

A Chronological Analysis of Lao Forest Policy: State Control, Economic Drivers, and Environmental Outcomes

Kaisone Phengsopha¹, Oupakhone Alounsavath², Phokham Latthachack¹, Kevin Grace³

¹Faculty of Environmental Sciences, National University of Laos, Vientiane, Laos

²Former DDG of the Department of Forestry, Ministry of Agriculture and Forestry, Vientiane, Laos

³Global Forest Service, Co., Ltd., Kuala Lumpur, Malaysia

Email: ph.latthachack@nuol.edu.la

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Abstract

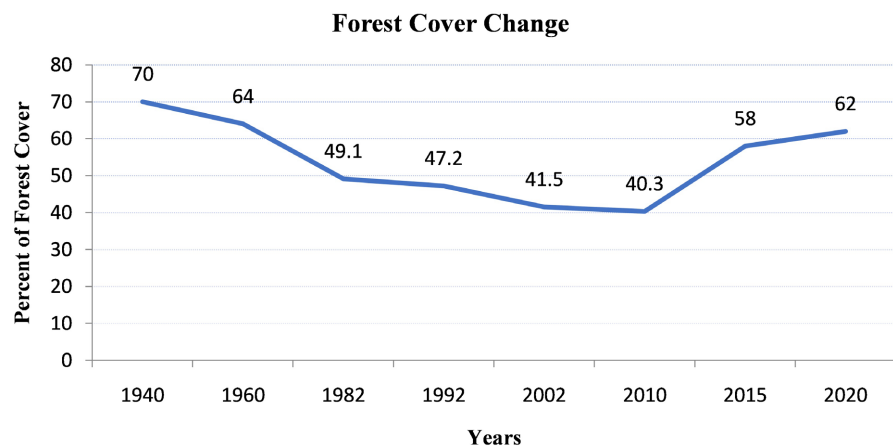
The forest policies of the Lao People's Democratic Republic (Lao PDR) have undergone significant transformations, shaped by colonial legacies, post-war reconstruction, economic liberalization, and contemporary sustainability efforts. This paper provides a chronological analysis of Laos' forest governance from the French colonial era (1893-1954) to the present (2025), examining how shifting political and economic priorities have influenced deforestation, institutional frameworks, and enforcement mechanisms. Key turning points include the post-1975 "green gold" era of state-led logging, the 1990s push for downstream timber processing, and the stringent controls of Prime Minister's Order No. 15, which sought to curb illegal logging. Despite recent institutional reforms, including the merger of forestry and environmental ministries, persistent challenges such as weak governance and competing development demands continue to impede sustainable forest management. The study argues that while Laos has made progress in formalizing legality and conservation measures, long-term success hinges on addressing structural drivers of deforestation, strengthening land tenure security, and ensuring transparent policy implementation. By tracing this historical trajectory, the paper offers critical insights into the complexities of balancing economic development with environmental sustainability in a resource-dependent nation.

Keywords

Laos, Forest Policy, Deforestation, Timber Trade, Sustainable Development, Natural Resource Governance

1. Introduction

The forests of the Lao PDR are intrinsically linked to its national identity, socio-economic development, and environmental stability. As one of Southeast Asia's most forest-rich nations, Laos has seen its modern history profoundly shaped by the governance and exploitation of its timber resources. According to the Department of Forestry (DOF, 2021), which has conducted a national forest cover assessment every ten years since 1992, forest is defined as "land spanning more than 0.5 ha with trees higher than 5 m and a canopy cover of 20% and above." Based on this definition, **Figure 1** shows that from the 1940s to the 2010s, the country's forest cover declined dramatically. In 1940, forests covered approximately 70% (17 million ha) of the total land area. This figure dropped to 64% by the early 1960s (MAF, 1981; MAF, 1989) and fell further to 40.3% (9.5 million ha) by 2010. Only recently has this trend shown signs of reversal, with forest cover rebounding to 62% (14.7 million hectares) by 2020 (DOF, 2021). To understand the drivers behind this significant decline and partial recovery, it is necessary to analyze how successive political and economic systems have governed Laos's timber resources through distinct policy approaches.



Data Source: Report on Forest Cover Survey between 2015 and 2019 by the Forest Survey and Planning Section under the Lao Department of Forestry (January 2021).

Figure 1. Lao forest cover between the 1940s and 2010s.

This paper uses chronological analysis as its primary methodology to examine the evolution of forest governance in Laos from the French colonial era to the present day. Based on an extensive review of official government documents and existing scholarly literature, this approach traces the historical trajectory of Laos's forest policies through six distinct periods, identified by key policy changes, economic shifts, and historical events that marked significant turning points in Laos's forest management. The analysis begins with the pre-1975 historical precedents, covering the foundations of commercial exploitation laid during the French colonial period (1893-1954) and the subsequent era of conflict, elite capture, and environmental destruction under the Royal Lao Government (1954-1975), a time

when forest cover began its precipitous decline. It then investigates the policy of the new Lao PDR, starting with the post-liberation period (1975-1989), when forests were regarded as “*Kham kieow*” (green gold) to be liquidated for national reconstruction, a strategy that further accelerated deforestation. The third section covers the first major policy re-evaluation (1989-1999) in response to alarming deforestation rates, followed by the strategic shift towards promoting domestic downstream processing (1999-2009). The fifth section delves into intensifying control and the quest for legality (2010-2019), defined by the stringent enforcement of Prime Minister Order No. 15 (GoL, 2016), a period that saw the nadir of forest cover before modest recovery began. Finally, the review examines the most recent era (2020-present), characterized by strategic reorientation and institutional consolidation, coinciding with the first significant increase in forest cover in decades.

By tracing this long-term policy trajectory, this article illuminates the deep historical roots of the challenges that continue to face Laos’s forestry sector. It argues that the state-centric, and often reactive, policies enacted after 1975 cannot be fully understood without appreciating the legacy of colonial extraction and wartime mismanagement that preceded them. The fluctuating forest cover, from steep declines to tentative recovery, mirrors these shifting governance approaches. This comprehensive historical analysis provides critical insights into the persistent gap between policy intent and on-the-ground implementation that continues to shape the future of Laos’s valuable and vulnerable forest ecosystems as it navigates the complexities of natural resource governance in the 21st century.

2. Historical Precedents: Forest Management and Exploitation before 1975

To fully comprehend the evolution of forest policy in the Lao PDR, it is essential to first examine the historical precedents set during the French colonial period and the subsequent Royal Lao Government era. The approaches to forest management during these times established foundational patterns of resource exploitation, centralized control, and fragmented governance that profoundly influenced the landscape and the policy decisions made after 1975. This period was not characterized by a cohesive vision for sustainable forest management but rather by the treatment of forests as a resource for colonial extraction, a strategic asset in geopolitical conflict, and a source of wealth for political elites.

2.1. The French Colonial Period (1893-1954): The Foundations of Commercial Exploitation

Prior to French colonization, forests in the territories that now form Laos were managed through traditional, localized systems. Rural communities practiced subsistence livelihoods, including shifting cultivation (referred to as *hai*), and harvested timber and non-timber forest products for their own use, governed by customary rules (Yokoyama, 2004; Ducourtieux, 2006).

The establishment of the French Protectorate of Laos fundamentally altered

forest governance dynamics, as the colonial administration reconceptualized the region's forests from integrated ecosystems supporting local life into commodified reserves for economic exploitation. To institutionalize this extractive paradigm, the French created the Water and Forest Service (Service des Eaux et Forêts), endowing this first formal forestry institution with a mandate to systematize commercial timber operations through resource surveys, concession allocation, and revenue collection (Stuart-Fox, 1997). This colonial model imposed a centralized, top-down resource management approach that simultaneously displaced traditional systems and entrenched a commercial forest valuation framework, establishing an extraction-focused governance legacy that would endure well beyond the colonial period.

Based on MAF (1981), colonial timber exploitation followed a highly selective yet destructive pattern, concentrating along the Mekong River and provincial road networks where extraction proved most economically viable. The French focused primarily on high-value hardwoods—particularly teak in Sayaboury and Bokeo provinces, along with rosewood and other precious species—while systematically developing exports of non-timber forest products like benzoin and sticklac (Evans, 2002). This extractive regime targeted only premium species for export, leaving degraded stands without implementing systematic forest management or silvicultural practices to ensure regeneration. The resulting unsustainable approach caused deforestation exceeding 10,000 hectares annually during the colonial period (MAF, 1981).

2.2. The Royal Lao Government Era (1954-1975): Division, Conflict, and Degradation

Following independence from France in 1954, the Royal Lao Government (RLG) inherited the colonial administrative structures. However, its ability to implement a unified national forest policy was almost non-existent due to the decades-long Laotian Civil War (1959-1975). During this period, the country was effectively partitioned. The RLG nominally controlled the Mekong River valley and major urban centers, while the revolutionary Pathet Lao controlled vast, mountainous, and heavily forested areas in the east and north.

In the zones controlled by the RLG, forest management was characterized by weak regulation and rampant corruption. Logging became a significant source of personal enrichment for military leaders and political elites connected to the government in Vientiane. Concessions were often granted to foreign companies, particularly from Thailand, with little oversight or benefit accruing to the national treasury (McCoy, 1972). This period entrenched the practice of using forest resources as a private bank for powerful individuals, fostering a deep-seated mistrust of private enterprise that would influence the incoming revolutionary government's policies.

In the Pathet Lao-controlled zones, forests served a different, primarily strategic, purpose. They provided critical cover for troop movements, a source of sus-

tenance for revolutionary forces, and the physical medium for the Ho Chi Minh Trail—a logistical network vital to the war effort in neighboring Vietnam (Langer & Zasloff, 1970). Timber in these areas was sometimes bartered with North Vietnam for weapons and supplies, representing a form of strategic, rather than purely commercial, exploitation.

During this period, forests suffered dual devastation from both logging operations and the Vietnam War's unprecedented destruction, with Laos enduring the tragic distinction as history's most heavily bombed nation. Between 1964 and 1973, U.S. aerial campaigns dropped over two million tons of bombs, primarily in the eastern, northeastern, and southern regions, affecting approximately 87,312 square kilometers (Sisavath, 2006). The bombing ignited widespread forest fires that compounded ecological damage from logging, while creating catastrophic, long-term environmental impacts: direct forest destruction, severe land degradation, widespread soil erosion, and UXO contamination that rendered millions of hectares unsafe. This contamination particularly devastated agricultural lands, exacerbating rural poverty and food insecurity (NGPES, 2005), ultimately transforming vast forest landscapes into hazardous, ecologically compromised zones with enduring socio-economic consequences.

The ecological warfare extended beyond explosives. About 419,850 gallons of herbicide (Agent Orange) were sprayed over 66,000 hectares of forest in Savannakhet and Attapeu provinces to defoliate vegetation surrounding strategic routes, making local forces more vulnerable to air strikes while causing long-term environmental damage (Buckingham, 1983).

The cumulative impact of these pressures became alarmingly clear in later government assessments. According to the 1989 report to Laos's first national forest conference, denuded mountain areas had expanded catastrophically—from 3 million hectares in 1943 to 7.3 million hectares by 1973, representing a 143% increase during three decades of conflict (MAF, 1989). This rampant deforestation created serious environmental consequences, including increased landslides and flooding that would plague the country for generations.

3. The “Green Gold” Era (1975-1989)

The post-war period revealed the full human cost of these environmental devastations. By the 1980s, approximately 250,000 families (1.5 million people) remained trapped in slash-and-burn shifting cultivation, a practice that expanded as war-displaced populations sought survival in denuded landscapes. With few alternative livelihoods available, these communities faced entrenched poverty while clearing an estimated 300,000 hectares of primary forest annually (MAF, 1989). The denuded area would continue growing to 10.2 million hectares by 1987, demonstrating how wartime destruction set in motion cycles of environmental and social vulnerability that persisted long after the guns fell silent.

Faced with this compounding crisis, the new People's Revolutionary Party government viewed Laos's forests as the only viable resource for national reconstruc-

tion. From 1975 to 1990, during this critical period of economic recovery, forest resources were viewed as “*Kham kieow*” or “*green gold*”, believed to be an inexhaustible source of wealth. The government’s forestry objectives during this period were threefold: 1) to utilize forest resources for national development and to improve the population’s welfare; 2) to ensure forest rehabilitation post-harvest; and 3) to reinvest logging revenues into the agriculture and forestry sectors (Kitamura, 2003).

To achieve these goals, the government established nine state-owned enterprises (SOEs) to manage logging operations, receiving support from international partners such as the Swedish International Development Agency (SIDA), the Asian Development Bank (ADB), the USSR, and Vietnam (Daoroung, 1997). Each SOE was granted a concession of at least 300,000 hectares for harvesting, planting, and protection (Lerche & Rao, 1984).

The patterns of forest exploitation during this period followed decades of conventional logging practices in natural forests, where only valuable timber species were extracted without sustainable management plans. From 1963 to 1980, timber harvesting was dominated by foreign companies from Japan, China, and Thailand, later joined by State Forest Enterprises (SFEs) in the 1970s, with average annual harvests reaching 200,000 m³. Regulatory frameworks remained minimal, with the Council of Ministers’ Instruction No. 74 in 1979 serving as the primary guideline—requiring logging only in designated areas permitted by Provincial Forestry Offices and mandating post-harvest area cleaning to facilitate regeneration. Despite these provisions, illegal logging flourished, with 5,000 m³ - 7,000 m³ of timber smuggled annually to Thailand (MAF, 1981).

This came at tremendous environmental cost. Forest areas were being destroyed at a rate of approximately 350,000 hectares annually through a combination of slash-and-burn shifting cultivation (particularly rampant in the northern highlands) and unsustainable timber harvesting concentrated in the central and southern regions (MAF, 1989). These unsustainable practices eventually forced the government to declare a nationwide logging ban in 1991, abolish SFEs, and implement comprehensive forest classification systems (PM, 1991).

A significant policy shift occurred in 1986 when the nation moved from a centrally planned to a market-oriented economy. This change allowed private and foreign entities to engage in socio-economic development. Consequently, provincial authorities created their own Provincial Forest Enterprises (PFEs) and, between 1987 and 1988, signed over 120 joint venture agreements with foreign timber companies (Sluiter, 1992). Provinces also began issuing logging permits to private companies to generate local revenue (Kitamura, 2003).

However, this approach failed to meet its objectives. The SOEs were largely inefficient and operated at significant financial loss, plagued by poor management and a lack of ethics despite government support (MAF, 2005). While logging and timber exports surged, the expected revenue did not materialize.

The mandate for reforestation was also largely ignored, with no effective rein-

vestment in agricultural or forestry development and very little plantation establishment (Kitamura, 2003). This resulted in a severe decline in Laos's forest cover, which fell from 60% of the total land area in 1975 to approximately 47% by 1990 (MAF, 2005).

4. A Period of Policy Re-Evaluation (1989-1999)

Facing rapid forest degradation and recognizing that its policies were neither promoting sustainable management nor generating sufficient income, the Lao government began to reconsider its approach. The First National Forestry Conference was convened in 1989, leading to the landmark promulgation of Decree 66 on a Tropical Forestry Action Plan. This decree signaled official concern over resource depletion from both legal and illegal logging (DOF, 1995). The conference set a goal of restoring forest cover to 70% by 2020, and most State and Provincial Forest Enterprises were subsequently dissolved through privatization or rental agreements with foreign firms (MAF, 2005).

During the period, new regulations were introduced to control harvesting. PM Decree 117 (1989) banned indiscriminate logging, stipulating that harvesting could only occur in inventoried production forests with approval from MAF. To encourage responsible resource use and investment in processing, logging quotas were preferentially given to firms focused on export-oriented operations (DOF, 1995). However, despite a national logging plan with provincial quotas, many provinces exceeded their limits, citing the need for local development funds. Illegal log sales and grading also remained persistent problems (MAF, 2005).

To address these issues and streamline royalty collection, the government introduced a "two-tier logging plan system" in 1994 (PM Order No. 16). In this system, logging quotas were allocated to three regional SOEs, which then distributed them to sawmills and contractors. These SOEs were required to submit management plans for approval before logging could commence. The Ministry of Finance managed the sale of logs and collected royalties (Akkharath, 1997). However, this system proved inefficient at controlling logging and contributed to further forest degradation. It was ultimately abandoned in 2000, with the country reverting to the previous system of allocating harvest quotas directly to the provinces.

5. Focus on Downstream Timber Processing (1999-2009)

From 1999 onwards, policy shifted to address resource depletion and the low economic returns from raw log exports (Hett et al., 2011). The new focus was on promoting domestic downstream timber processing (Phengsopha, 2011), despite the local industry's challenges, including poor infrastructure, outdated technology, limited human capital, and low investment (World Bank, 2005).

During this period, the government has strongly promoted wood industries and associated trade to create value-added production and employment opportunities through three main strategies. First, it moved to halt the export of raw materials. PM Order No. 11/1999, No. 10/2000, and No. 15/2001 were issued to ban log ex-

ports and reduce the export of sawnwood.

Second, the government emphasized the development of the processing industry. MAF Instruction No. 267/2000 mandated that timber companies adopt modern technology to produce semi-finished or finished goods (MAF, 2000). Foreign investment in secondary processing through joint ventures was also encouraged (PM Decree No. 46/2001). To ease pressure on natural forests, a series of orders and decrees between 2002 and 2005 required wood processing firms to establish their own plantations for future supply (MAF, 2005).

A significant institutional shift occurred in 2005 when the responsibility for the governance and promotion of wood processing industries, including sawmills and furniture factories, was officially transferred from MAF to MoIC (MoIC, 2005). This move was intended to frame timber processing as a core industrial activity and align it more closely with national development goals, leaving MAF to focus on the management of forest resources (Durst et al., 2012).

Third, the government actively promoted the export of value-added wood products. PM Order No. 18 (2002) encouraged the export of finished and semi-finished timbers and authorized the closure of non-compliant sawmills. In 2004, PM Order No. 25 further restricted sawnwood exports, permitting only finished and select semi-finished products. Since 2007, these export restrictions have applied to both logs and sawnwood (MoIC, 2007).

Despite these regulatory measures, several unintended consequences emerged that ultimately undermined forest governance efforts. The wood processing sector experienced rapid expansion, with the number of licensed plants increasing by 27% from 1,048 in 2002 to 1,333 by 2006. This industrial growth created significant policy tensions, compelling the government to approve a 106% increase in the annual logging quota (from 1.6 million m³ in 2001-2005 to 3.3 million m³ for 2006-2010), including a special 1 million m³ allocation for infrastructure development projects. These contradictions were further exacerbated by persistent illegal logging operations and cross-border timber smuggling networks, which continued to flourish despite government efforts to promote sustainable forest management (Baird, 2010).

In response to persistent enforcement challenges, the Lao government instituted structural reforms through the establishment of the Department of Forest Inspection (DOFI) in 2008, operationalizing provisions of the revised Forestry Law (No. 06/NA) passed the previous year (National Assembly of Laos, 2007). This specialized enforcement body was mandated with three core functions: 1) comprehensive compliance monitoring, 2) investigation of illegal logging operations, and 3) rigorous enforcement of forestry regulations (MAF, 2008). The agency's creation represented a policy evolution, acknowledging that legislative measures alone were inadequate without dedicated institutional capacity for implementation and oversight (Mustalahti & Lund, 2009; Kishor & Lescuyer, 2012; Vongvisouk et al., 2016). In practice, DOFI operated through a multi-level enforcement framework, collaborating with provincial authorities to conduct targeted raids, systematic depot inspections, and chain-of-custody verification—with particular

focus on high-risk border areas and processing zones.

However, given challenges such as limited resources and weak inter-agency coordination, the effectiveness of this new policy regime, including export bans, processing incentives, and enhanced enforcement, in achieving its implementation goals and fostering a sustainable forestry sector remained a question to be answered (World Bank, 2010; Lestrelin et al., 2011; Phengsopha, 2011).

6. Intensifying Control and the Quest for Legality (2010-2019)

The period from 2010 to 2019 marked a critical decade for Laos, characterized by the government's escalating efforts to reassert control over its vital forest resources and combat pervasive illegal logging. This built upon the foundation of the Forestry Strategy 2005-2020, which had articulated an ambitious vision for sustainable forest management through four key pillars: 1) restoring forest cover to 70% of national territory via 6 million hectares of degraded forest rehabilitation and 500,000 hectares of new plantations, 2) developing value-added wood processing for economic growth and rural livelihoods, 3) conserving endangered biodiversity, and 4) safeguarding ecosystem services for climate resilience (MAF, 2005). Despite these comprehensive policy goals, systemic governance failures had allowed vast volumes of timber, estimated at hundreds of millions of dollars annually, to be illegally exported, predominantly to Vietnam and China (Hunter, 2018).

The legal framework for sustainable forestry had indeed expanded significantly, with almost 100 laws and technical guidelines promulgated between 2010 and 2020, culminating in the revised Forestry Law No. 64/NA (2019) that aligned forest governance with the Sam Sang (Three Builds) development principles. Article 63 of this law notably empowered village-level commercial forest use, while the broader legislation emphasized green growth linkages to poverty reduction (National Assembly of Laos, 2019). However, as with previous regimes, the critical bottleneck remained weak provincial and district-level enforcement capacity rather than policy deficiencies per se. This rampant illicit trade not only crippled nascent domestic processing industries but also deprived the state of crucial revenue, laying bare the inadequacies of previous regulatory approaches (World Bank, 2012).

In response to these challenges, a pivotal administrative change occurred in 2012 with the transfer of responsibility for forest protection and conservation from MAF to the newly established Ministry of Natural Resources and Environment (MoNRE). This reorganization sought to operationalize the Forestry Strategy's integrated approach to forestland management across protection, conservation, and biodiversity safeguards (Lestrelin et al., 2012). The transfer aimed to consolidate environmental oversight by separating the potentially conflicting mandates of agricultural development and forest conservation, aligning Laos' institutional framework with international environmental governance models (Suhardiman et al., 2014).

Enhanced enforcement mechanisms emerged as a centerpiece of this era. Following the creation of specialized investigation units at all administrative levels in

2008, coordinated crackdowns under Orders No. 15/PM and 05/PM significantly reduced visible illegal timber flows and wildlife trafficking. These units worked in tandem with cross-sectoral networks targeting both domestic and transnational forest crime, marking the most systematic enforcement effort in Laos' history (EIA, 2018).

By the close of the decade, Laos had achieved discernible success in curbing overt illegal logging, partially realizing the Forestry Strategy's governance objectives through the TLAS system and FLEGT-VPA negotiations. However, fundamental challenges persisted, particularly the weak institutional capacity that continued to hamper the Strategy's ambitious forest cover targets—only 62% had been achieved by 2020 against the 70% goal (DOF, 2021). This period thus profoundly underscored both the potential effectiveness and inherent limitations of top-down regulatory interventions in addressing complex forest governance challenges.

7. Strategic Reorientation and Institutional Consolidation (2020-2025)

The period from 2020 to the present has seen Laos continue its complex journey towards sustainable forest management, balancing ambitious reforestation goals with persistent socio-economic pressures and the ongoing challenge of illegal activities. While the strict measures of PMO15 significantly curbed overt illegal logging in the preceding years, the post-2020 era, marking the phase-out year of the Forest Strategy 2005-2020, has focused on solidifying legal frameworks, enhancing monitoring, and fostering alternative livelihoods.

A central pillar of the government's strategy continues to be the Forestry Strategy to 2035 and Vision to 2050, which aim to achieve 70% forest cover across the country (PM, 2024). This ambitious target underscores a commitment to increasing forest resources, particularly through the rehabilitation of degraded lands and the promotion of tree plantations, to supply domestic wood processing and reduce reliance on natural forests.

However, achieving this goal is challenged by ongoing land and forest encroachment, often linked to external drivers that continue to challenge national forest policy (Robichaud et al., 2009; Latthachack et al., 2023). Despite domestic reforms, the country's development agenda, particularly its pursuit of becoming the "Battery of Southeast Asia," has led to extensive hydropower development, which necessitates the clearing of large forest areas for dam reservoirs and associated infrastructure (Chowdhury et al., 2020; Pukinskis & Geheb, 2012). Concurrently, the expansion of the China-Laos Railway and other projects under the Belt and Road Initiative (BRI) has driven deforestation for both direct land-use conversion and as a conduit for increased logging activity (Losos et al., 2019; Lechner et al., 2019). These large-scale infrastructure projects introduce external pressures that can undermine domestic conservation efforts and have been linked to an increased rate of forest loss along their corridors (Hughes, 2019).

A significant shift occurred in Laos' international engagement when the Vol-

untary Partnership Agreement (VPA) negotiations with the European Union under FLEGT were discontinued in 2024. This marked a strategic pivot in the country's approach to timber legality verification, moving away from the FLEGT-VPA framework to develop Lao TLAS, an autonomous Timber Legality Assurance System (TLAS) grounded in domestic regulatory frameworks. The reformed Lao TLAS has evolved into a comprehensive Due Diligence System that addresses both contemporary international market demands for deforestation-free supply chains and domestic operational realities. Designed with an advanced Information Management System at its core, the TLAS can track the complete timber value chain from initial forest management planning and harvest permits through processing stages to final certified products. This system represents a strategic pivot in Laos' approach to forest governance, creating digital linkages that seamlessly integrate legality verification with national forest management systems across the entire supply chain. By establishing these robust traceability mechanisms, connecting forest management units, processing facilities, and export channels, the Lao TLAS simultaneously enhances the sustainability credentials of Lao timber products while improving their competitiveness in increasingly stringent global markets. The system's architecture reflects a dual imperative: maintaining crucial market access through compliance with international standards while preserving the flexibility needed for local implementation contexts.

In the same period, Laos' forest governance framework has undergone successive transformations since the colonial era, with the most recent reforms marking a decisive shift toward integrated resource management. The 2021 transfer of wood processing oversight from MoIC back to MAF represented a strategic reversal of the 2005 policy that had initially separated these functions, which had created persistent coordination challenges in timber value chain management. This realignment paved the way for the more comprehensive 2025 merger, establishing the Ministry of Agriculture and Environment, which unified MAF with MoNRE. These reforms echo the failed attempt at inter-ministerial coordination during the PM Order 15 era (2016-2020), while going significantly further to consolidate all natural resource oversight from forest management to processing and export under a single institutional roof. The consolidation reflects hard-learned lessons from decades of fragmented governance, where divided responsibilities between production under MAF, environmental protection under MoNRE, and industrial processing under MoIC had enabled regulatory gaps and enforcement challenges.

The newly implemented governance reforms, while theoretically promising greater coordination, now face their first real test in addressing these historical challenges. Early indicators suggest that the merged Ministry of Agriculture and Environment must overcome decades-old patterns of under-resourced enforcement capabilities, competing ministerial priorities, and pressure from extractive economic interests (Phengsopha, 2015). Whether this consolidated structure can break from Laos' long cycle of reactive forest governance, where short-term economic needs consistently override sustainability commitments, remains the crit-

ical question for the coming decade. The pathway to genuine sustainable forest management now depends on translating institutional restructuring into operational effectiveness, particularly in balancing legitimate development needs with ecological preservation.

8. Conclusion

Laos's forest policy has evolved through distinct phases, from colonial extraction and wartime exploitation to post-1975 state-led logging and recent sustainability efforts, yet it remains profoundly shaped by historical legacies of resource-driven governance. While contemporary measures like PM Order No. 15 and institutional reforms have curbed the most overt illegal logging, they often prove reactive. Persistent challenges such as weak enforcement, competing economic priorities, and, most critically, unaddressed underlying drivers like rural poverty and land tenure insecurity continue to hinder sustainable management and prevent policies from becoming truly transformative.

Recent structural reforms, including the merger of forestry and environmental ministries and a shift toward domestically tailored legality systems, reflect the government's attempt to balance conservation with development. However, as Laos navigates pressures from global markets and domestic growth, long-term success will depend on moving beyond institutional changes to transparent implementation and, most importantly, aligning economic incentives with forest protection. This is where the nation faces a critical choice: to continue a top-down, resource-driven approach or to empower the communities living in and alongside the forests.

A growing body of evidence demonstrates that the latter path, strengthening local land tenure security and genuinely empowering communities, is critical for reversing deforestation trends. The current state monopoly on forestland creates a perverse incentive for preemptive clearing, as communities, fearing displacement by external concessions, may race to convert forests to agricultural land to establish a physical claim before it is taken away (Lestrelin et al., 2012). Conversely, when communities possess secure and legally recognized rights, their incentive structure shifts profoundly: they transition from short-term users of a vulnerable resource to long-term stewards invested in its sustainability (Robinson et al., 2014; Oldekop et al., 2020).

Therefore, the effectiveness of initiatives like Participatory Sustainable Forest Management (PSFM) hinges on moving beyond superficial participation to devolving genuine decision-making authority and tenure rights. When communities are granted real power, they can act as a bulwark against drivers of forest loss, managing resources according to proven customary practices and collectively resisting external pressures from land concessions and infrastructure projects (Inoue, 2000; Larson et al., 2009). Ultimately, resolving the legal ambiguities that leave communities vulnerable is the foundational strategy for breaking from historical patterns. By reconciling environmental sustainability with socio-economic needs through community tenure, Laos can ensure its forests become a source of resili-

ence rather than continued decline.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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