Some Notes on the Mekong Timber Trade (Lao-Vietnam Border)

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Over last decade, Lao timber Harvesting & trade closely linked to infrastructure development (esp. hydropower), sometimes in protected areas









Not all of the cross-border trade is associated with large-scale/elite actors

Lao-Vietnam Charcoal Trade

Cross-Border Luxury Hardwood Trade





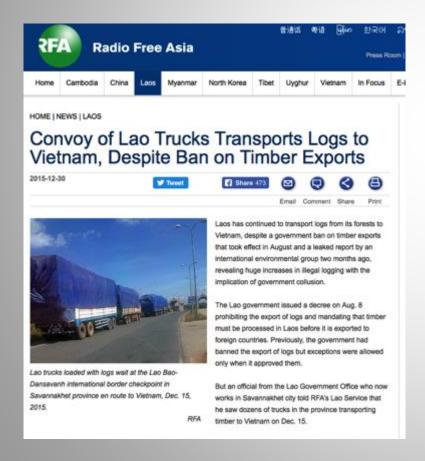




Late 2015 and early 2016

(note the January Party Congress, and announcement of new PM Thongloun Sisoulith):

Dec. 15, 2015



June 2, 2016

Bus explosion kills eight Vietnamese passengers

An explosion wrecked a bus loaded with an illegal shipment of timber and carrying 14 Vietnamese passengers in Khammuan province yesterday, killing eight people instantly, according to a provincial official.



The aftermath of the explosion, believed to have been caused by fireworks stowed in the baggage compartment.

By many accounts, Laos PMO/15 having a significant effect, with provincial governors falling into line



Lao People's Democratic Republic

Peace Independence Democracy Unity Prosperity

Prime Minister

No. 15/PM

Vientiane Capital, date 13.05.2016

Order

On Strengthening Strictness of Timber Harvest Management and Inspection, Timber Transport and Business

> Goyt orders forests closed to logging Vientiane Times, May 30, 2016

Prime Minister <u>Thongloun Sisoulith</u> has instructed that all types of forest be closed to logging by June 1, with all parties prohibited from collecting or removing logs from forest fields known locally as <u>Sanam</u> I.

The instruction was issued at the government's monthly meeting for May held on May 24-25 at the Prime Minister's Office and chaired by Mr Thongloun.

Authorities seize illegal timber in Savannakhet province Vientiane Times, August 12, 2016 http://www.vientianetimes.org.la/FreeContent/FreeConten Authorities.htm

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A huge quantity of contraband timber has been seized in Savannakhet province over the past three months since Prime Minister ThonglounSisoulith issued an order to clamp down on illegal logging.



Authorities inspect a load of timber at <u>Dansavan</u>-Lao <u>Bao</u> international border checkpoint in <u>Savannakhet</u> province recently.





Some implications...

- 'Closure' of border to all timber exports has affected commercial plantation operators
- To my knowledge sawmills have ceased operations even in remote border areas (Ta Oy)
- District authorities registering villager's chainsaws, enforcement of permit requirements
 - A village of 47 HH, 9 chainsaws registered
- Given the demand and incentives, & the nature of the border area, (rivers, minor roads and and trails), people will soon be looking for new ways of transporting high value timber across the border
- The high profile nature of this crackdown appears different from previous efforts. PM Sisoulith staking a personal legitimacy to PMO/15?
- Even charcoal reportedly being held up at the Lao-China border (is charcoal not a processed product?)

Innovations?

Note yesterday from the Savannakhet - Quang Tri border area:

"A family I observed had paid 120 million kip (US\$14,400) for the wood. I don't know the volume. But they explained that they had attempted to pass logs 3 times over the border using just 2 Hyundai minivans. Someone at the border must have known, because officials were asking them 6 million (US\$715) in bribes to let it pass. So they are trying a new route, which includes transport over the Xepon River."

