Green Economy Development for Laos

An innovative partnership for scaling up responsible Bamboo sector development in Lao PDR

Lao people predominantly still are a poor population, living in areas with high rates of deforestation. One of the main causes of deforestation is an increasing demanding open market pressuring small-scale farmers to respond to quickly change their traditional land use systems. Lao farmers urgently need to sustainably manage their forest resources, in particular non-timber forest products (NTFPs), on which they still are highly dependent for their livelihoods, food security, and future enterprise development options.

There are promising experiences in Lao PDR that proved the feasibility to develop a sustainable sector. Tree iNGO are supporting the sector, they propose to share and cross cut their experiences to promote the sustainable bamboo sector development at national level.

Bamboo in Lao PDR

Lao PDR is covered by 1,612,000 ha¹ natural bamboo forest made out of a high diversity of 52 species in 15 genera². Rural and poor populations utilize bamboo for domestic consumption, such as fences, construction, bamboo shoots, fishing tools, but also increasingly to sell as raw materials to the private sector transforming them into chopsticks, toothpicks or scaffolding. Various sources³ value the contribution of NTFPs at par with rice farming, cash crops and livestock for the poorest people. Bamboo is emerging as an important product in fast growing markets. The large range of products in demand and this relatively underused and fast regenerating resource is facing booming market opportunities as a substitute for timber. To benefit its rural population, Lao bamboo requires attention to be better promoted and developed.

At policy level, the MAF highlights the importance of a Bamboo Task Force and a National Bamboo Platform as a space to facilitate policies.

Existing Bamboo Initiatives in Lao PDR

Three international organisations are engaged in different bamboo projects in the mountainous area with Ethnic minorities, each with its own unique approach focusing on sustainable resource development, community capacity development and market access development. They are experienced facilitating process between local communities, private sector and the government.

¹ According to a FAO survey in 2010
² FSRC/NAFRI
³ Foppes & Kethphan, 2002; NAFRI/NUOL/SNV, 2007
**Complementarities between the 3 projects to scale up**

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<tr>
<th>GRET</th>
<th>WWF</th>
<th>RECOFTC</th>
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<tr>
<td><em>Since 2008 in Houaphan and from 2005 to 2014 in Than Hoa (neighbouring province in Vietnam)</em></td>
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<td><em>Collective learning processes</em> in 4 value chains from community forest land to business and policy development.</td>
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<td><em>Innovative village mechanisms supporting village development, forest management through producer group organization and village bamboo funds</em></td>
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<td><em>Village Service providers</em> to provide locally suitable business services</td>
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<td><em>Supporting an emerging Local Bamboo Service Association</em></td>
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<td><em>Since 2006 to date, WWF works on sustainable rattan in Bolikhambay, Sekong and 2014 expansion to Salavan province and works both rattan and bamboo.</em></td>
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<td><em>Sustainable rattan and bamboo forest management and FSC certification.</em></td>
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<td><em>Raising awareness to community on environmental responsible FSC certification, forest law, sustainable rattan harvesting, FSC-CoC, Weaving, etc.</em></td>
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<td><em>Rattan and bamboo supply chain and policy support</em></td>
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<td><em>FSC and clean rattan and bamboo production for internal market and export to European countries.</em></td>
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<td><em>2011-to-date in Bokeo bordering with Chiangrai province, Thailand</em></td>
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<td><em>Cost efficient and locally adapted extraction methods to harvest bamboo and forwarding (skidding) to all-weather roads</em></td>
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<td><em>Forest restoration design with improved varieties of bamboo, NTFPs and timber species</em></td>
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<td><em>Application of bamboo biomass from fuel load reduction in energy systems</em></td>
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<td><em>Raising local communities’ awareness of environmental issues related to secondary bamboo forests, incl. fire prevention, shift to perennial cropping systems and improved forest management</em></td>
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**Houaphan**
- 70 villages, 1800 hh
- 4400 ha of natural forest allocated and 3400 ha managed by local communities
- Organization: 67 producers groups, 4 villages processing units,
- Jobs Creation: 60 actives services providers, 20 local Traders, 7 semi processing industries.
- Around 250 usd/hh/Year of income generation
- GDP Creation 400 000 usd/year in 2014
- National and Vietnamese market

**Bolikhambay (Pilot Province)**
- 28 villages, 3,305 hh and 15% of total hh are direct benefit from project.
- 4,965 ha of bamboo natural forest are inventoried in village production forest.
- 5,727 ha FSC certified rattan forest area and 8,405 ha of rattan forest is well managed approved by DoF in Bolikhambay province.
- 3 handicraft groups in 3 villages and expected to establish 2 more villages
- Around USD 200/hh/year of income
- National, Vietnamese and European market

**Bokeo**
- 20 Villages, 2 000 hh
- In Pa Oudom Production forest 140 000 ha of bamboo dominated secondary forest vegetation (60 to 70 of bamboo). Linked with SUFORD project.
- Potential of max 50 000 tons in Bokeo province
- 30 USD/T extraction costs plus a royalty around 10 USD/ton
- GDP created for Banana Pole 1 million usd, potential : 5 million usd, need to find investor on biomass energy for Thailand and export market market for pallet

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**Existing Gaps hampering sustainable development of bamboo in Lao PDR**

**Poor Knowledge on bamboo scientist research** in Lao PDR such as forest management techniques.

Little developed **market linkages**, poor processing facilities and skills, weak financing scheme for farmers to **invest** in bamboo, and inappropriate a/o conflicting policies (Quota, Taxes, land rights).

**Poor skills and capacities at communities** level to ensure a sustainable management of the natural forest and to develop sustainable bamboo value chains.

Weak role and capacity of **Lao civil society organisations** in the Lao development sector.
Proposed Synergies of Actions towards responsible and sustainable bamboo sector development

GRET, RECOFTC and WWF intend to use their common expertise and complement their unique approaches to support the development of a network of community-based bamboo entrepreneurs, at the national level. They will exchange experiences and create synergies to develop and document the best methods and approaches in the following fields:

- **Sustainable Land Use & Forest Management**: scaling-up sustainable community forest management, incl.: forest management planning, harvesting, forest monitoring, participatory research on appropriate management models, land right rights and food security.

  To manage on a landscape level forest restoration to add value to the accumulated bamboo biomasses to control the self perpetuating fire cycle.

- **Community Enterprise Development**: strengthening group or enterprise organisation, incl. business and negotiation skills empowering communities in engaging with private sector and investors,

- **Business models**: engaging in innovative business models and accessing markets, through processing, product certification, market opportunities.

- **Appropriate Policy Development**: engage with national policy makers in exchanging pilot experiences hampering community enterprise and business development, eg. quota, tax and fees system, export procedures, investment policies, incl. conflicting policies.

### Contribution to National Policies

The field experience will be shared at the national level and feed the development of the national bamboo strategy to facilitate a collective learning process.

A Bamboo platform to support National Bamboo Task Force to address policies issues of the Bamboo Sector Development National Strategy eg. land tenure, quota, taxes, sector organizations, Producers groups, service providers, cooperative, association, village funds, access to finance.

### Implementation mechanism

Peer collective learning process experiences and lessons learned among existing regional networks contributing to a national learning process, serving as a basis for further strengthening of a village based NTFP and agro-forestry systems and thus upland community resilience:

- **Forest communities and government agencies capacities buildings to ensure sustainable forest use and management.**

- **Capacity building** and coaching part to community and smallholders on organizational business models as well as on market linkages development

- **Support technology innovation** for bamboo industry

- **Increasing demand** in Lao Market for sustainable bamboo products through certification

### Common pool and recommendations in terms of methodologies and approaches for the country, A Village Forestry Sub Working Group which allows dissemination of lessons learned to a wider audience.

### Communities Micro financial Mechanism

Development and support on local investment trough support on NTFP Development Fund. Support to small scale enterprise, cooperatives, association.

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