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THE FORESTRY LAW

Adopted by the National Assembly 11 October 1996
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Supplants:

Decree No. 169/PM, 6 November 1993, regarding the Administration of Forests and Forest Lands; and Decree 186/PM, 12 October 1994, regarding the Division of Land and Forests for Tree Planting and Forest Preservation.

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(National Seal)

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Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

No. 125/PDR

DECREE
of the
PRESIDENT
of the
LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the promulgation of the Forestry Law

- Pursuant to Article 53, Article 1 of the Constitution of the Lao People's Democratic Republic;
- Based on the Resolution of the 9th ordinary session of the National Assembly, IIIrd Congress on the adoption of the Forestry Law No. 004, dated 11 October 1996.
- Pursuant to the proposal of the Standing Committee of the National Assembly NO. 08/SCNA, dated 16 October 1996.

*The President of the
Lao People's Democratic Republic*
issues this decree to:

Article 1: Promulgate the Forestry Law.

Article 2: This Decree is effective from the day it is signed.

Vientiane, 2 November 1996

(seal of the President of the State)
(signature)
Nouhak Phoumsavan

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

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National Assembly

No. 04/96

RESOLUTION
of the
NATIONAL ASSEMBLY
of the
LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the adoption of the Forestry Law

- Pursuant to Article 40, Clause 2 of the Constitution and Article 2, Clause 2 of the National Assembly Law of the Lao People's Democratic Republic;
- Pursuant to the proposal of Mr. Kham-Ouane Boupha, Minister of the Ministry of Justice of the Lao People's Democratic Republic;
- After extended and in-depth research and consideration regarding the contents of the Forestry Law, the 9th Ordinary Meeting of the 11th Congress of the National Assembly on the afternoon agenda of Friday, the 11th of October 1996

Resolved:

Article 1: To adopt the Forestry Law by unanimous vote.

Article 2: This Resolution is effective from the day it is signed.

Vientiane, 11 October 1996
President of the National Assembly
(seal of the President of the National Assembly)
(signature)
Samane Vignaket

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. 01-96
Date: 11/10/96

The Forestry Law

Part I General Provisions

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Article 1. Function of the Forestry Law

This Forestry Law determines basic principles, rules, and measures relative to the administration, maintenance, use of forestry resources and forest lands, promotion of rehabilitation, planting and propagation of forestry resources in the Lao People's Democratic Republic in order to balance nature, make forests and forest lands a sustainable source of sustenance and used by the people, ensure the protection of water resources, preventing soil erosion, protecting flora, trees, aquaculture and wildlife and the environment, contributing to national socio-economic development for continually increasing wealth.

Article 2. Forests

Forests are a precious national natural resource comprise of flora, multiple types of trees which grow naturally or which are planted and the existence of which is necessary for the preservation of the environment and the existence of humanity.

Article 3. Forest Resources

Forest resources are resources which have life and which do not have life which are comprised of soil, flora, trees, water, marine animals, wildlife, etc., which are all in the area of forest land.

Article 4. Forest Land

Forest lands are all parcels of land which do or do not have forest coverage which the State has determined are forest lands.

Article 5. Ownership Relative to Forests and Forest Lands

Natural forests and forest lands are the property of the national community whom the State represents in the administration and allocation of individual use and reasonable organization. Individuals and organization shall have the right to possess and use any tree, natural forest and forest land provided only that [they] have received approval from the relevant authorized agency.

For trees and forest which individuals or organizations have planted or have rehabilitated by their own labors or funds with the acknowledgment of the State, [such shall be considered] the property of the planter or the rehabilitator who has the right to possess and use, to receive the results of, transfer and succeed to [the interests thereof] according to the laws and regulations.

Article 6. Promotion of the Preservation and Propagation of Forests

The State promotes individuals and organizations to participate in the preservation, rehabilitation, planting of trees and propagation of forestry resources by issuing policies, rules and measures in order to make forests an abundant, valuable and natural resource which will never be exhausted.

Article 7. Rights, Benefits Relative to Preserving and Administering Forests and Forest Land

Individuals and organizations who the State has assigned forests [or] forest lands for preservation and administration have the right to receive compensatory benefits, i.e.: use of wood, harvesting forest products, etc. according to specific regulations issued by the relevant agency.

Article 8. Obligations in the Preservation of Forests and Forest Lands

Individuals and organizations have the obligation in the preservation of forests, forestry resources, forest lands, water sources, marine animals, wildlife and the environment, proper use of forests and forest lands according to regulations, to not degrade forests, to exhaust them, to issue necessary measures for the prevention of forest fires, contribute to preventing the destruction of forests by any means.

Part II

Administering Forests and Forestry Activities

Chapter 1

Administering Forests

Article 9. Administering Forests

The administration of forests is comprised of surveying, forest allocation, forestry data and statistics collection, listing, categorization, demarcation of forest areas and forest lands, planning use, issuing regulations, distribution of forest and forest land use [and] technical recommendations.

Article 10. Surveying, Allocation and Categorization of Forest Type and Area

The Government assigns the Ministry of Agriculture and Forestry to co-ordinate with relevant sectors, local authorities to conduct forest surveys and allocation, to collect data relative to forests in the entire country to categorized type, to determine area, to monitor the circumstances of forest changes, the area of forest lands and the environment.

Determination of the types of forest, the area and the forest land area for each type must principally reference the location, the circumstances, the significance and the suitability of the forestry resource and forest lands existing in each geographical area of the country.

In addition, there must be a determination of forest types, the area of the forest, and forest land under central, provincial, prefectural, district, village, organizational, and individual administration.

Article 11. Administrative Planning, Forest and Forest Land Use

The Government determines the general administrative and use plans for forests and forest land throughout the country, which plan is comprised of long, medium, and short term plans which are thereafter submitted to the National Assembly for consideration and adoption.

Local authorities, with reference to the Government's general plan and actual local circumstances shall make an administrative and a use plan for forests and forest lands in their localities and shall thereafter submit such to higher authorities for adoption.

Article 12. Assignment of Forests and Forest Lands to Local Authorities for Administration and Use

After allocation and division of forest types and determining forest areas and forest lands, the Government shall assign rights to local authorities, from there the province and the prefecture shall assign to the district and the district to the village to be responsible.

In the assignment of forests and forest lands, the provincial authorities, the prefecture, the district or the village which have adjoining borders shall participate and acknowledge such.

Article 13. Assignment of Forest and Forest Lands to Individuals and Organizations for Possession and Use

The State assigns rights to use degraded forest lands or defoliated lands to individuals and organizations according to their labor and financial capacity to plant and rehabilitate forests for individuals the area shall not exceed three hectares for each laborer in a family. In case more is needed, [the concerned individual] has the right to lease [more] from the State. For organizations, reference is made to actual production capacity.

For enterprises which need to use degraded forests or defoliated land to plant trees, the state shall have a specific policy on a case by case basis.

Individuals and organizations are absolutely prohibited from using dense or reed natural forests for planting their trees which [forests] can themselves grow as natural forests.

Article 14. Transformation of Forests and Forest Land

It is prohibited to transform forestry area or forest lands which the State administers or which the State has assigned to an individual or an organization to possess and use according to purposes provided for some other purpose. In necessary cases and for the public good there may be transformation of forests or forest land to use for some other purpose, but there must first have been approval from the relevant authorized agency.

The authorized agency in approving relevant to transformation of forest and forest lands are comprised of:

- District authorities for forest area or forest lands of three or less hectares with the approval of the Provincial or Prefectural Agriculture and Forestry Division;
- Provincial and Prefectural authorities for forest areas or forest lands in excess of three hectares to one hundred hectares with the approval of the Ministry of Agriculture and Forestry;
- Ministry of Agriculture and Forestry for forest and forest land areas in excess of one hundred hectares to ten thousand hectares with the approval of the Government;
- Government for forest and forest land area in excess of ten thousand hectares or more with the approval of the National Assembly.

Article 15. Transformation Fees for Natural Forests or Forest Land

When there is transformation of a natural forest or forest lands into some other purpose, whether that change is permanent or temporary, those who have received permission for the transformation must be liable to pay fees for such transformation, modifications to the land and to replant trees; for wood and forestry resources, such are the property of the State.

Chapter 2 *Categorization of Forest Type*

Article 16. Forest Types

Forests in the Lao People's Democratic Republic are divided into the following types:

1. Protected forests;
2. Forest Reserves;
3. Production Forests;
4. Rehabilitated Forests;
5. Degraded Forests or Defoliated Land

Article 17. Protected Forests

Protected forest are forests and forest land which are divided for the purpose of protecting water sources, preventing soil erosion, strategic areas for national defense, prevention of natural disasters, the environment, etc.

Article 18. Forest Reserves

Forest reserves are forests and forest lands which are separated for the purpose of preserving species of flora and fauna, nature and other precious things in terms of history, culture, tourism, the environment, education and experimental scientific research.

Article 19. Production Forests

Production forests are forest and forest lands which have been separated to provided for the requirements of national socio-economic development and peoples' regular and continual daily living needs in terms of wood and forest derived products which do not seriously affect the environment.

Article 20. Rehabilitated Forests

Rehabilitated forests are young reed forests which are separated for rehabilitation and complete restoration into old natural reed forests.

Article 21. Degraded Forests

Degraded forest are forests which have been heavily damaged, i.e.: the land area has no forest [coverage] or the are is defoliated which is separated for reforestation or to assign to an individual and to an organization to use for reforestation, and to organize reforestation, permanent agro-forestry and livestock production or use for some other purpose according to the national socio-economic development plan.

Chapter 3 *Administration of Forestry Activities*

Article 22. Forestry Activities

Forestry activities are all undertakings relative to forests and forest resources perform in or outside of forest areas and forest land, i.e.: surveys, design, planting, rehabilitation, maintenance and preservation, forest development, exploitation, moving wood and wood products, processing, protection of forestry resources, preservation of water sources, forest related natural environment and propagation of species of flora, species of trees and marine animals including stopping dry rice cultivating forests [and encouraging relevant individuals] to undertake fixed occupations.

Article 23. Undertaking Forestry Activities

Individuals or organizations may undertake any forestry activity provided only that approval has been received from the relevant forestry administration agency.

Article 24. Registration of Forestry Activities

Registration of forestry activities shall be conducted according to the Business Law promulgated by the State.

Part III

Regulations for the Use of Forests and Forest Land

Chapter 1

Exploitation of Wood and Forest Derived Products

Article 25. Exploitation of Wood and Forest Derived Products

Exploitation of wood and forest derived products can be undertaken specifically in production forest which have been surveyed and allocated and surveyed for exploitation, [and] only in areas which forestry exploitation has been planned in order to ensure that the exploitation of wood is continuous and exploitation can be repeated in areas which have already been exploited.

The exploitation of wood must be performed according to the following principle regulations:

- use of selective cutting, clear cutting is prohibited except in necessary cases;
- cutting of pre-determined trees to ensure continuity of species;
- cut trees must be collected to utilize for maximizing [wood] value;
- cut trees according to technical [standards];
- cut trees by restricting destruction of surrounding trees, ensuring that there will be no environmental impact, soil erosion or drought;
- after cutting, the forest must be maintained and protected or reforested;

For the exploitation of forest derived products, i.e.: mushrooms, roots, bulbs, vines, sprigs, shoots, leaves, flowers, fruits, bark, oils, sap, etc., shall be performed according to specific regulations issued by the relevant authorized agency.

Article 26. Moving Wood and Forest Derived Products

Moving wood and forestry derived products must be undertaken according to regulations, i.e.: payment for resources, each log must be marked and stamped, be accompanied by removal documents, be removed according to a pre-determined road and must be declared at the declaration post.

Article 27. Cutting of Self-Planted Trees

Cutting of self-planted trees for family use shall be reported to the village administrative authorities for notice and inspection.

If wood is to be moved to another district, a report must be made to the district forestry officials for inspection.

For the cutting of trees as commodities, approval must be obtained from the Provincial or Prefectural Agriculture and Forestry Division by a request through the District Agriculture and Forestry Office.

Article 28. Wood Exploitation and Harvesting Wood Derived Products from Controlled Forests and Village Use for Family Consumption

Cutting trees in village production forests for building, repairs and family consumption is allowed but in the area of village production and of wood types which are not prohibited of which the volume does not exceed five cubic meters, one log per family which needs [the wood] which must be cut from a pre-determined area and undertaken according to regulations issued by the village administrative committee. Harvesting forest derived products for family consumption shall be pursuant to village regulations as adopted by the District Agriculture and Forestry Office.

Article 29. Export of Wood and Forest Derived Products Abroad

The export of wood and forest derived products abroad must be pursuant to regulations, i.e.: received Government approval, exported pursuant to an approved amount and via an approved [export] post.

Article 30. Customary Use of Forests and Forest Lands

Customary use of forests and forest lands is the use of forests, forest lands and forest derived products which have been undertaken for a long period of time and which are recognized by society or by law by which the harvesting of wood which is not of a prohibited type to make fences, for firewood, harvesting forest derived products, for hunting and for harvesting marine animals which are not prohibited for family use and for other customary uses. Such customary use shall not cause damage to forests or forest resources and are not to prejudice the rights and benefits of individuals or organizations.

The customary use of forests, forest lands and forest derived products must be undertaken according to regulations regarding forest and forest land issued by village administrative authorities in compliance with the special objectives of the village from time to time and which are proper and in accordance with Article 63 of this law.

Chapter 2

Forest Industries and Forest Derived Products

Article 31. Establishment and Undertakings of Wood or Forest Derived Products Processing Plants

The establishment of wood processing plants or processing plants for forest derived products must be undertaken strictly pursuant to regulations regarding the establishment of wood processing plants or processing plants for forest derived products and must have received approval from the Ministry of Agriculture and Forestry and other relevant agencies. The undertakings of such plants must be according to regulations, i.e.: use of proper raw materials and maximization of utility, proper distribution of processed products according to regulations.

Article 32. Administration of Wood Exploitation Machinery and Wood Processing Machinery

The importation and distribution of all types wood exploitation machinery and wood processing machinery must be approved by the Ministry of Agriculture and Forestry and must be pursuant to other relevant regulations.

The possession and use of wood cutting machinery and wood chopping machinery must be registered with the Provincial or Prefectural Agriculture and Forestry Division.

Chapter 3 *Planting and Rehabilitating Trees*

Article 33. The Purpose of Planting and Rehabilitating Forests

Planting and rehabilitating forests is to preserve and to propagate national forest resources in order to provide for a non-exhaustible wood and forest derived products use, to protect water sources, land, marine animals, wildlife and the environment for a balance as well as being significant State, organizational and individual revenue.

Article 34. Promotion of Tree Planting

The state promotes individuals and organizations to widely plant trees and as groups, whether [planting specific] species of flora, short term, medium term or long term species by issuing various suitable policies for domestic and foreign investment, i.e.: credit policies, taxation, species of flora and trees, lease extensions as well as increasing the leasehold area, etc., pursuant to regulations.

Article 35. Promoting the Rehabilitation of Reed Forests

Individuals or organizations who have preserved and rehabilitated reed forests and have restored them as dense forests by restoring the forest, forbearing from clearing land for dry rice cultivation, from cutting trees and from burning such forest, shall receive special commendations and privileges from the Government, i.e.: credit and tax privileges.

Article 36. Location and Species of Trees to be Planted

The planting of trees principally shall be conducted on degraded lands, vacant land, defoliated lands which have been allocated and lands where there has been approval for cutting trees for which there are plans to use such for some other purpose.

Article 37. Plans for Planting Trees and Rehabilitating Forests

Reference the Government's forestry development plans, local forestry agencies under the recommendation of local administrative authorities shall be responsible for drafting planting plans and for short term, medium term and long term rehabilitation of forests within their own localities, including express provisions regarding species of trees to be planted, locations, and areas for planting or rehabilitation, both in rural and urban areas, as well as those who will conduct the planting or rehabilitation and the budget for planting, rehabilitation, and preservation.

Article 38. Regulations for Planting and Rehabilitating Forests

In order to make the conditions of planted and rehabilitated forests be proper and in accordance with standards as issued by the forestry agency, it is necessary to ensure proper and appropriate planting and rehabilitation techniques.

The Ministry of Agriculture and Forestry has the duty to issue various regulations to promote and administer techniques and nature studies relative to the natural succession of species, production of species and planting, selective cutting, cleaning forests, and other technical measures relative to planting and rehabilitating forests.

Chapter 4 *Marine Animals and Wildlife*

Article 39. Marine Animals and Wildlife

Marine animals and wildlife living naturally in the territory of the Lao People's Democratic Republic are the property of the national community, of which the State is the central administrative representative

and which is uniform throughout the country. The State assigns rights and responsibilities to Lao citizens to preserve, propagate species and use such animals according to laws and regulations of the State and to ensure the continuing increase in the number of marine animals, wildlife.

The State will determine types of restricted and unrestricted marine animals and wildlife according to specific terms which a relevant agency will issue.

Article 40. Having Possession of, Hunting, and Removing Marine Animals and Wildlife

The possession of certain aquatic animals and wild life shall be first authorized by the relevant authorities.

Certain categories of animals may be caught or hunted, however, it is prohibited to hunt during prohibited seasons or in prohibited areas; its is prohibited to use equipment with destructive features such as: bombs, poisons, electricity, etc.

For the animals in prohibited categories which are close to extinction, it is absolutely prohibited to catch or hunt them except for necessary study and research purposes and which is necessary since that animal will injure people. Before or after killing approval must be requested or there must be a report to the relevant authorities. The animal killed will become the property of the State.

It is prohibited to remove, export, import, or buy or sell prohibited marine animals and wild life whether dead or alive, including animal carcasses or any part of that animal, except if approval has been received, but such must be undertaken according to regulations. Significant hunting implements such as any type of hunting guns must have received approval and be registered.

Chapter 5 ***Preservation of Forests***

Article 41. Preservation of Protected Forests

To protect water sources, to prevent erosion, strategic national defense areas, to protect against natural, environmental and other disasters, it is necessary to strictly protect protected forests e.g.: it is prohibited to practice dry rice cultivation, to cut, to destroy, to burn, to move the trees, to cut wood for fuel wood, to raise live stock (in the forest), erect houses, build other activities, including digging soil, rocks or minerals, hunting or collecting prohibited animals or forest products.

Article 42. Preservation of Forest Reserves

To protect forests in order that they be abundance, as well as vegetation, animals species, and biodiversity for sustainability and expansion while allowing forests, the beautiful natural panorama for development national parks appropriate for tourism and scientific research and experimentation, it is necessary to protect reserved forests and reserved forests must be divided into absolutely prohibited areas, areas of controlled use and border areas.

Absolutely prohibited areas: are forest areas and forest lands which are places where animals live, forage and propagate their species and are places where there are many dense species of flora. It is absolutely prohibited to undertake forestry activities and to collect forest products in this area, including entering into that area without authorization. The removal of flora and fauna is similarly prohibited provided only if special authorization has been granted by the local administrative authorities and the Ministry of Agriculture and Forestry.

Areas of Controlled Use: are forest areas or forest lands which adjoin or are near to areas which are absolutely prohibited, in which areas public use is restricted relative to harvesting wood, forestry products and game hunting which will be defined in detail in specific regulations in order to give effect to such absolutely prohibited area.

Adjoining Areas: are forest trails or forest lands which are serve as animal trails connecting reserved forests or between reserved forests and other types of forests to preserve the existence and the expansion of wildlife. In that area, it is prohibited to hunt animals, to cut wood, to carry on forestry activities or other activities that can be obstruct or which can destroy animal trails.

Article 43. Preservation of Flora, Species of Marine Animals, Wildlife Outside of Forest Reserve Areas

Trees species, aquatic animals species, rare wild life, nearly extinct or having special value which are outside of the preserved forest shall be protected as well as in side the preserved forest that the forestry management agency in collaboration with the local authorities have outlined the specific regulations.

It is absolutely prohibited to export the said trees species or animals species except it is specially authorized by the Ministry of Agriculture and Forestry only.

Article 44. Protection Against and Prevention of Tree Species Diseases and Insects

The forestry management agency concerned shall be responsible in the study of data on the occurrence and the epidemic of the disease and the worms, organize the protection and control the epidemic of the vegetation disease and the worms in their forest are by coordinating with other relevant work units, shall be responsible in discriminating the category of seeds or seedlings free of disease, create free of disease zone and protecting zone, set up institute to ensure the issuance of production management certificate, the distribution and the use of the seeds free of disease.

To restrict the epidemic of trees species disease and worms, it is absolutely prohibited to import or remove trees species affecting the said disease.

Article 45. Protection and Prevention of Forest Fires

The prevention and restriction of forest fire are common duties responsibilities the forestry management agency and local authorities have duties to train the people to be aware about the danger of forest fire and outline the regulations and take necessary measures so that forest fire can not be occurred.

In case of forest fire, the local authorities and the forest management agency shall be enterprising to solve the problem by mobilizing the vehicles, materials, equipment, labors of all factions to put out the fire. Upon putting out the fire, the vehicles, materials, equipment shall be delivered to the initial owner or indemnify the cost of the vehicles, materials, equipment according to the appropriateness. The individuals and organization including the defense forces shall collaborate with local authorities in putting out the fire very thoroughly and promptly.

Article 46. National Arbor Day, National Fishery and Marine Animal and Wildlife Protection Day

To build up an awareness of a love for and sustainable preservation of forests, marine animals, wildlife and the natural environment for the peoples of the many ethnic groups, the State has determined the 1st of June as National Arbor Day.

Authorities at all levels must co-ordinate with relevant sectors. Be enterprising in planning and widely mobilizing all labor forces, and capital from all parties, including the armed forces, civil servants, primary and secondary students, and people to participate in planting trees. After planting, attention must be paid to the maintenance and protection of the planted trees so that they can grow and develop.

Besides National Arbor Day, the State has determined that the 13th of July as National Fishery and Marine Animal and Wildlife Protection Day. As for the methodology and measures in the organizational implementation of National Fishery and Marine Animal and Wildlife Protection Day is to

be carried out similarly to National Arbor Day. Actual tree planting and the release of fish can be carried out all year.

Article 47. Forestry and Forestry Resources Development Fund

To ensure the forestry protection work, forested and forestry resources to be conducted very effectively, the state has created forest and forestry resources development funds.

The source of forest and forestry resources development funds is derived from the state budget and the individual, juridical person, collective, social organization, intonation organization contributions and others.

The forest and forestry resources development funds are to be used particularly in the forestry works mainly the protection of protected forest and preserved forest, plantation and forest rehabilitation to protect water-shed and environment, to protect and develop aquatic animals and wild life, propaganda, training about the policy, regulations, laws and forestry tectonics, protection of water-shed, environment and others in connection with the forest and forestry resources.

For the organization, management and activities of forest and forestry resources development funds, there will be specific regulations

Part IV

Rights and Obligations of Forest and Forest Land Users

Article 48. Obtaining the Right to Possess and Use Forests and Forest Lands

Possession of forest and forest land is derived from:

- the transfer;
- the deliver;
- the succession

Article 49. Rights of those who Possess and Use Forests and Forest Lands

The possessor of the forest and forest land has right to possess, use, benefit usufruct, transfer and succeed the forest and forest land.

As for the state organization has the rights to manage, use and protect according to the regulations.

Article 50. Assignment of the Right to Possess and Use Forests and Forest Lands

Assignment is the decision of the competent agency to assign the forest and forest land to the individuals^{85%} and organization for the possession and long term use and have the tranquillity according to the contract and specific regulations.

Article 51. Right to Possess and Use Forests and Forest Lands

Possession of forest and forest land are the rights to protect, use the forest and forest land that one has acquired. As for the right of using the forest and forest land are the rights to use the forest and forest land according to the target set to satisfy the requirement of the possessor.

Article 52. Rights to Receive Benefits from Forests and Forest Lands

Rights to benefit usufruct from the forest and forest land are the rights to benefit advantages from the forest and forest land that one has developed such as: advantages from the lease, advantages from the mortgage.

Article 53. Rights to Transfer Forests and Forest Lands

The transfer is the delivery of possession of the forest and forest land that one has developed to other person to benefit the advantages that one has created. The transfer shall be notified the relevant authorities and shall undertake new registration and pay the fees according to the regulations.

Article 54. Rights to Succeed to Forests and Forest Lands

The succession, possession of the forest and forest land is the succession of the said rights to the children, nephew, nieces, father, mother, or the relatives after the possessor of the forest land was dead. The succession must be notified the relevant authorities and shall undertake new registration and pay the fees according to the regulations.

Article 55. Customary Rights to Use Forests and Forest Lands

Customary rights to use forests and forests land is to be performed according to Article 30 of this Law.

Article 56. Lease of Forests and Forest Lands

Forests and forest lands may be leased or licensed to individuals and enterprises for planting, preservation, and extraction activities, and to use by a relevant agency approving and contracting for such according to regulations.

Article 57. Obligations of those who Use Forests and Forest Lands

Users of forests and forest lands have the following obligations:

- To properly use forests and forest lands according objectives as determined and in accordance with a contract and the law;
- To use all means to preserve and develop forests and forest lands for continuous abundance;
- To use forests and forest lands while preserving water sources, marine animals, wildlife and the environment;
- To pay royalties, forest fees, and rental for forest land according to regulations and law;
- To report and provide data to the forest management authorities, local authorities and the government on the use of forests and forest lands.

Article 58. Expiration of the Right to Possess and Use Forests and Forest Lands

Rights to possess and use forests and forest lands may expire in the following cases:

- Forfeiture of the right to possess and use;
- Transfer of the right to possess and use;
- Withdrawal of the right to possess and use..

Part V***Forestry Administration and Inspection Agencies*****Chapter 1*****Forest Administration Agencies*****Article 59. Forestry and Forestry Activities Administration Agency**

Forests and forestry activities administration agencies are comprised of the Ministry of Agriculture and Forestry, the provincial and prefectural Agriculture and Forestry Divisions, the district Agriculture and Forestry Office, and village administrative authorities.

Article 60. Rights and Duties of the Ministry of Agriculture and Forestry

In the administration of forests, forest lands and forest activities, the Ministry of Agriculture and Forestry has the following principal rights and duties:

1. Be the governmental logistics center in developing and propagating strategic policy guidelines and Party and State policies into work programs, detailed projects and regulations and laws to administer forests, forest lands, water sources, marine animals, wildlife and forestry activities throughout the country;
2. [Conduct] technical scientific forestry research, create a statistics center network and information on forests, forest lands, forestry resources and water sources;
3. Co-ordinate with relevant parties and localities to survey the natural forestry potential in order to categorize forest areas; determine areas for forest preservation, types of wildlife and marine animals to be preserved as well as organizing the preservation of forestry resources and the natural environment relative to forests;
4. Research and issue opinions regarding investment in forestry activities;
5. Research and train and upgrade forestry technocrats;
6. Consider the conversion of forests or forest lands as determined in Article 14 of this Law;
7. Cooperate with foreign [parties] with respect to forestry activities.

Article 61. Rights and Duties of the Provincial and Prefectural Agriculture and Forestry Division

In the administration of forests, forest lands, and forestry activities, the provincial Agriculture and Forestry Division has the following principle rights and duties:

1. Be the direct logistics [coordinator] to the Ministry of Agriculture and Forestry and the provincial and prefectural administrative authorities in researching, directing, planning, inspecting and vertical and horizontal macro-organization regarding forests within the scope of its responsibility under the supervision and inspection of the provincial governor and the mayor of the prefecture;
2. Co-ordinate with relevant parties in its locality. Conduct surveys of the natural forestry potential in order to allocate forest areas, determine natural preserves, types of wildlife and marine animals which must be preserved as well as organizing preservation of forestry resources and the natural environment relative to forest within its scope of authority;
3. Research and issue opinions regarding investment in forestry activities;
4. Issue license for the exploitation of wood, forestry products as approved by the Government and according to specific regulations;
5. Consider the conversion of forests or forest lands as determined in Article 14 of this Law;
6. Administer and register wood cutting machinery and all types of game hunting guns.

Article 62. Rights and Duties of the District Agriculture and Forestry Office

In the administration of forests, forest lands, and forestry activities, the district Agriculture and Forestry Office has the following principle rights and duties:

1. As the logistics coordinator for the provincial and prefectural Agriculture and Forestry Division and district administrative authorities in researching and implementing plans, work plans, projects, provisions, regulations, orders and notices and instructions of the Ministry of Agriculture and Forestry and the provincial and prefectural Agriculture and Forestry Division under the management of the district chief.
2. Be responsible for organizing people at the village level, manage and preserve forests and forests land, organize the assignment of forest lands and degraded forests or defoliated land to people and families at every village to plant or assign reed forests to rehabilitate or maintain them so that they become dense and abundant, while also protecting forestry resources, forests protecting water sources, marine animals, wildlife and protecting the natural environment relative to forests.

3. Monitor and inspect the adherence to regulations relative to cutting trees, processing wood, and forestry products, game hunting, fishing and selling wildlife.
4. Research and issue opinions relative to investment in forestry activities.
5. Consider the conversion of forests or forest lands as provided for in Article 14 of this Law.

Article 63. Rights and Duties of the Village Administrative Authorities

In the administration of forests, forest lands, and forestry activities village administrative authorities have the following principle rights and duties:

1. Organize the implementation of the district's directives regarding the forest, forest land and forestry activities;
2. Implement the assignment of village forests and forest lands for individuals and inter village organizations, administer, preserve, rehabilitate, plant, propagate and make effective use according to contract, according to plan and approved regulations from the district Agriculture and Forestry office.
3. Publicize, educate, and train regarding the significance and benefits of forests, forest lands, marine animals, wildlife, water resources and the natural environment so that people in their villages actually understand [such significance].
4. Monitor and record the conditions of change in forests, the environment and the circumstances of the undertaking of forestry works in their villages, and thereafter report such to the district Agriculture and Forestry Office.
5. Appoint people to administer forests and forest lands within its village area.
6. Draft specific administrative regulations, for preservation of forests, water sources, marine animals, wildlife and the natural environment within the village for consistency with the actual conditions of that village.
7. Establish fixed occupations for people of its villages in order to restrict and progressively cease the cutting and destruction of forests and protection of the natural environment, making forests and forestry resources return in abundance.
8. Consider approval for peoples cutting of wood within its own village according to regulations.
9. Monitor and inspect and prevent the hunting of game and the illegal buying and selling of wildlife.
10. Be enterprising in timely fighting bad activities impacting forest resources, water sources, and the environment such as: illegal logging, burning forests and restricting all acts which are detrimental to the forest resources, marine animals, wildlife and water sources.

Chapter 2 ***Forest Inspections***

Article 64. The Purpose of Forest Inspections

Inspection is the follow-up and observation of the activities, administration and use of forests and forest lands by individuals, organizations, enterprises and forestry authorities so that such may be effectively and properly carried out in conformity with forest regulations, law and other laws of Lao PDR to protect and develop forests, forest lands, and forestry resources.

Article 65. The Forestry Inspection Agency

The forestry inspection agency is an agency established under the same system as the forestry administration agency as provided for Article 59 of this Law.

Article 66. Types of Forest Inspections

There are three types of forestry inspections:

- Regular systematic inspection;

- Inspection by advance notice;
- Surprise inspections;

Regular systematic inspection is inspection which has features of regular inspections with specific times which must be conducted at least once per year.

Inspection by advance notice is inspection when deemed necessary by notifying parties responsible for or who are conducting forestry activities at least twenty-four hours in advance.

Surprise inspection is inspection when deemed necessary but such inspection is conducted urgently without advance notice to parties responsible for or who are conducting forestry activities.

Inspections are to be conducted for the inspection of documents and on site inspection of actual activities.

Article 67. Rights and Duties of Forest Inspection Agencies

The Forestry Inspection Agency has the following principal rights and duties:

1. Inspection of documents and inspect activities on site.
2. Order those inspected to cooperate and to provide data to it within a specific period of time.
3. Implement measures regarding inspection such as: entering into to inspect a location, order the suspension of activities, issue orders prohibiting the removal of items to be inspected, etc.;
4. Apply measures regarding violations of forest laws such as: reeducation, fines, taking into custody or arresting offenders, seizing paraphernalia of the offense, take legal action against offenders according to the law;
5. Request assistance from individuals and State and social organizations including the armed forces in the execution of its inspection duties, such individuals and organizations have the duty to cooperate appropriately with inspection officials.

In conducting inspections, forestry officials must execute such in conformity with regulations and the law.

Part VI

Privileges [Granted to] Productive Persons and Measures Against Offenders

Article 68. Privileges for Productive Persons

Individuals, organizations or enterprises having exemplary deeds in the protection, management, plantation, forestry rehabilitation and preventing forest destruction and forestry resources will receive commendations and privileges provided by the government such as: bonuses, credit privileges, taxes, duties, extension of lease, increase in the leased area, etc., according to regulations.

Article 69. Measures Against Violators

The principal measures against violators of the forest law are the following:

- Reeducation;
- Fines;
- Criminal punishment

In addition, there are additional punitive measures.

Article 70. Education and Training Measures

Education and training measures will be applied to the following first offense violations, causing the damages of less than Kip 50,000 in value;

1. Clearing forests for dry rice cultivation outside the scope of authority for clearing or dry rice cultivation inconsistent with regulations;
2. Cutting of wood fuel, wood fence posts, wood for construction purposes, for family consumption inconsistent with regulations;
3. The harvesting of forestry products in prohibited areas or harvesting which is inconsistent with regulations;
4. Hunting wildlife or harvesting marine animals in prohibited category in prohibited areas or during prohibited seasons;
5. Having possession of prohibited wildlife inconsistent with regulations;
6. Having possession of game hunting weapons inconsistent with regulations;
7. The import of plant species, marine animal species, and wildlife inconsistent with regulations;
8. The use of forest lands inconsistent with regulations;
9. Failure to cooperate with forestry authorities who are performing their duties;
10. Failure to report use and data to forestry authorities regarding forests and forest lands;
11. Other minor violations.

Article 71. Fines

There shall be fines equal to twice the cost of damages, the cost of the goods or the offending materials or the cost of remedying [the damages], the costs of the recourses, fees or rental for any individual who commits the following offenses:

1. For the first offense as referred to in clauses 1, 2, 3, 4, 5, 6, 7, and 8 of Article 70 above of which the value of damages is from Kip 50,000 to Kip 500,000 or such act is a second offense with a value of less than Kip 50,000;
2. The import, sale, having in possession of wood harvesting or wood processing machinery without having received approval;
3. Having in possession, remove or export wood or forestry products inconsistent with regulations;
4. Using raw materials of wood processing factories inconsistent with regulations;
5. Failure to pay royalties, forestry fees or rental for forest land;
6. Hunting wildlife or harvesting marine animals in prohibited categories having a value not exceeding Kip 500,000;
7. Taking over forest lands without having received approval;
8. Converting forest lands without having received approval;
9. Use of forest lands inconsistent with objectives as determined [for such use].

Article 72. Criminal Measures

There shall be punishment of deprivation of liberty from three months to five years and there shall be a fine of twice the value of the goods or material or of the damage costs [against] an individual who commits the following offenses:

1. Cuts wood, clears and burns forests, the damages of which exceed Kip 500,000 or is an act which is a repeated offense of three or more instances and the damages of each instance is not in excess of Kip 500,000.
2. Hunts species of wild animals or marine animals which are prohibited, i.e.: the Ba ox, the Cao La ox, wild buffalo, elephants, the long tailed gray monkey (*Presbytis phagrei* or *Presbytis francoisi laotum* Thomas), khadaeng??, dolphins, etc., as determined by the relevant agency;
3. Indiscriminate hunting of wild animals or harvests marine animals with explosives;
4. Three or more instances of importing, selling or having in their possession wood cutting machinery or wood chopping machinery as provided for in Article 32, paragraph 2 of this Law without having received approval, or importing, selling or having in their possession

such machinery to harvest wood or to process wood.

There shall be punishment of six months to five years for employees [civil servants] who approve the cutting or removal of trees for which [he/she] has no right to approve or issue a license to cut trees in excess of what was approved, improperly approving the conversion, assigning or transferring forest lands in contravention of regulations and the laws or taking advantage of [his/her] position and title for [his/her] personal benefit or receiving bribes.

Article 73. Additional Punitive Measures

In addition to the principal penalties provided for in Article 70, 71 and 72 above, violators may receive additional punishment, i.e.: suspension or withdrawal of the license, withdrawal of the right to possess and use a forest, to replant trees, equipment, vehicles, and items involved in the offense will be nationalized.

Part VII Final Provisions

Article 74. Implementation

The Government of the Lao People's Democratic Republic is assigned to issue detailed regulations and to implement this law.

Article 75. Effectiveness

This law shall be effective from the date that the President of the Lao People's Democratic Republic issues a Decree to promulgate it.

This law supersedes Decree 169/PM, dated 6 November 1993 regarding the Administration of Forests and Forest Land and Decree 186/PM, dated 12 October 1994 regarding the Division of Land and Forests for Tree Planting and Forest Preservation.

Additionally, all other provisions conflicting with this Law are hereby canceled.

Vientiane, 11/10/1996
President of the National Assembly
[seal of the President of the National Assembly]
[signature]
Samane Vignaket

THE WATER AND WATER RESOURCES LAW

Adopted by the National Assembly 11 October 1996
Promulgated by the President of the State 2 November 1996
Effective 3 March 1997
(90 days after promulgation by the President (Article 42))

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Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. 05-NA

RESOLUTION
of the
NATIONAL ASSEMBLY
of the
LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the adoption of the Water and Water Resources Law

- Pursuant to Article 40, Clause 2 of the Constitution and Article 2, Clause 2 of the National Assembly Law of the Lao People's Democratic Republic;
- Pursuant to the proposal of Mr. Kham-Ouane Boupha, Minister of the Ministry of Justice of the Lao People's Democratic Republic;
- After extended and in-depth research and consideration regarding the contents of the Water and Water Resources Law, the 9th Ordinary Meeting of the IIIrd Congress of the National Assembly on the afternoon agenda of Friday, the 11th of October 1996

Resolved:

Article 1: To adopt the Water and Water Resources Law by unanimous vote.

Article 2: This Resolution is effective from the day it is signed.

Vientiane, 11 October 1996
President of the National Assembly
(seat of the President of the National Assembly)
(signature)
Samane Vignaket

(National Seal)

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

No. 126/PDR

DECREE
of the
PRESIDENT
of the
LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the promulgation of the Water and Water Resources Law

- Pursuant to the Constitution of the Lao People's Democratic Republic, Chapter V, Article 53, Clause 1:
- Based on the Resolution of the 9th ordinary session of the National Assembly, IIIrd Congress on the adoption of the Water and Water Resources Law No. 005, dated 11 October 1996.
- Pursuant to the proposal of the Standing Committee of the National Assembly No. 08/SCNA, dated 16 October 1996.

The President of the
Lao People's Democratic Republic
issues this decree to:

Article 1: Promulgate the Water and Water Resources Law.

Article 2: This Decree is effective from the day it is signed.

Vientiane, 2 November 1996

(seal of the President of the State)
(signature)
Nouhak Phoumsavan

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. 02-96
Date: 11/10/1996

The Water and Water Resources Law

Chapter I *General Provisions*

Article 1. Function of the Water and Water Resources Law

This Water and Water Resources Law determines necessary principles, rules, and measures relative to the administration, exploitation, use and development of water and water resources in the Lao People's Democratic Republic to preserve sustainable water and water resources and to ensure volume and quality providing for people's living requirements, promoting agriculture, forestry, and industry, developing the national socio-economy and ensuring that no damage is caused to the environment.

Article 2. Water and Water Resources

Water is a one type of liquid natural resource which is the most basic and principal of resources among water resources.

Water resources are natural resources which are comprised of things inhabiting water or water resources which do or do not have life, e.g.: plants, marine animals, rocks, minerals, sand, mud, stones, etc.

Article 3. Water and Water Catchment

A water source is a place where there is an accumulation, an abiding [body of water], a [body of water at] rest, or a permanent or temporarily active [body of] naturally occurring water. Water exists above and underground and in the atmosphere.

- Aboveground water sources are water sources above the surface of the ground which occur in long connecting flows and in spots, e.g.: rivers, small waterways, tributaries, ponds, canals, swamps, streams, bogs, springs.
- Underground water sources are water sources below the surface of the ground occurring in levels, in aquifers, as a stream, or are mixed in with the ground;
- Atmospheric water sources are water sources in the atmosphere which are in the form of steam, or in small accumulated particles such as fog, clouds, rain, or hail.
- Catchments are all areas of ground surface and forests, from river sources to the mouths of rivers where water is distributed and in places where raindrops are accumulated into a water source system.

Article 4. Water and Water Resources Ownership

Water and water resources are the property of the national community whom the State represents in managing and thoroughly and reasonably allocating its use to various parties.

Individuals, juristic entities, or organizations shall have the right to control and use any natural water and water resource in any activity only so long as they have received approval from relevant authorized agencies, except in the case of small scale usage as provided by this Law.

Article 5. Promotion, Development and Preservation of Water and Water Resources
The Government promotes the development, exploitation, use, preservation and protection of water and water resources including the prevention of ill effects [arising] from water and all acts which cause depletion.

Article 6. Basic Principles of Water and Water Resource Management
Water and water resources management and use must be conducted according to centralized and integrated comprehensive management principles, according to the allocation plan provided for in Article 22 of this Law.

Article 7. Obligations to Protect Water and Water Resources
In order to successfully protect and use water and water resources, individuals, juristic entities or organizations are obligated to strictly comply to water resource and water source management regulations.

Chapter II

Surveying, Listing, and Determination of Water Source Types and Reservoirs

Article 8. Surveying and Listing
The Ministry of Agriculture and Forestry is directly liable for water source and water catchment surveying and listing throughout the country through coordination with relevant sectors and localities.

Article 9. Determination of Water Source Type
For use in the National Socio-Economic and Environmental Development Plan in the Lao People's Democratic Republic, water sources are categorized according to the following purpose types:

1. Water sources for drinking and use are water sources which are allocated for peoples' consumption and [for their use of it] as a commodity;
2. Reserved water sources are water sources which are allocated for the care of animals, vegetation, living and non-living things, etc., including the natural environment and important and precious things;
3. Water sources for irrigation are water sources allocated to agro-forestry production and raising livestock;
4. Water sources to produce electrical power are water sources which are allocated to the production of electrical power;
5. Industrial water sources are water sources which are allocated to industrial production;
6. Water sources for water transportation are water sources allocated to boat travel and water transport;
7. Water sources for tourism are water sources allocated to tourist use;
8. Water sources for protection of health and hygiene are water sources allocated to use for health and medical care.

Article 10. Types of Catchments
There are three types of catchments, namely a main catchment, a tributary catchment, and a branch catchment.

1. A main catchment is a catchment where water flows in from the Mekong River which is in the territory of the Lao People's Democratic Republic.
2. A tributary catchment is a water source catchment in the territory of the Lao People's Democratic Republic which is a branch of the Mekong River or of some other river.

3. A branch catchment into which branches flow is a water source catchment which feeds into branches of the Mekong River or of other rivers in the territory of the Lao People's Democratic Republic.

The agencies responsible for water must determine the scope and type of catchments provided for in Article 9 of this Law.

Article 11. Water Source and Catchment Allocation

In allocating water sources and catchments, reference shall be made to surveying and data collection in order to determine effective division, administration, and use of water and water resources.

Article 12. Determination of Water and Water Resource Allocation

To ensure that water and water resources existing in the Lao People's Democratic Republic are used thoroughly and according to plan, the Government shall determine the distribution of water and water resources.

Chapter III

Water and Water Resource Use

Article 13. Objectives of Water and Water Resources Use

Water and water resources can be used for various purposes, e.g.: for family consumption and as a commodity, irrigation, fishing and raising fish and other marine animals, agro-forestry production, livestock, producing electrical power, industrial production, communications and transportation, athletics, leisure, medicinal, cultural, and other uses.

The use of water in the production of electrical power and irrigation shall be specifically regulated.

Any water and water resource may be used for any purpose or purposes, as the case may be and as is appropriate. For underground water sources, such must principally be reserved for drinking and for use. Use of underground water in medium and large scale activities must have received approval from a relevant agency.

Article 14. Right to Use Water and Water Resources

Individuals, juristic entities or organizations have the right to use water and water resources [at the level of] family use or in business operations.

The right to use water and water resources exists at three levels, such as:

- Small scale
- Medium scale
- Large scale

The right to use water and water resources must be pursuant to the water sources allocation plan.

Article 15. Small Scale to Use

Small scale use is the use of water and water resources which is not of a business nature for the following purposes:

1. Family [residential] use for the benefit of the general household or for cultural and athletic use;
2. Fishing and raising fish or other marine animals;
3. Collecting dirt, rocks, gravel, sand, mud, and other vegetation in or around a water source;
4. Use in agro-forestry production and for livestock for basic family use.

Such small scale use may be undertaken provided that there is no prohibition from a relevant ministry or a local administrative authority.

Article 16. Medium Scale Use

Medium scale water use is the use of water and water resources for the following purposes:

1. Construction of small scale weirs or dams, building things which impede or divert the flow of water or building a dam or raising an embankment to divert water flow for navigation or as a small reservoir for the production of electrical power or for irrigation, livestock, fishing, etc.;
2. Harvesting rocks, gravel, sand, soil, mud, trees, etc. in or around a water source having a nominal effect on nature and the environment;
3. Installation of small mechanical water pumps to undertake production or services which are not family use;
4. Use of water sources for tourism, athletics, and culture businesses.

Article 17. Large Scale Water Use

Large scale water use is the use of water and water resources for the following purposes:

1. Construction of medium and large scale reservoirs for the purpose of irrigation, consumption, as a commodity, and to produce electrical power;
2. Construction of buildings or installation of plants, factories, equipment, large scale machinery in the area of, close to, or around the water source area;
3. Use of water and water resources in large volumes in the field of industrial plant production;

18. Each Type of Use

Small scale use does not require approval. For medium and large scale use, approval must be obtained, there must be registration, and an agreement must be made. In addition, large scale use must be accompanied by a feasibility study, an environmental and social impact assessment statement, and specific means to resolve such impact.

Article 19. Water and Water Resources Management

Water and water resource management shall be centrally controlled and management shall be divided according to size and water use right as provided for in Article 14 of this Law.

Large scale use shall be government approved;

Medium scale usage shall be approved by a relevant agency, but for significant medium scale use, there must be government approval;

Management, monitoring, and inspection of such use is assigned to relevant divisions and local administrative authorities for execution.

Chapter IV

Development of Water Sources and Management of Water Source Development Activities

Article 20. Water Development Activities

Water source development activities are activities which relate to construction, digging, drilling, installation, improvements, expansion, and repair of reservoirs or water catchments, ponds, shallow wells, deep aquifer wells, canals, breakwaters, or drainage pipes for exploitation, collecting, or to catch[accumulate] aboveground, underground, and atmospheric water sources for use for any purpose as provided for in Article 13 of this Law, including activities to protect against ill effects from flooding, draught, and erosion.

Article 21. Conducting Water Source Development Activities

Individuals, juristic entities, or organizations may conduct any water source development activity provided only that they have obtained approval from the relevant authorized agency, except for small scale water source development activities whose objectives have not been prohibited.

Article 22. Principles Governing Water Source Development Activities

Water development activities must be conducted according to the following principles:

1. Must be conducted in compliance with the Socio-Economic and Environmental Development Plan, master plans and development plans from time to time for each sector and construction plans for each approved project;
2. Must ensure the preservation of water and water resources, the environment and the natural panorama;
3. Must prevent ill effects arising from water;
4. Must conduct [activities] under the inspection of relevant authorized agencies for water and water resources.

Article 23. Management of Water Source Development Activities

Divisions and agencies responsible for water and water resources have the duty to issue regulations regarding water source development activities.

Individuals, juristic entities or organizations which conduct water source development activities have the duty to maintain and preserve their constructed items in good condition and to ensure safety.

Individuals, juristic entities, or organizations which have used or have received benefits from water source development activities have the duty to participate in providing data, maintenance, and preservation of those water source development activities.

Article 24. Funds Contributed to the Preservation of the Origins of Water and Water Resources

Those conducting development activities and who use water and water resources must contribute funds for the maintenance of the origins of water and water sources.

Article 25. Promotion of Preservation of the Development of the Origins of Water and Water Resources for Use in Producing Electrical Power

The Government promotes the development and the use of water resources in the production of large, medium, and small scale electrical power at water sources where there are [suitable] conditions for the production of electrical power. Use of water resources must refer to capacity and impact where there are conditions conducive to the construction of many [hydro]electric dams or the construction of multi-purpose [hydro]electric dams which are planned for the same waterway.

In the building of a [hydro]electric dam, reference must be made to preserving the origins of water, forests, the environment, prevention of flooding, water supply, irrigation, water communications, fishing, raising fish, marine animals, etc.

Article 26. Promoting Public Building of Water Catchments

The State promotes public building water catchments to ensure agro-forestry production and livestock. Local administrative authorities have the duty to mobilize and to [create] appropriate encouragement, e.g. principally: give credit privileges, give tax exemptions or rebates.

Article 27. Diversion, Separation or Modifying Waterflow

In water source development activities, small scale diversion, separation, or modification of waterflow must be approved by provincial or prefectural administrative authorities; medium scale must be approved by the Government; large scale must be approved by the National Assembly.

Article 28. Removal of Peoples

When necessary to remove peoples from a site or an area of water source development, the project owner must assist in searching for an appropriate residence and livelihood. Funds for use in the removal, assistance or compensation for damages for such persons shall be calculated in the project investment value.

Chapter V

Protection of Water and Water Resources

Article 29. Protection of Water and Water Resources

Individuals, juristic entities, or organizations are obligated to preserve water and water resources, shall not cause water to dry up or be depleted, polluted or become noxious and shall not cause damage to water, water resources, public property and other individual's property. Water and water resources use must be thrifty and there must be measures to diminish undesirable effects upon the environment and natural beauty. In addition, there are still strict obligations to preserve and rehabilitate and maintain forest resources and forest lands in water catchment areas in conformity with the water source allocation plan, forests, land, and seasons, specifically in the area of water origins or around water sources.

The Government shall determine protected and reserved areas to preserve water resources.

Article 30. Areas of Protected Water and Water Resources

The Government determines areas of protected water and water resources in order to supply [a certain] volume and quality of water to the populace in urban and rural areas. Such protected areas may be demarcated or fenced in. Within the protected areas, there shall be no construction, agro-forestry production or industry, livestock, quarrying, mineral excavation, soil, sand, dumping of trash, waste, waste water, poisons, chemical substances, bombs, burials of human or animal cadavers, etc., which cause damage.

In the case that it is seen that there is serious damage to water volume and quality or there is risk of spreading disease, the Government shall determine an additional protected area or region or shall use other protective measures.

Article 31. Prohibitions

For water and water resource preservation to be effective, it is absolutely prohibited for any individual, juristic entity, or organization to:

1. Conduct use, exploit, or destroy water and water resources within reserved areas;
2. Cut trees within water origination protected areas or around water sources;
3. Dig, drill, excavate or modify land surfaces which will cause erosion in the catchment area, throw or pour materials into the water source which will cause the water source to become shallow and saline or dry up or become noxious and poisonous.

The following acts are prohibited except if approval has been granted:

1. Construction or building by water, on the shoreline or in water;
2. Exploitation, pumping or digging sand, gravel, minerals, soil or mud from surfaces adjacent banks or surrounding water sources;
3. Digging water drainage, filling, modifying or changing water areas, ponds, marshes, streams which are in public areas, including organizations and individuals, which will cause damage to the public good or other persons;
4. Construct impediments to water flow or items which impede avenues of water communications;
5. Modify water flows or build water regulating gates, dig or excavate medium or small scale drainage ditches.

In addition to the above prohibitions, the Government promotes the planting of trees and the rehabilitation of forests in areas of water source protection.

Article 32. Water Quality Standards

The responsible water authority shall determine quality standards and for drinking water and used water which is drained into water sources or into some other place.

Chapter VI ***Undeniable Facts***

Article 33. Undeniable Facts

Realities which must be accepted are actual conditions which must occur naturally or as provided for by law.

Article 34. Undeniable Natural Facts

Those who possess land upstream do not have the right to block the regular flow of water which will cause damage to those who use water on downstream land.

If there is blockage which causes damage to those who use water on downstream land, the possessor of upstream land must be responsible to appropriately compensate the damaged party.

Those who possess land downstream must allow water to flow naturally from the upstream land into or across their land.

If the person who possesses downstream land dams the water, causing damage to the possessor of the upstream land, that possessor of the downstream land must be liable to compensate for damages which arise.

Article 35. Undeniable Legal Facts

Those who have built or who have received approval to conduct any activity have the right to receive a right of way for any type of water, including polluted water, waste water, or toxic water via a pipe or by digging a trench across an individual, a juristic entity's or an organization's land, but must apply appropriate measures and cannot cause damage to the possessor of the land over which the water flows.

If there is a violation of the specific legal realities which must be accepted which causes damage to an individual, a juristic entity, or an organization, the offender and the person enjoying benefits from such instance must compensate damages as appropriate. If the person accepting legal facts is injured but has already received benefits, they must still make appropriate compensation.

Article 36. Rights of Those Who Possess or Reside Near Land Over Which Water Flows

Those who possess land over which water flows or land which is close [to water flows] have the right to make use of activities provided for in Article 35 of this Law, but they must contribute to various costs, e.g.: construction costs, use costs and costs to maintain and protect the portion which they use for such activities.

Article 37. Rights and Obligations of Water and Water Resources Use and Management Agencies

The water and water resource use and management agency has the right to install and construct necessary items upon the land of individuals, juristic entities, or organizations to distribute and inspect water or improve water quality, including the right to lay electricity lines and water pipes across such land, but must make appropriate compensation for damages which arise.

Article 38. Dispute Resolution

Administrative authorities shall resolve disputes arising from specific undeniable truths through arbitration. If no agreement can be reached, the courts shall consider and resolve the matter.

Chapter VII
Preventing and Fighting Water Damages

Article 39. Water Damages

Water damages are damages which arise from water due to natural disaster or due to acts of man, e.g.: floods, rising water, fast rising water, water salinity, polluted water, waste water, muddied water, drying up of the flow of water, erosion, etc.

Article 40. Prevention of Flooding

All levels of administrative authorities must be responsible for leading and using effective measures, and applying a central plan and instructions relative to and against flooding. If there is flash flooding the administrative authorities at that place must resolve the matter.

To prevent and to fight flooding, administrative authorities at each level have the right to mobilize materials and equipment and labor and use budgets of the State, individuals, juristic entities or organizations in preventing and fighting floods. When the works have ended, such materials and equipment must be returned to their owners and appropriate damage compensation must be made for such materials and equipment.

Individuals, juristic entities or organizations have the duty to cooperate with administrative authorities in preventing and fighting flooding.

Article 41. Prevention of and Fighting Erosion

Agencies responsible for water and administrative authorities at all levels must augment their leadership in preventing and fighting erosion. It is prohibited to carry out activities which cause erosion, e.g.: construction, cutting trees, rock quarrying, gravel quarrying, soil, sand, minerals, etc. In addition, in order to preventing erosion impact, such agencies must have a plan to prevent erosion where necessary, e.g.: reforestation on shorelines and undertaking various other measures.

Article 42. Preventing Polluted and Waste Water

Polluted water is water which is not clean or water which has been used which can be reused after being recycled.

Waste water is water which has been used which has dirty matter in it [or] has chemicals mixed in it which causes it to lose its characteristics as water, being dangerous to the environment.

Individuals, juristic entities or organizations must adhere to regulations regarding the prevention of waste water.

All acts which causes damage to water or water resources, the environment, animals, and the living conditions of the people are prohibited. It is prohibited to throw or release waste of all types which will cause water pollution or waste water into water resources in excess of approved water pollution levels and water quality standards.

Before throwing or releasing polluted water, waste water or waste into water sources in excess of standard levels, there must first have been recycling, e.g.: water from mechanical plants, factories, abattoirs, hospitals, etc.

Should any individual discover any act referred to above, they must report such to the village administrative authorities or to a responsible organization for timely resolution [of the problem].

It is prohibited to throw into or release waste or any matter [whatsoever] into water sources causing damage beyond the approved standard level of water pollution and water quality.

Before throwing or releasing waste water or waster into the water or water sources, individuals, organizations or juristic entities must first treat[recycle] it.

Article 43. Monitoring and Inspections

The agency responsible for water and other relevant agencies have the duty to regularly monitor and inspect the adherence to and the application of the following measures:

1. Standards, volume and quality of water as provided by regulations and laws;
2. The proper use of water and water resources according to type and system of use;
3. Execution of construction projects relative to the development of water sources so that they are in accordance with the socio-economic development plan, the environment, the water sources allocation plan, the masterplan and the construction plan relative to development of water resources.

In addition to applying other regulations and laws relative to water and water resources, a fund must also be organized for the protection and development of water and water resources.

Chapter VIII

International Cooperation relative to the Use, Control, Protection, and Development of Water and Water Resources

Article 44. Development and Control of Water and Water Resources between Countries

The exploitation, use, control, protection, and development of water and water resources between countries must be conducted in compliance with signed treaties and conventions, e.g.: use and preservation of water and water resources between the Lao People's Democratic Republic and neighboring countries must be carried out based upon fairness, reasonableness, equality, recognition of independence, sovereignty and autonomy.

Article 45. Resolution of Disputes relative to Water and Water Resources between Countries

Disputes which arise between the Lao People's Democratic Republic and adjoining countries regarding exploitation, usage, control, and protection of water and water resources and the prevention of water damage must be resolved by the Government of the Lao People's Democratic Republic and the government of the relevant country based upon friendship and equality via diplomatic channels and as provided for by treaty entered into and acknowledged by the Lao People's Democratic Republic.

Chapter IX

Privileges for Productive Persons and Measures Against Offenders

Article 46. Application of Privileges to Productive Persons

Individuals, juristic entities or organizations who have outstanding and effective results in the protection, development, exploitation, use, and preservation of water resources and the environment pursuant to the socio-economic development plan, the water sources allocation plan, the environmental preservation and protection plan including building catchments and reforestation in water sources protected areas shall receive commendations and other privileges to be determined by the Government.

Article 47. Measures Against Offenders

Individuals, juristic entities or organizations who violate this Law shall be educated and trained, or rehabilitated or shall be punished according to laws and regulations of the Lao People's Democratic Republic on a case by case basis according to the seriousness of the offense.

Chapter X
Final Provisions

Article 48. Implementation

The Government of the Lao People's Democratic Republic has the duty to issue detailed terms for the implementation of this Law.

Article 49. Effectiveness

This Law shall be effective 90 days from the date that the President of the Lao People's Democratic Republic issues a Decree promulgating it. Terms and regulations which conflict with this Law are hereby canceled.

Vientiane, 11/10/1996
President of the National Assembly
[seal of the President of the National Assembly]
[signature]
Samane Vignaket

JICA