

FLEGT-VPA

# Update on Laos- Preparation for VPA Negotiations

By: The Lao-EU FLEGT Focal Point

Kuala Lumpur 22-24 April 2013



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# Preparation process and history to date

- 2007, the Lao government approved the new Forest Law
- 2009, DOFI and DIMEX are the initiative stakeholders in FLEGT VPA preparation
- Focal Point was formally established
- 2010, MOAF and MOIC requested informal information exchange on VPA process and triggered support from Asia FLEGT program
- 2010-2011: DOFI, DIMEX, DOI, EU and EFI conducted: Baseline Study (overall inf.) & Timber Flow Study (internal control mechanism)
- Dissemination of FLEGT VPA is on the way
- 2011-2012: MAF+MOIC+MONRE signed the Initiative letter with EU (28th Feb 2012) requesting to start a formal FLEGT - VPA



## Preparation process and history to date (Con.)

- MAF+MOIC+MONRE received the official letter from EU regarding a preparation to start negotiation of a VPA
- Laos & Asia & Middle-East, Southern-Eastern & Eastern European Division under MOECD (Germany) signed the Agree Minutes of €5.8 millions to support the Lao EU FLEGT process
- The preliminary roadmap was initiated
- The FLEGT office is under construction at DOFI
- A full-time FLEGT national coordinator and staffs are under the recruitment process



# Efforts by the Lao government in VPA

- Follow up the meeting of East Asia Ministerial FLEG Bali, Indonesia, 2001
- Develop the connections among DOFI, DOF, DNRM, DIMEX, DOI, etc.
- Access to the valued wood product markets in EU
- Accomplish the 7<sup>th</sup> National Socio-Economic Development Plan 2011-2015 and the Forestry Development Strategy in 2020
- Improve the Forest law and Land law 2013
- Strengthen the forest governance issues



# Significance of VPA in the Lao forest sector

- TLAS implementation (5 core elements)
- Opportunities for Lao wood industry to access EU markets
- Improve labor's skills & lead to high wages
- Add more value to timber product exports
- Create technology transfer to the Lao wood industry
- Promote a diversification of timber products
- Strengthen existing rules & regulations on timber management
- Ensure sustainable development of forest sector
- Increase income revenue from timber export
- Enhance transparency and good governance



# Structure of the Lao-EU FLEGT Focal Point

(Now)

MOAF  
(DOFI & DOF)

MOIC  
(DIMEX & DOI)

MONRE  
(DONRM)

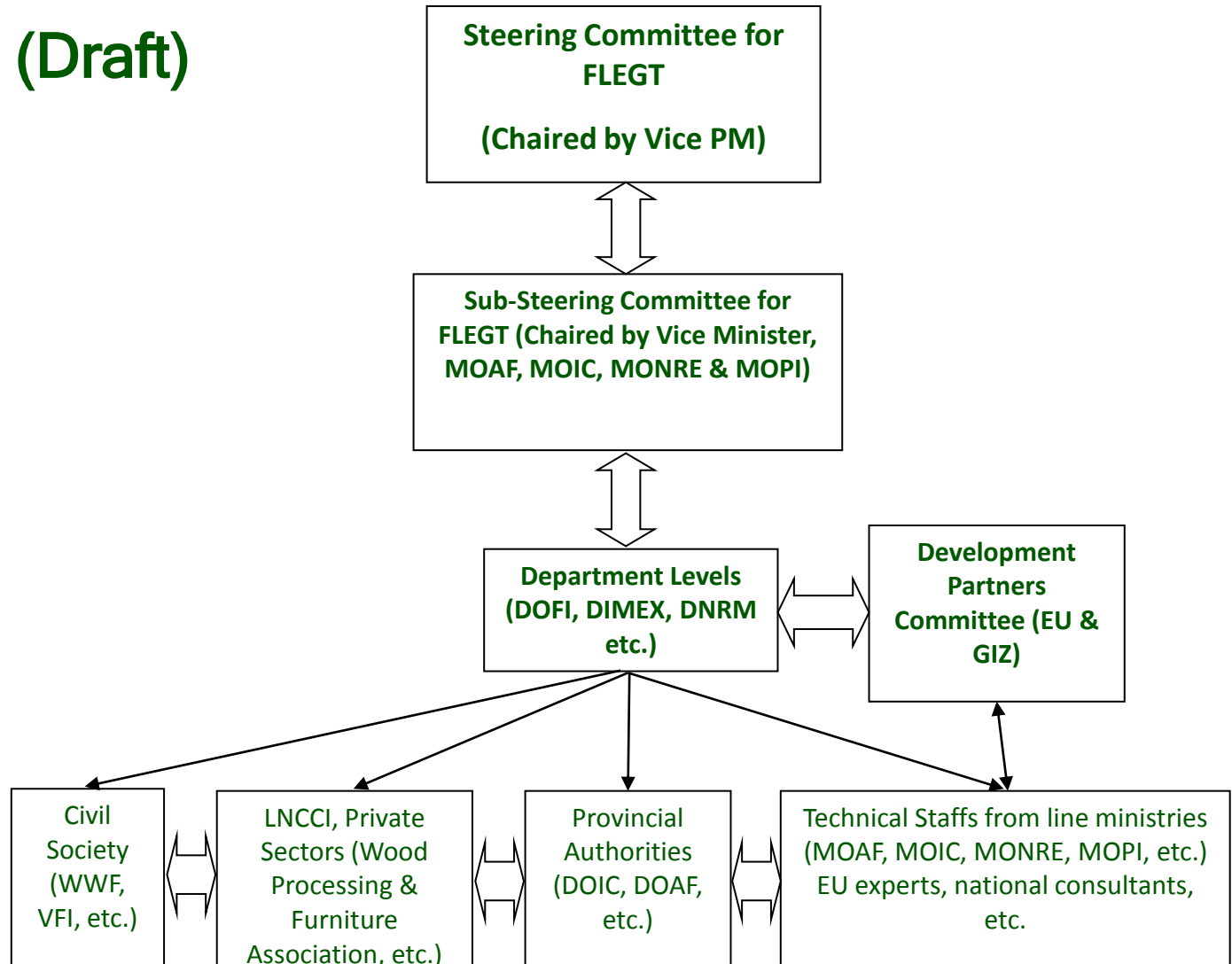
MOPI  
(DOIC)

LNCCI  
(Lao Wood Industry Association )



# Structure of the Lao-EU FLEGT Focal Point

(Draft)





# Obstacles of the implementation

- Human resource & financial constraint issues
- EU market is very new for domestic producers
- High requirements (standard, quality, design, pattern, etc.)
- Enforcement of law issues
- Illegal logging still exists (restrict woods)
- Weak domestic recognition about timber legality
- FLEGT Information dissemination is still needed



# Up coming plans

- Engage more stakeholders in the Focal Point
- Continue raising awareness of FLEGT VPA widely to both central and local levels
- Increase capacity building for the Focal Point
- Exchange experience & lesson learnt with other countries and more research on FLEGT
- Upgrade the FLEGT Focal Point to FLEGT Implementing Unit
- Move forward to National Steering Committee for VPA negotiation
- Initiate a first negotiation round with EU



**Thank you for your attention**

