure a more integrated approach to decentralized forest management in the uplands.

**Establishment of a supportive policy framework**

**Creation of lead coordinating bodies for harmonizing planning, development aid and extension within MAF**

MAF has established a number of lead coordinating offices for harmonizing planning, development aid and extension activities among concerned technical departments and between the central departments and the provincial/district agricultural and forestry offices. This allows MAF to integrate strategic plans and programs at central and provincial levels and, facilitate the convergence of sub-sectoral activities at the micro-level (district
level) tailored to specific recommendations. It is hoped that this approach will assist government-supported programs and projects (including international assistance) to be more effective and ensure more coherence in the provision of aid assistance to the target areas, groups and individuals. At present, all concerned technical departments are "obliged" to coordinate and develop more responsive integrated upland forest land-use programs that better reflect the diversity of present livelihood systems (this means "breaking down walls" among departments).

Streamlining of local resources and aid coordination within MAF in parallel with the upgrading of local capacity to manage development programs

Most donor projects in MAF are developed in relative isolation and tend to superimpose "effective" organizational structures and administrative procedures on the prevailing Lao system. Past and present development efforts and activities were, and are still, directed through parallel structures (e.g. project offices) created alongside existing district offices and services (see Figure 1). This often has the effects of taking resource from existing systems. These so-called "superstructures" do not strengthen local people's ability to manage their own resources.
Figure 1: Build in a planning and aid coordination body within MAF to promote an "area based livelihood system approach" to development

Efforts have been initiated to strengthen existing local organizational unit's responsible for development support. This includes improving local capacity to plan and implement development programs at the district level with increased human and financial resources. At present, resource allocation (including foreign aid) is broken down into three intertwined levels of management: central/MAF, provincial and district levels (Figure 2). To the extent possible, all development activities are to be directed through district offices, utilizing and improving upon existing services. The technical departments and the concerned provincial offices are to play an advisory and facilitating role, which includes provision of technical services, coordination of financial support and credit schemes, training, technical innovations, market information, and developing the necessary marketing channels and systems. The key objective is to ensure that these services are effective, reliable and compatible with local people's aspirations.
Efforts to devolve decision making and resources to provinces and districts allow for the relatively scarce financial resources (both local and foreign-funded) to respond effectively to the needs of specific focal sites. It is now the duty of the coordinating bodies in MAF, in collaboration with the technical departments and concerned aid agencies, to ensure that this happens through a clear strategic plan for the sector.

**Implement research and development activities through existing grassroots institutions**

Different mechanisms and modalities have been devised so that research and development activities are geared towards improving shifting cultivation-based livelihood systems in the context of sustainable forest use. This includes various forms of agroforestry development executed through existing grassroots institutions (such as village forestry programs and local political institutions) which take into account traditional resource use and management regimes. In the past, the ability of development agencies to deal with communities and farmers as groups was weak because of the individual household orientation of most technology transfer approaches. Given the fact that common property and open access systems play a pivotal role in upland areas, development agencies have learned to deal with problems of collective decision making (Figure 3).
Current pilot agroforestry research and development activities are entrusted to village organizations (rather than to individual farmers) consisting of the village authority, the party and the mass organizations (representing different interest groups). Guidance and support are provided by the district office. The emphasis is to strengthen the managerial capacity of village organizations, groups and individuals to use resources efficiently. This includes upgrading organizational and managerial efficiency, skill enhancement through village-based development programs, development of local enterprises, and promotion of capital formation to undertake new ventures that the traditional subsistence economy did not allow (e.g. micro-finance support programs). This approach to development will fit better into the existing collective management system that characterizes most Lao villages. It
is believed that cooperative behavior can be ensured in circumstances where the state, community and individuals are on equal footing. The key objective is to avoid interventions that promote one-sided for overly individualistic outcomes that could undermine the effectiveness of local regulatory systems.

**Developing sustainable upland land-use and management practices by grafting exogenous land-use practices onto viable indigenous land-use systems**

Current forest management policies take into consideration the fact that the real forest managers are the communities who use and manage the land. To be effective, forest management and land-use planning must involve communities in the planning process and provide incentives for long-term sustainability.

Different mechanisms and modalities are being developed and tested to support the move toward flexible approaches to forest management. This approach combines indigenous knowledge of sustainable forest management with appropriate land management technologies. The government, in collaboration with international agencies such as the World Bank, ADB, IFAD, SIDA, DANIDA, FINNIDA and the Dutch Government, is testing various approaches.

Implementation of existing strict land-use regulations (where forestland with slopes over 25 percent are not to be farmed) has proved impossible in many places because of the lack of gently sloping land. Thus, while criteria for upland forest use are needed, such criteria should be flexible and take into the account the local context. Given the large variations in local production conditions, rotations over larger areas (e.g. over 6-7 falls) are still permitted, especially where smaller areas (that is under four falls) are unable to secure a reasonable level of productivity and stability. The present forest-land allocation program allows shifting cultivators to farm up to 23 ha of land, depending on the types of farming enterprises and availability of land resources (e.g. in livestock-based farming systems larger land holdings are allowed per household). High priority is also given to develop appropriate technologies and land management practices in upland areas, including technologies and management interventions to improve the present practice of shifting cultivation. The government recognizes that it is unreasonable to strictly enforce regulations on shifting cultivation until viable alternatives are available.

Most importantly, the government strongly supports the co-existence of different property rights regimes in the same community (state, corporate/collective and private ownership). The tradition of resource sharing among neighboring villages is also considered as one viable resource management strategy and such customary practice is protected by legal recognition and incentives.

**Developing appropriate approaches and tools for classification of "type areas"**

As mentioned above, an area-based livelihood systems approach is used to guide present and future research and development activities. This approach implies the identification and classification of "type areas" in the upland zones. These are based on spatial variations which serve as a basis for more detailed analysis of farming and livelihood systems, and for planning, programming and developing the required research and development interventions. These interventions need to respond to each recommendation domain for the effective allocation of financial and material resources (including foreign aid).

A model for classifying "type areas" (at district and village level) has been developed by MAF in terms of resource use, socioeconomic conditions and the local regulatory system. Broad development recommendations by "type-areas", to which research and development interventions need to respond, can be based on the profiles of diversification and development opportunities (Table 1).

**Table 1: Profile of diversification and development opportunities for improving the swidden-based livelihood system by spatial variation**

<table>
<thead>
<tr>
<th>Representative District Types</th>
<th>Luang Prabang</th>
<th>Viengkham</th>
<th>Vienthong</th>
<th>Phoukout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Socio-economic status</td>
<td>Mountainous</td>
<td>Mountainous</td>
<td>Mountainous</td>
<td>Pine-based grasslands with mountainous areas</td>
</tr>
<tr>
<td>High population density</td>
<td>Low population density</td>
<td>Low population density</td>
<td>Low population density</td>
<td></td>
</tr>
<tr>
<td>Strict local rules for land use</td>
<td>Relatively flexible local rules</td>
<td>Relatively strict local rules</td>
<td>flexible local rules</td>
<td></td>
</tr>
<tr>
<td>Good access and market</td>
<td>Very difficult access</td>
<td>Difficult access</td>
<td>Difficult access but a</td>
<td></td>
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</tbody>
</table>
Hai is agriculture land in the forest or upland shifting cultivation fields

** Na is sedentary agriculture land (e.g. irrigated paddy fields)

The methodological tool for analyzing both the existing situation and the sustain ability of the technical and managerial adjustments made in upland systems by local communities and external assistance consists of a simple table of inquiry. This focuses on understanding the behavior and important properties of concerned farming and livelihood systems in a particular district and village, using only a few key functional relationships. Accordingly, the concept of the agroecosystem analysis and the farming systems research approach are employed. These are slightly modified so that resource assessments are set in a much wider framework, including social and economic factors such as market access, alternative employment opportunities and local implementation of national policy measures. The emphasis is thus based more on livelihood systems, rather than on the farm or the family as a farm management unit.

### Developing technical intervention within the established framework

Technical inputs are also necessary after the policy framework is provided. Specific technical interventions, and delivery of technologies need to take into consideration the existing traditions of community solidarity in resource management. Thus, mechanisms and arrangements need to be developed which aim to combine group (and individual) oriented approaches to technology transfer. The group-oriented approach is especially important for resources of corporate ownership and for actions where group efforts are more rewarding (such as marketing groups, credit groups, handicraft production groups, labor exchange groups, and cattle and goat herd management groups).

The village communities and concerned interest groups and individuals should be advised on the range of possible alternatives and given the freedom to select the type(s) of technical assistance that matches their needs

<table>
<thead>
<tr>
<th></th>
<th>opportunities</th>
<th>and barter economy</th>
<th>barter economy</th>
<th>access market centers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>Several support services, poorly managed</td>
<td>Lacking support services</td>
<td>Lacking support services</td>
<td>Lacking support services</td>
</tr>
<tr>
<td></td>
<td>1. Improve practice of Hai* &amp; Hai-Na, where possible, open more Na**</td>
<td>1. Improve practice of Hai &amp; Hai-Na, where possible, open more Na</td>
<td>1. Improve practice of Hai, where possible, open more Na</td>
<td>1. Improve practice of Hai &amp; Hai-Na, where possible, open more Na</td>
</tr>
<tr>
<td></td>
<td>2. Increase HG for sale (in the more areas)</td>
<td>2. Increase cattle production (in weight)</td>
<td>2. Increase cattle production (in weight)</td>
<td>2. Increase cattle production (in weight)</td>
</tr>
<tr>
<td></td>
<td>3. Increase non-farm activities (in the more accessible areas)</td>
<td>3. Increase pig &amp; poultry production</td>
<td>3. Increase pig &amp; poultry production</td>
<td>3. Increase pig &amp; poultry production</td>
</tr>
<tr>
<td></td>
<td>4. Increase pig &amp; poultry production</td>
<td>4. Increase fish product</td>
<td>4. Increase fish product</td>
<td>4. Increase fish product</td>
</tr>
<tr>
<td></td>
<td>5. Stall-feeding cattle or increase goats to replace cattle</td>
<td>5. Increase goat production</td>
<td>5. Increase non-farm activities</td>
<td>5. Increase non-farm activities</td>
</tr>
<tr>
<td></td>
<td>6. Increase fish production</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>7. Increase off-farm employment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>1. Improve practice of Hai-Na and Na-Hai, where possible, open more Na</td>
<td>Same as above</td>
<td>1. Improve practice of Hai-Na &amp; Na-Hai, where possible, open more Na</td>
<td>1. Improve practice of Hai &amp; Hai-Na, where possible, open more Na</td>
</tr>
<tr>
<td></td>
<td>Same for 2 to 7</td>
<td></td>
<td>Same for 2-5</td>
<td>Same for 2-5</td>
</tr>
<tr>
<td>Better off</td>
<td>1. Improve practice of Na-Hai and Hai-Na, where possible, open more Na.</td>
<td>Same as above</td>
<td>1. Improve practice of Na-Hai &amp; Hai-Na, where possible, open more Na</td>
<td>1. Improve practice of Na-Hai, where possible, open more Na</td>
</tr>
<tr>
<td></td>
<td>Same for 2 to 7</td>
<td></td>
<td>Same for 2-5</td>
<td>Same for 2-5</td>
</tr>
</tbody>
</table>

* Hai is agriculture land in the forest or upland shifting cultivation fields
** Na is sedentary agriculture land (e.g. irrigated paddy fields)
and aspirations. This could be one specific technological option or a technological package. For example, in Phoukout District (Table 1), the most pressing technological needs are increased forage supply from the communal grazing land (especially in the dry season) and establishment of individual backyard forage and group-based animal health service units. Cross-farm visits have been encouraged so that farmers can learn from each other's experience in upland farming. It has been found that this approach is quite successful for the immediate transfer of technology.

Issues and Future Trends

The Government of Lao PDR considers decentralized forest management a key national strategy to alleviate poverty in the upland areas. A number of policy and legal frameworks and decentralized land management approaches have been formulated, adjusted and tested to support these efforts. However, there are still a number of constraints to filling the institutional vacuums that have emerged from this decentralization process.

One major deficiency is the limited capacities at the provincial and district levels for carrying out management and development activities. Continued training and establishment of support services are needed at provincial and district levels. This needs to include training on the interpretation of data and information collected to allow the identification and classification of "focal sites" to form the basis for developing forest land-use management and plans that are tailored to the local context.

Training is also needed for implementing, monitoring and evaluating programs on a regular basis. Documentation is necessary to assess whether the strategy and corresponding plans are progressing in the manner envisaged, and whether modifications of the original ideas are justified. It is believed that district and village organizations and program implementers (MAF technical departments and Provincial Agriculture and Forestry Offices) will be mutually responsive to each other's aspirations and interests as confidence grows and successes are achieved. Change in strategies and approaches, whether at the policy level or at the local level, is inevitable in the course of maturation, and careful monitoring and evaluation will ensure sound judgement.

The present stability in the Lao political system allows the government to gradually consolidate its efforts and make flexible adjustments to the on-going process of decentralization. These changes are not only based on approaches developed in Laos, but also on lessons and experiences from other countries in the Asia-Pacific region and around the world. It is believed that gradually strengthening the capacity of local government units and village organizations will play a pivotal role in ensuring long-term stability of shifting cultivation-based livelihoods and contribute towards a more individualistic and semi-commercial economy. In order for this to happen, the "area-based livelihood systems approach" needs to be based upon the concepts of holism (complexity), spatial variation (diversity) and decentralization (recognizing the roles of local institutions in the process of development).

References


Notes

1Shifting cultivation is the agricultural system involving an alternation between cropping for a few years on selected and cleared plots (of forest land) and a lengthy fallow period when soil is rested. With a long fallow period (10 to 20 years) to restore soil fertility by accumulation of biomass, it is a sustainable agricultural practice in mountain environments. However, in areas with increased population density, the length of fallows has been reduced to 4-6 years, causing rapid deterioration of soil conditions.