

**ITTO-TEAK  
IN MEKONG**



# National Teak Forum in LAO PDR: “Sustainable Teak Value Chains for Sustainable Local Development”

19-20 February 2020

Vientiane & Luang Pha Bang, Lao PDR



Federal Ministry  
of Food  
and Agriculture





## Background:

Teak (*Tectona grandis*) with its outstanding physical and aesthetic qualities is recognized as one of the most important and valuable hardwood species in the world. Natural and planted teak forests are found in about 70 tropical countries in Africa, Asia and Latin America. Given the importance of teak's prominent position in the global timber market and its potential to contribute to national economic growth and local livelihoods, the International Tropical Timber Council (ITTC) at its 53<sup>rd</sup> Session in Peru in 2017 approved an activity entitled "Enhancing Teak Management" under ITTO Biennial Work Program for 2018-2019 as a comprehensive global activity to improve the management and marketing of both natural and planted teak in all three tropical regions. In November 2018, the Federal Republic of Germany through the Federal Ministry of Food and Agriculture financed the first stage of this activity in the Greater Mekong Sub-region.

In Lao PDR, teak is a priority native species and the area of natural teak forests is estimated to 68,500 ha in 2010. In addition, teak plantations have been established by private companies and rural communities. The Department of Forestry has promoted community-based teak plantations. An estimated 36,000 ha of teak plantations are mainly located in northern provinces (Luang Prabang and Boeko). The goals of the Forest Strategy 2020 include increasing transparency of natural resource policy and disseminating information on forest cover, forestry revenues, harvesting levels, plantation establishment and management actions. Many rural peoples in the northern provinces of Lao PDR depend on planted teak forests for their livelihoods. They gain employment and income from teak forestry as a most economically viable land use option particularly in remote and underdeveloped areas. The multiplier effect on local employment at small-scale wood processing and service sector levels is significant when value-added activities are developed in the local economy and among the forest-dependent workforce.

In view of the importance of developing value-added activities in the local economy in partnerships between the private timber sector and the local communities, the National Teak Forum aims at reviewing the opportunities and challenges of sustainable teak value chains in Lao PDR with a view to contributing to sustainable development of smallholders teak forestry in Lower Mekong Region



## Objective:

---

The organization of **National Teak Forum – Sustainable Value Chains**, will particularly provide an opportunity to discuss the issues of sustainable teak value chains in Lao PDR by reviewing lessons from promotion of teak-based sustainable forest management (SFM) by the private sector and community forest enterprises in terms of technical aspects (seedling, silvicultural, management, value-adding processing, etc.) and economic aspects (investments, incentive mechanisms, credits, etc.).

It will also contribute to enhancing teak value chain research and sustainable teak forestry in Lower Mekong Region.



## National Teak Forum in LAO PDR:

“Sustainable Teak Value Chains for Sustainable Local Development”

19-20 February 2020, Vientiane & Luang Phabang, Lao PDR

Wednesday, 19 February 2020	
08.00- 09:00	Registration
09:00 - 10:00	<b>Opening ceremony</b> <ul style="list-style-type: none"><li>• Welcome remarks by Representative from Lao PDR</li><li>• Welcome remarks by Representative from ITTO</li><li>• Welcome remarks by German Federal Ministry of Food and Agriculture (BMEL)</li></ul> Group photo
10:00 – 10:30	Tea break and Press release
10:30 – 11.30	<b>Key note presentations and discussion</b> <ul style="list-style-type: none"><li>• Sustainable Forest Management in Lao PDR, including Teak by Mr. Bounchanh Lattanavongkot, Lao PDR , Head of Forestry Provincial Office, Luang Prabang</li><li>• Teak value chains in Lao PDR: Challenges and Opportunities by Prof. Tek Maraseni, University of Southern Queensland, Australia and Mr. Vongvilay Vongkhamsao, NAFRI</li><li>• Teak product industry in Lao PDR by Mr. Thongsavanh, President of Lao furniture association a teak producer’s organization</li></ul>
11.30-12.30	Country presentations on sustainable supply and value chains of quality teak timber in Lower Mekong: <ul style="list-style-type: none"><li>• Cambodia</li><li>• Myanmar</li><li>• Thailand</li><li>• Vietnam</li></ul>
12.30-13.20	<b>Panel discussion: Sustainable teak value chains in Lower Mekong Region</b> Moderator: Dr. Ma Hwan-ok, ITTO  Panel members (tbc): Representatives from the participating countries involved in teak value chains (Cambodia, Lao PDR, Myanmar, Thailand and Vietnam)

## National Teak Forum in LAO PDR:

“Sustainable Teak Value Chains for Sustainable Local Development”

19-20 February 2020, Vientiane & Luang Phabang, Lao PDR

13.20 – 14:00	Lunch at restaurant
14.30	Departure to Wattay International Airport (Participants for Filed Excursion)
17.00	Leave for Luang Prabang
	<b>Stay overnight at E-outfitting Vang Thong Hotel, Luang Phabang</b>
	<b>Thursday, 20 February 2020 (Field Excursion)</b>
8.30	<b>Start Filed</b>
	<b>Morning Program</b>
9.00-9.45	Teak Silvicultural Demonstration Plot
9.45-10.30	Ban Xieng Lom Teak Plantation Management Group
10.30-11.30	Ban Kok Ngiew Teak Farmers Group
11.30-13.30 (Lunch included)	Thad Sae Waterfall
	<b>Afternoon Program</b>
13.30-15.30	Upland Agriculture Research Centre (UARC)
15.30-17.00	Teak seed production at Ban Lak Seep (km10)
	<b>Stay overnight at E-outfitting Vang Thong Hotel, Luang Phabang</b>
	<b>Friday, 21 February 2020</b>
	Departure of Participants

## Luang Prabang Field Excursion (20 February 2020)

19 February 2020 (Lao Airlines QV-103: Departure 17.00; Arrival 17.50)

Participants will leave for Luang Prabang in the afternoon after the National Forum.

Stay overnight at E-outfitting Vang Thong Hotel  
(<http://www.vangthonghotel.com/hotel/contact-us/>)

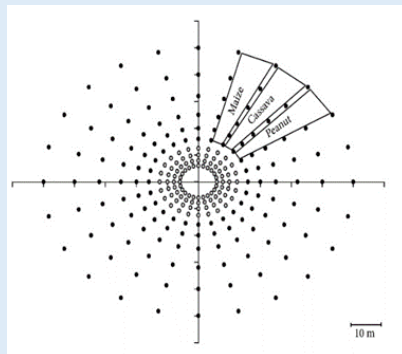
20 February 2020 (8.30-17.00)

A field excursion to teak plantations, a tissue culture laboratory, and natural teak forest management demonstration sites in Luang Prabang province. This field excursion will be organized by NAFRI.

### Brief Information of each visit site:

Stop 1. Teak Silvicultural Demonstration Plot (Nelder wheel experiment).

The Nelder wheel experiment plot was established in 2008 with the support of ACIAR-Agro Forestry Project. The objective of establishment is to present the effects of teak planting in different spacing on growth performance. The plantation plot is located in the campus of Northern Agriculture and Forestry College (NAFC). Students usually use this area to learn, and conduct experiments and research practices.



Nelder wheel experiment



## Stop 2. Ban Xieng Lom.

Ban Xieng Lom Teak Plantation Management Group was established on 15 July 2013. There are 32 families participating in this group with 61 plots of teak plantation covering the area of 4,306 hectares. The group has in 2015 set up a teak wood processing unit for value adding of teak in 2005. The unit has bought timber from the group members and outsiders, and then sold it to processing factories and companies in Luang Prabang and other provinces in Lao PDR. They also export the processed wood to neighboring countries. The wood sale products include sawn logs, processed wood, furniture, and housing materials. The participants will visit a saw-mill and furniture enterprise of one or two members of group. This enterprise is based almost entirely upon smallholder teak wood harvested locally. The members also act as teak traders and deal with larger enterprises, buying standing trees from growers, attending to the complex regulatory requirements for harvesting and transport and selling logs to larger enterprises

### Points to observe and discuss include:

- The importance of the local trader in the teak supply chain
- Importance of the trader as a source of finance

The importance of planted teak as an emergency source of finance.



Ban Xieng Lom Processing group

### Stop 3. Ban Kok Ngiew (Meeting with Teak Farmers Group)

Ban Kok Ngiew was established in 1955 and it is a multi-ethnic village of 1,300 people from 3 main ethnicities, Khamu (60%), Lao Loum (30%) and Hmong (10%). The proposed Chinese railway (under construction) will pass through the village.

In 2011 the program obtained a FSC group certificate, which is the first smallholder plantation certification within Lao PDR. Over the past five years, Luang Prabang Teak Program (LPTP) has used FSC as a guideline to improve forest management and FSC has been an important mechanism for the development of the program. Some of the benefits from the establishment of the group include capacity building, establishment of small scale enterprises, clarifying land tenure and strengthening farmers' negotiation power.



Wood processing in Kok Ngiew Group

In 2016, Provincial Forest Service and TFT decided not to extend the FSC certificate for the Luang Prabang Teak Program due to the lack of FSC markets and costly and bureaucratic audits. In addition, it does not align with the economic reality of smallholders in Lao PDR.

LPTP is confident that it can continue to provide benefits to local farmers without being certified by FSC and by continuing their cooperation 'beyond certification' LPTP will provide benefits to teak farmers in Luang Prabang.

Points to observe and discuss include:

- Is FSC certification appropriate for circumstances such as in Luang Prabang?
- The management of a Group and associated tasks of governance and finance are challenges.
- Can the group respond if a member wants to sell trees in an emergency?



#### Stop 4. Thad Sae Waterfall (including lunch)

Thad Sae Waterfall is recognized as a very popular attraction for local and overseas visitors. The high calcium levels in the water have formed these unusual and attractive falls. Here we have time to walk and enjoy the ambiance of the site before having lunch.

Points to observe and discuss include:

- Management of a beautiful and popular local resource to generate income for local communities
- Strategies for training in financial literacy and entrepreneurship to be offered as a part of co-management

Thad Sae Waterfall



After lunch, we will re-board the river boats and travel a short distance to Ban Enh village, a village with very close filial associations with the other riverside villages of Ban Noon and Ban Xieng Lom, where we will rejoin the vans.



### Stop 5. Upland Agriculture Research Centre (UARC)

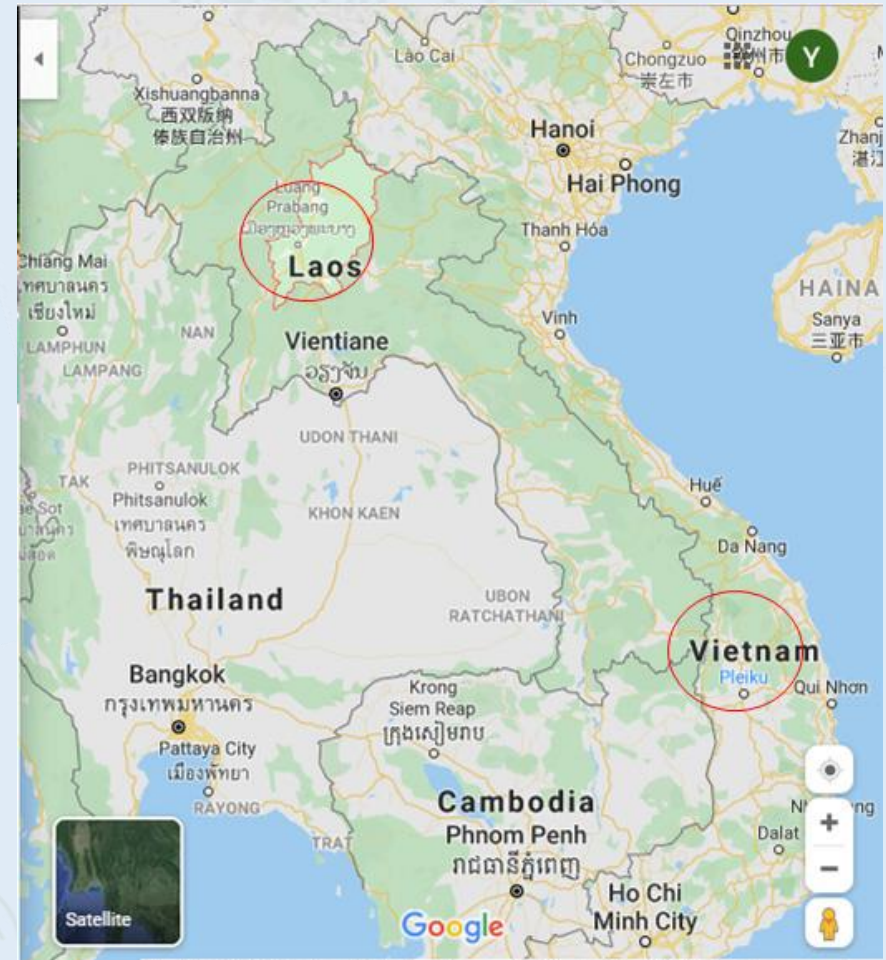
UARC is one of the 15 research centres of NAFRI. Its mandate is to conduct research related to biodiversity, agriculture systems, integrated agro-forestry for food security and cash crops in the northern upland for sustainability. During the visit we will get an overview of UARC which will be presented by Director of the Centre, then visit tissue culture laboratory on teak propagation.

### Stop 6. Teak seed production at Ban Lak Seep (Km 10)

On the way back to the hotel, we will make a short visit to teak seed production at Ban Lak Seep. It is a planted forest, covering seven hectares, 46 years old and under the administration of Luang Prabang Provincial Forestry office. The purpose of establishment is for seed production. The site was poorly maintained in previous years due to lack of financial support. The Luang Prabang Forestry office proposes this site to get funding support from the ITTO-Teak Mekong Project.

### 21 February 2020

Participants will depart to home countries on 21 February 2020.



## Other Information

### Language of the Meeting:

English

### Sponsorship:

The ITTO Teak Project in Mekong will support invited participants from the five participating countries and selected experts.

### Accommodation:

- E-outfitting Vang Thong Hotel in Luang Prabang.
- Check-in 19 February, check-out 21 February)

### Connecting flights to other cities from Luang Prabang

Luang Prabang-Bangkok

- Thai Airways/Thai Smile: 11.20-12.55
- Bangkok Airways: 12.20-14.35; 17.30-19.05

Luang Prabang-Vientiane

- Lao Airlines: 7.40-8.30; 11.20-12.10; 13.05-13.45, 18.20-19.10

Luang Prabang-Hanoi

- Lao Airlines: 8.30-9.50; 17.10-18.30; 13.05-15.50;



Vansana Riverside hotel in Vientiane



E-outfitting Vang Thong Hotel in Luang Prabang.





## Contact persons:

**National Agriculture and Forestry Research Institute (NAFRI (Focal Point))  
Mr. Vongvilay Vongkhamso**

Director of Forestry Research Centre, NAFRI  
P.O. Box: 7174, Vientiane, Lao.PDR  
Tel: ++ 856 21 770094, Fax: ++ 856 21 770892  
Mobile: 865 20 5560 4759  
E-mail: [vongvilay7566@gmail.com](mailto:vongvilay7566@gmail.com)

**Kasetsart University:  
Professor Dr. Yongyut Trisurat**  
Regional Project Leader  
Faculty of Forestry, Kasetsart University  
Bangkok 10900, Thailand  
Tel: +66 2579-0176, Fax: + 66 2942-8107  
E-mail: [fforyyt@ku.ac.th](mailto:fforyyt@ku.ac.th)

**ITTO:  
Dr. Hwan-ok Ma**  
Projects Manager of Division of  
Forest Management, ITTO Secretariat  
Tel. 81-45-223-1110  
Email: [ma@itto.int](mailto:ma@itto.int)