

## **Workshop Summary**

# **Improving FLEG in the Mekong**



**Green Park Hotel, Vientiane, Lao PDR**

**World Bank/PROFOR**

**November 12-13, 2009**

## ACKNOWLEDGEMENTS

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PROFOR is a multi-donor partnership formed to pursue a shared goal of enhancing forests' contribution to poverty reduction, sustainable development and protection of environmental services. Through improved knowledge and approaches for sustainable forest management (SFM), PROFOR seeks to encourage the transition to a more socially and environmentally sustainable forest sector supported by sound policies and institutions that take a holistic approach to forest conservation and management. Learn more: [www.profor.info](http://www.profor.info)

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- The World Bank

## 1 BACKGROUND

This workshop, “**Improving FLEG in the Mekong Region**,” was supported by PROFOR/World Bank as part of the preparation phase to identify national and regional activities to strengthen Forest Law, Enforcement and Governance (FLEG) in the Mekong Region (Lao PDR, Vietnam, Cambodia and Thailand). This preparation phase began in June 2009 with plans to complete in May 2010.

### 1.1 Location of Workshop

The workshop was held in Vientiane, Lao PDR. The first day of the workshop was held on November 12 at the Green Park Hotel, with over 40 participants representing public and private sector from Lao PDR, Vietnam and Cambodia. The meeting on the second day, November 13, was conducted at the Department of Forest and Inspection (DOFI) since it was an internal meeting for forestry officials to discuss their recommended activities to improve FLEG.

This workshop was one part of an extensive regional process. Other main steps include:

- National consultants hired in Vietnam, Lao PDR and Cambodia to assist with baseline data, research and workshop preparation;
- Multi-institutional “Core Team” in Vietnam meets every two weeks;
- Meetings in Lao PDR with DOFI officials, Wood Processing Association and members of the WWF/TFT-GFTN team;
- Three (3) working meetings with Forest Administration FLEG Focal Point in Cambodia;
- Meetings with representatives of INGOs working in the forest sector in the Mekong Region (WWF; WCS; TNC; IUCN; Traffic; FAO);
- An extensive meeting with the EU-EFI FLEGT Asia project on potential collaboration, especially within Vietnam and Thailand’s negotiation process; and
- Presentations at two (2) ASEAN events: i) World Bank/ASEAN Secretariat meeting in Jakarta; and the ASEAN ASOF meeting in Myanmar.
- November 24-25 this project co-organized a workshop with the EU-EFI Asia project to formulate activities on improving FLEG and FLEGT in the Mekong;
- At end of November, meetings were conducted with representatives in Thailand regarding potential FLEG activities, notably RAFT-TNC project team and donors;
- Presentation at the ASEAN/FAO/World Bank FLEG Meeting and ASEAN regional knowledge network in Kuala Lumpur on November 30-December 2 which also provides opportunity to receive FLEG reports from 14 countries in the region; and
- In early 2010 meetings with stakeholders will be conducted to review the draft proposal and recommended activities to improve FLEG in the Mekong Region. A

final proposal should be submitted by May 2010.

## 1.2 Global Timber Market Trends Sets Focus of Workshop

Vietnam has a \$2.8 billion export market of wood products, primarily to the EU and the USA. Vietnam imports 80% of the timber used in this industry, with up to 25% of these imports coming from Lao PDR. In recent years, the wood product market has seen an increase in demand from import countries for “legal source” or “certified” timber. Export countries and wood processing factories have attempted to meet this demand, but so far this market shift has been on a voluntary basis.

However, the legal framework in the European Union (**Due Diligence Regulations, Voluntary Partnership Agreement - VPA**) and the United States (amended **Lacey Act**) are now changing the requirements on the import of wood products. These new regulations will limit or ban the import into the EU and the USA of wood products that do not have verification of the “legal source” of timber. Discussions have begun in Japan, China and other countries to adopt similar legal requirements for the import of “legal source” wood products. These market and regulatory requirements dramatically raise the importance of the implementation of FLEG in the Mekong Region and for government, industry and other stakeholders to determine how to address this paradigm shift in trade policy.

In addition to the changes in global markets, the emerging REDD+ agenda will change the landscape for forestry in the Mekong region. If, and when, forest sector plays an increasing role in climate change mitigation, also governance issues need to be addressed to achieve positive development outcomes.

## 1.3 FLEG in the Mekong Region

The FLEG process has played an increasing role in addressing economic and forestry issues during policy dialogues at ASEAN meetings since the Bali Declaration in 2001. More recently the ASEAN members adopted a FLEG Work Plan 2008-2015 to provide a guide for implementation in each country. Lao PDR has recently begun to engage with the FLEG process through the ASEAN working groups and this preparation phase. Vietnam recently enacted a regulation establishing a FLEGT Working Group to begin pre-negotiations with the EU on a VPA and legal assurance system. Cambodia included an entire chapter of FLEG in the National Forest Strategy that was adopted in 2009. Despite initial strategic action plans and commitments to support FLEG, the need remains to identify specific activities to implement broad policies in order to improve forestry practices in the field.

## 1.4 Workshop Objectives

*The main objectives for the workshop held in Lao PDR were the following:*

- 1 Understand the market and legal changes that will impact the wood industry in the Mekong region as a result of new and proposed laws in the U.S. and the E.U.;
- 2 Improved knowledge on the status of FLEG and FLEG-T process in the Mekong countries and how they can be implemented in Lao PDR and Vietnam; and
- 3 Identify and discuss FLEG activities for Lao PDR and in collaboration with neighboring countries.

However, during the discussions the main question for the participants in the Lao context this workshop became:

- How will the Government of Lao PDR (GOL) and wood processing industry respond to imminent market changes and restrictions on the import of wood products to the EU, the USA and potentially other countries?

How Lao PDR, Vietnam and other countries in the Mekong Region respond could lead to the following scenarios:

- Export of “legal source” wood products from natural forest or plantations to Vietnam or other countries for re-export to the USA, EU and other import countries at a high value price; or
- Export of “non-source” timber products to countries without import restrictions for domestic use or low value re-export at a low value price.

Thus the workshop aimed to discuss the Lao officials the challenges, outcomes and recommendations to improve FLEG within Lao PDR and through regional collaboration. These findings were then presented by the Director General of DOFI at a follow up FLEG Mekong workshop that was held on November 24-25, 2009 in Hanoi, Vietnam.

## 2 SUMMARY OF PLENARY PRESENTATIONS

The plenary session on the morning of November 12 covered a well-balanced overview of macro-FLEG issues from the donor perspective to updates on FLEG implementation at the national level from Lao PDR, Vietnam and Cambodia representatives. Although the GOL has participated in many regional workshops where FLEG is a central issue, there have yet to be much focus on FLEG in Lao PDR, especially involving multiple ministries and provisional forestry officials.

*Morning Session I*

The meeting began with an opening by **Director General of Department of Forestry and Inspection (DOFI), Khamput Phandanouvong**. He has been active as a focal point during the preparation phase on FLEG issues under the authority of the Department of Forestry and the Ministry of Agriculture and Forestry. The opening speech confirmed a positive tone on behalf of the GOL in support of the FLEG process and intention to participate in a potential project to improve FLEG in the Mekong region.

**Dr. Khamla Phanvilay and Todd Sigaty**, both consultants working on the preparation phase, provided an overview for the participants regarding the agenda and expectations of the workshop to understand the FLEG process, challenges and begin discussions between the different countries and ministries on what activities, if any, could they recommend to potentially improve FLEG in the region and have a high chance of being implemented. The rest of the morning session focused on three presentations on FLEG implementation at the national level – Lao PDR, Vietnam and Cambodia.

Considering that some participants had not yet been exposed to the FLEG process, especially the provincial forestry officers from Lao PDR, it was helpful to begin with a broad overview. **Tuukka Castrén, World Bank/Profor**, provided background on PROFOR's analytical work over the past decade and the emerging themes. He also outlined international and regional initiatives to respond to illegal practices and how the FLEG process has begun between producing and consuming countries. Mr. Castrén explained the Lacey Act recently amended by the United States and the EU Due Diligence and VPA and discussed the impacts and challenges posed by these instruments.

The final two (2) presentations of the first morning session were updates on the FLEG process in Lao PDR and Vietnam. This was an interesting juxtaposition since despite being neighbors, they are in very different stages of development of their wood product industry. Vietnam imports over 80% of their timber needs namely to fuel an expanding wood furniture industry that exports over \$3 billion per year. On the other hand, Lao PDR remains an exporter of raw wood to regional markets, namely Vietnam, which have not provided many incentives for certified or legally verified wood.

**Khamput Phanvilay, from DOFI**, provided an overview of FLEG in Lao PDR. The country has participated in regional discussions on FLEG since the Bali Declaration however it remains at an early stage of implementation of the FLEG process. Lao PDR has adopted reform legislation over the past decade, including bans on round logs and requirements for sustainable forest management and village participation, but awareness and implementation of such legal reform remains a major challenge. DOFI was formed in 2009, as separate from Department of Forestry, as a quasi third party monitoring agency to attempt to conduct enforcement. A main challenge for DOFI is the lack of resources with just over 350 staff with little equipment, training or budget.

DOFI needs to improve coordination between the central or national level and the provinces to improve the ability to enforce against illegal logging. DOFI has discussed

participation in a working group with Ministry of Industry and Commerce, who have obtained an increasing role in regulating the wood product industry and the flow of timber, and the Ministry of Finance, Customs Department, but the meetings are irregular at best and should include Ministry of Justice and Ministry of Interior. Khamput confirmed DOFI's strong interest in participating in a project to improve FLEG, including coordination with other ministries and countries in the Mekong region. There is a strong interest in developing curriculum on FLEG, increase training and to focus on development of an Information Management System to track cases and understand trends. DOFI has established "Red Flag" pilot sites to track timber, NTFP and wildlife illegal acts, focusing on enforcement in conservation areas, factories and border crossings. In 2009, DOFI conducted a case study to record enforcement activities. During that time, in four (4) provinces, DOFI confiscated over 26,000 cu3 of wood, 158 tons of NTFPs and 460 aquatic wildlife specimens. Finally, Lao representatives agreed they should have more legally verified timber and clarify the quota system and the exceptions to log from infrastructure sites for export without legal requirements.

**Mr. Tran Huu Thanh, representing MARD,** provided an overview of the current status and challenges regarding FLEG in Vietnam. Similar to other countries in ASEAN, Vietnam has participated in FLEG discussions over the past decade, but recently it established a FLEG working group and has been considering pre-negotiations with the EU on VPA status over the past 2 years. As part of this process, the EU-EFI FLEG-T project supported a "Vietnam FLEGT Scoping Study" in partnership with MARD. In 2009, the World Bank conducted an assessment on FLEG in Vietnam through case studies and consultations. IUCN has also been organizing workshops and activities involving private sector and government officials to raise awareness of FLEG and trade related impacts on Vietnam.

The final presentation of the first morning session was an overview of the timber industry and FLEG process in Cambodia provided by **Lu Chu Chang, President of the Cambodia Timber Association.** Cambodia recently completed a National Forest Strategy that includes a chapter focused on implementation of FLEG. In 2003, Cambodia a ban on the export of round logs and sawn timber in an effort to curb years of illegal logging and stimulate growth of a domestic wood processing industry. As a replacement for the 40+ logging concessions, the Forest Administration has designated forest areas as protection forest and adopted a community forest program. In response to questions on motivations behind the transition in the forest sector in Cambodia, Mr Lu Chu Chang that the donor community pressured the government to increase royalties from \$14 to \$54 per cubic meter and increase regulations driving most of the concessions into bankruptcy. Others disagreed reminding everyone of the illegal practices in the logging sector in Cambodia in the past decade at the expense of local communities, tax revenue and natural forest. To date, over 300 communities have requested allocation and approval of a community forest agreement with the Forest Administration, but much work continues on adoption of management plans and consideration of production forestry. Cambodia participates in the ASEAN discussions on FLEG and adoption of the FLEG Work Plan

2008-2015. Also, Cambodia has no formal engagement with the EU on the VPA or Due Diligence process as they are not a major producing or exporting country, but it does remain an exporter of wood products to Vietnam to supply the wood industry.

### *Morning Session II*

The second morning session focused on the private sector and its impact on forest management in Vietnam, Lao PDR and Cambodia. This session has specific significance since the wood products industry in Vietnam has a tremendous impact on the harvesting and export of timber from neighboring countries. During this session, three (3) presentations were provided including:

- a) overview of the Vietnam wood processing industry, trade and markets;
- b) presentation by the WWF-GFTN Greater Mekong Program and the Tropical Forest Trust on their new partnership to support certification of Lao and Vietnamese producers and factories and link them to a global network of buyers; and
- c) report on a recent study by Forest Trends on timber markets and trade between Vietnam and Lao PDR and implications on wood furniture exports.

**Mr. Tran Huu Thanh, from the Department of Processing and Trade for Agro-Forestry-Fisheries Products and Salt-Production,** presented an overview of the wood processing industry, trade and potential response of to changes in the international markets. Here are some highlights from the discussion during this talk:

- Vietnam exports over \$3 billion per year of wood products to 120 different countries, with two-thirds to the EU and US markets;
- Vietnam has over 2000 wood processing enterprises with over 250,000 employees – 500 of which are export companies;
- The industry imports over 80% of its wood products at a cost of \$1 billion;
- The trend has been for indoor wood furniture;
- 167 companies have granted COC certificate (3<sup>rd</sup> most in Asia), but the industry still lacks sufficient trademarks, trade promotion, legal verification;
- The industry and NGOs are becoming aware of Lacey Act and FLEG-T, but there remains a stronger need to raise understanding within government;
- Potential responses to the import restrictions in the USA and EU could be: development of a legal definition for natural and plantation timber; increase support for government to meet demands of wood processing association; promoting inter-agency cooperation and increasing regional cooperation and knowledge sharing on FLEG.

**Xuan Phuc, a Researcher with Forest Trends,** gave the first presentation on the new study on the role of the Vietnamese wood product industries on Southern Lao. Based on both primary and secondary research, the report offered some of the following findings:

- The import of wood products to Vietnam has increased from under 1 million cubic meters in 2001 to over 4 million cubic meters in 2008;
- Over 70% of the export of wood products go to USA and the EU;
- The top 3 countries that import logs to Vietnam are Malaysia, Lao PDR and Myanmar;
- Lao PDR and Cambodia are in the top 5 exporters of sawn wood to Vietnam;
- Vietnam wood processing companies are operating factories in Lao PDR for export of wood products to Vietnam;
- There are cases of payments to government officials for quota and export of wood products from Lao PDR to Vietnam; and
- Small portion of the benefits from log sales go to the workers or the villagers.

The final presentation was offered jointly by **Sebastian Schrader and Boris Saraber** representing the WWF Greater Mekong Program's Global Forest Trade Network and The Forest Trust, respectively. Launched in 2009, these two programs merged in Lao PDR to eliminate illegal logging and improve management of valuable and threatened forest. They have begun working with the Lao Chamber of Commerce and wood processing associations and industry to adopt legal certification and link to their global network of 300 to 400 buyers/importers of certified wood products. It was the first time these two programs have given a presentation since they joined forces. They have already achieved initial success with the commitment of six (6) Lao wood processing factories to join the program and take steps toward becoming a certified factory. The first of them has completed the process and had their audit the day after the workshop.

This program also focuses on developing other timber products from Lao PDR that may have value in the international market, but just need improved marketing. Since the industry in Vietnam and Lao PDR is so closely linked, it is important that the GFTN-TFT project has a strong base and relationships in both countries. Although it has operated longer in Vietnam, it was valuable at the workshop to introduce the project concept to the Lao officials, especially those from the provinces. Their strategic approach is to develop a favorable environment for certification of natural and planted forests by:

- Supporting international companies with strong corporate policy on sustainability to create good examples for sustainable forest management and plantation development in Lao PDR;
- Facilitating Chain of Custody (**CoC**) certification of committed processing companies, and linking them to certified supply base in Lao PDR;
- Providing a set of services and benefits (i.e. market links) to participants of the GFTN/TFT program in Lao PDR in order to enhance economic benefits from certification;
- Promoting improved forest management practices among small forest owners and community forests; and
- Exploring and implementing strategies to lower costs of certification.

### 3 SUMMARY OF GROUP DISCUSSIONS AND PRESENTATIONS

In the afternoon session on the 12th, participants were divided into 3 groups: Lao participants working in forestry sector; Lao participants from Ministries of Justice, Commerce and Finance (Customs); and Vietnam and Cambodia participants.

#### ***GOAL for Groups:***

The goal for each group was to understand FLEG and FLEGT and discuss potential challenges and outcomes to improve FLEG and the flow of “legal source” timber, focusing on timber from Lao PDR and Cambodia exported to Vietnam.

Each Group attempted to identify 3 examples of:

- **Challenges** to address the issue in Lao PDR;
- **Outcomes** that could best respond to the challenges; and
- **Questions** about FLEG and FLEGT process and issues.

Each group summarized and reported their findings to the workshop participants, such as:

#### Challenges to illegal logging and trade in Lao PDR and Vietnam

- Timber trade in Lao PDR remains primarily under operation of brokers from Vietnam, Thailand, China and Taiwan in collusion with key actors in Lao PDR;
- Vietnamese companies exporting garden furniture rely less on natural hardwoods from Lao PDR due to their high risk of illegality and are importing certified plantation timber from outside Asia to meet demands from IKEA, Scancom, etc.;
- If Lao PDR is not able to produce “legal source” or “certified” timber to meet the growing global demand, then its market may be limited to lower value ASEAN and Chinese domestic markets;
- Although DOFI has the mandate to enforce laws and reduce illegal logging, it is extremely difficult to regulate the alliance of actors in the in the forestry sector;
- MOIC has utilized its position on the Standing Committee to enact new legislation that increases their authority to regulate the timber trade. However, even their efforts to establish a timber sale bidding system to get premium value is undercut by the actors involved in the illegal trade;
- DOFI was created in 2009 and lacks the political authority and capacity to effectively conduct enforcement, especially in the provinces in the face of powerful local officials;
- Much of the timber and wildlife trade along the 1,000 km border between Lao PDR and Vietnam does not cross official checkpoints. It is difficult to monitor or conduct enforcement as it is protected by powerful officials and military; and
- Lack of coordination among enforcement officials from relevant ministries (forestry, customs, commerce) makes it difficult to reduce illegal activities.

### Recommended Activities to Improve FLEG

- FLEG should focus on the lack of requirement for certified or “legal source” timber within ASEAN markets otherwise the requirements of Lacey Act and EU/DDR ) will not have an impact on reducing the illegal harvest and trade of natural hardwoods within SE Asia;
- To increase the potential for “legal source” or “certified” timber from Lao PDR to export to Vietnam. Recently Vietnam has increased import of “certified” timber from USA, Finland, New Zealand in order to meet requests of EU companies;
- Investigate the value of using PEFC as a certification standard to export to the EU;
- To improve conditions, check points and coordination among enforcement sectors;
- Disseminate forestry legislation at local level to raise awareness and enforcement;
- Increase education of forestry officials on prosecution and enforcement strategies;
- Adopt training courses in law enforcement and interrogation techniques for forestry officers with examples of real cases to improve skills and performance;
- Need to improve administrative system and reporting mechanism between PAFI and DOFI directly without going through PAFO;
- Increase the mandate and the credibility of DOFI and PAFI in law enforcement;
- Standardize the procedures and forms (interrogation, investigation, suppression, records) between ministries and provinces.
- DOFI and PAFI officers should independent from PAFO and have authority to arrest or seize and charge and send forestry cases to court;
- Training course to transition DOFI from forest managers to enforcement rangers focused on FLEG, ethics, law enforcement techniques;
- Independent assessment and evaluation of DFO and PAFI performance;
- Improve the equipment, tools and training for DOFI officials to perform their tasks
- Implement the MOU signed in 2009 between DOFI and Vietnam’s Forest Protection Department on cross-border enforcement;
- Implement recommendations from the resolution during MAFF annual conference (October 2009) on improving mandates and functions of DOFI and coordination with other sectors (DOF, Custom, Commerce, Justice, Economic police); and
- Continue to discuss with Vietnamese counterpart on FLEG how to implement the recommendations herein and the workshop held in Hanoi on 24-25<sup>th</sup> Nov. 2009.

### **4 SUMMARY OF DOFI DISCUSSION ON NOVEMBER 13**

On November 13<sup>th</sup>, the Lao participants from DOFI met internally at the Department of Forestry to discuss the impact of FLEG, the issues raised at the workshop the day before, and to recommend activities for Lao PDR to improve FLEG in the Mekong region. The meeting was chaired by DOFI Deputy Director General Khamphout Phandanouvong and

attended by the Director of POFI from the following provinces: Louang Namtha, Xayaboury, Borikhamxay, Khammouane, Savannakhet, Saravan, Attapeu and Champasack. In attendance were other DOFI staff, Dr. Khamla Phanvilay, who acted as the facilitator, and Todd Sigaty.

Khamphout and Dr. Khamla opened the meeting with a review of the meeting on November 12<sup>th</sup> and a summary of FLEG implementation in Lao PDR, Vietnam and Cambodia and an introduction to PROFOR and potential support for a regional project.

The participants were informed of the objectives of the workshop and the preparation phase of the PROFOR project and the need to identify activities to improve FLEG implementation in Lao PDR and the Mekong region. These activities would be presented by DOFI at the FLEG workshop in Hanoi on November 24-25. The participants discussed the following issues:

#### Summary of General Challenges and Issues for DOFI

- Participants focused mainly on how DOFI could improve their ability to enforce the law given the powerful officials and actors involved in illegal logging and flow of timber improve. DOFI lacks political authority and resources in the field to effectively enforce the law against illegal logging and poaching;
- The Ministry of Industry and Commerce (MOIC) has obtained more authority and political power than MAF due to their Minister's position on the National Standing Committee and relationship with the Prime Minister. MOIC has taken advantage of this position to persuade the GOL to enact regulations providing them expressed authority over management of wood products industry and logging practices. MAF hopes to regain a stronger position on the Standing Committee to balance the power of MOIC. Also MOIC, MAF and the Ministry of Commerce should be meeting more regularly to discuss how to collaborate on management and enforcement of the wood processing sector; and
- Since DOFI was only legally established in 2009, it lacks the political power to be recognized in practice of enforcement in the Provinces.

#### Summary of Problems Related to Illegal Logging and Trade

- The majority of the timber trade from Lao PDR remains in the control of cartel brokers from Vietnam, China, Thailand, Taiwan, and Lao PDR. MOIC has attempted to establish a competitive bidding system for log sales, but has not had any success due to the massive collusion;
- Challenge with enforcement for DOFI and customs or border officials is that the trade flows along the 1000 km border rather than on fixed check points and even at key cross points, there are powerful actors that control the flow of timber; The timber

trading along the Lao-Vietnam border occurred along the border line of thousand kilometers and those of illegal activities rarely crossing the official check points.

- Many of the actors engaged in the illegal harvest and trade of timber have the protection and support from high ranking government officials; and
- The lack of coordination between the three ministries with the mandate to regulate the forestry and wood products sector (MAF, MOIC and Ministry of Finance) make it difficult to be aware of the relevant legislation and conduct combined enforcement strategy and action.

#### Recommended Activities for DOFI

- Improve working conditions, check points and coordinate among sectors concerns
- Disseminate laws and regulations in forestry and relevant resource at grass root level.
- Enhance the education and understanding the prosecution, enforcement tasks among the forestry officers
- Need the training courses in law enforcement, interrogation techniques for forestry officers. The real cases are necessary for the improvement of skills and performance.
- Need to improve the administrative system and mechanism, establish the inline administrative from PAFI to DOFI. The administrative channel through PAFO made the PAFI seems to have less authority and not comply with the forestry law.
- Improve the mandates of DOFI and PAFI (mandates and authority of DOFI and PFI should be the same as other law enforcement authorities e.g. custom, police).
- The common working procedures in all functions (interrogation, investigation, suppression, records) should follow the same standard and procedures.

#### Findings and Recommendations to Improve Governance and Enforcement in Lao PDR

- DOFI officials have the authority to seize illegal goods and arrest people guilty and prepare a case to send to court. However, currently DOFI needs to consult with PAFO officials to prepare the case which adds an administrative burden;
- POFI and DOFI should be independent from PAFO with equal enforcement capacity;
- Forestry officials and students need further training on ethics in law enforcement;
- There should be a system established to evaluate and assess DOFI performance;
- Challenge is for DOFI to transition from being forest managers to enforcement officials and rangers. They need training, equipment, tools and facilities to perform the new tasks and duties;
- Implement the recommendations from the annual conference on forest management held by MAF on October 2009 – one resolution was to improve the mandate of DOFI and coordination between DOFI, Customs, Commerce and Economic police; and
- Discuss with Vietnam counterparts the steps toward implementation of the MOU between DOFI and FPD signed in 2009.

Final Agenda

<b>When</b> <i>Thursday, November 12</i>	<b>What</b>	<b>Who</b>
<b>Morning Session I</b> 8:45 – 9:00am	<b>Overview of FLEG</b> Opening Address	DOFI DG, Khamput Phandanouvong
9:00 – 9:15am	Introduction + Agenda + Expectations of Workshop	Dr. Khamla Phanvilay, NUL Todd Sigaty, World Bank/PROFOR
9:15 – 9:30am	Overview of New Laws in EU and USA on Import of Wood Products; and World Bank/PROFOR FLEG Program and Mekong Project	Tuukka Castrén, World Bank/PROFOR
9:30 – 9:50am	Overview of current status and challenges re: FLEG in Laos	DOFI DDG, Khamput Phandanouvong
9:50 – 10:10am	Overview of current status and challenges re: FLEG in Vietnam	Forest Administration Tran Huu Thanh, MARD
10:10 – 10:30am	<i>Coffee Break</i>	
<b>Morning Session II</b>	<b>Introduction</b> <i>Timber Markets and Private Sector</i>	Facilitator: Khamla Phoumanyvong
10:40 – 11:00am	Trends in timber market flows in Mekong Region and China	Phuc Xuan Forest-Trends Vietnam
11:20 – 11:40am	FLEG and Overview of Trends in Cambodia Forestry Sector	Lu Chu Chang, Director Cambodia Timber Association
11:40 – 12:00 am	Overview of changes in Viet Nam's Wood Processing Industry due to new trade requirements and the impact on wood exports from Lao PDR	Tran Huu Thanh, MARD

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<i>Afternoon Session</i>	<i>Identify FLEG Outcomes</i>	
1:00 – 1:30am	WWF-GFTN Greater Mekong Program: Trade Demand, Wood Processing and FLEG in Lao PDR and Vietnam	WWF-GFTN Greater Mekong Program
1:30 – 1:45pm	<u>Overview:</u> How can FLEG respond to Market Changes in Mekong Region and Laos	Khamla Phoumanyvong, NUL Todd Sigaty, PROFOR
1:45 – 2:00pm	<p><b><i>Break into Three Groups:</i></b></p> <ul style="list-style-type: none"> <li>+ Timber Trade and Private Sector</li> <li>+ Legal Standards</li> <li>+ Enforcement, Tracking, Info</li> </ul> <p><b><i>GOALS for Groups:</i></b></p> <ul style="list-style-type: none"> <li>+ To understand FLEG and FLEGT;</li> <li>+ To be aware of the impact of Global Market Changes on Timber Trade;</li> <li>+ To discuss outcomes to improve FLEG and the flow of “legal source” timber in the Mekong region.</li> </ul> <p><b><i>Each Group should identify 3 key:</i></b></p> <ul style="list-style-type: none"> <li>+ Challenges, Outcomes, Questions</li> </ul>	<p>All participants</p> <p><b><i>Everyone will receive prior to workshop a list of potential outcomes, activities and questions to use during discussion</i></b></p>
	Small groups will be facilitated by participants who can provide comments on key issues for FLEG.	Economic Police; MOJ; MOF-Customs; MOIC
2:00 – 3:00pm	Small Group Discussion	All Participants
3:00 – 3:30pm	<i>Coffee Break</i>	
3:30 – 4:00pm	Participants discuss enforcement, governance and trade and clarify potential challenges, outcomes	All participants
4:00 – 4:45pm	Small Groups report back on key issues and activities to improve FLEG	All Participants
4:45 – 5:00pm	Closing Remarks/Finalize Workshop Outputs and Next Steps	DOFI
6:30 – 7:30pm	<i>Dinner</i>	TBD

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Final Agenda

<b>When</b> <i>Friday, November 13</i>	<b>What</b>	<b>Who</b>
8:30 – 8:45am	Introduction To Lao Workshop	Dr. Khamla Phanvilay
8:45 – 9:40am	Presentation of DOFI - Review of Coordination within DOFI - Review of Coordination between DOFI and DOF and other concern agencies	Deputy DG DOFI Khamphout Phandanouvong
9:40 – 10:40am	Presentation - Experience from the northern provinces - Experience from the Central provinces - Experience from the Southern provinces	Participants from Provinces
10:40 – 10:50am	Coffee break	
11:50 – 12:00 am	Review experience FLEG in Laos	DG DOFI
12:00 -13:00 pm	Lunch	To be arranged
13:00 – 15:00 pm	<i>Discussion and Identification of Actions on FLEG for Laos</i>	Facilitated by Dr. Khamla & Todd Sigaty
15:00 - 15:15 pm	Coffee break	
15:15 – 16:00	Summarize Key actions	Dr. Khamla Phanvilay
16:00 – 16:20	Closing session	DG DOFI