

Decentralization of Natural Resources Management in the Lao PDR: A Case Study of the Multi-Village Mak Jong Management Group in Pathoumphone District

Latsamay Sylavong

Kyoto Working Papers on Area Studies No. 131

November 2014

Kyoto Working Papers on Area Studies is a series published jointly by the four area studies institutions on Kyoto University campus: the Graduate School of Asian and African Area Studies (ASAFAS); the Center for African Area Studies (CAAS); the Center for Integrated Area Studies (CIAS); and, Center for Southeast Asian Studies (CSEAS).

The papers are also available on our website:

(Japanese)

<http://www.cseas.kyoto-u.ac.jp/edit/ja/kyoto-working-papers-on-area-studies/>

(English)

<http://www.cseas.kyoto-u.ac.jp/edit/kyoto-working-papers-on-area-studies/>

©2014

Graduate School of Asian and African Area Studies (ASAFAS)

Center for African Area Studies (CAAS)

Center for Integrated Area Studies (CIAS)

Center for Southeast Asian Studies (CSEAS)

Kyoto University

46 Shimoadachi-cho,

Yoshida, Sakyo-ku,

Kyoto 606-8501, JAPAN

All rights reserved

ISBN 978-4-906332-25-0

The opinions expressed in this paper are those of the author and do not necessarily reflect the views of ASAFAS, CAAS, CIAS, and CSEAS.

**Decentralization of Natural Resources Management
in the Lao PDR: A Case Study of the Multi-village
Mak Jong Management Group in Pathoumphone District**

Latsamay Sylavong

Kyoto Working Papers on Area Studies No. 131

November 2014

Decentralization of Natural Resources Management in the Lao PDR: A case study of the multi-village Mak Jong management group in Pathoumphone District

Latsamay Sylavong^{**}

Abstract

This study introduces the process involved in a case of sustainable forest and wetland management. It analyzes the type and extent of decentralization that is practiced in Pathoumphone district (Champassack province in Southern Laos) together with the development of two local institutions and the legal framework related to this development. The Mak Jong management group (MJG) and the District Field Wetland Management team (DFWMT) were created due to the lack of a management system, a continuous decline in Mak Jong (MJ) trees and an increase in the number of conflicts over the use of wetland resources (IUCN,2008). The MJG came about as the result of a request from local authorities and communities, while the DFWMT resulted from an official request following the Lao PDR's accession to the Ramsar Convention. Villagers strongly represented themselves through both groups at the local level and took actions to ensure the governance of natural resources as their area of responsibility, complied with their agreements¹ and followed the legal framework², including the mechanisms for sharing profits and benefits among themselves and their village units. Transferring rights to local communities and institutions over forests and wetlands are the most significant efforts to conserve and rehabilitate forests and wetlands, while simultaneously being able to provide local communities with ownership of their areas together with the opportunity to engage in economic activities, such as agriculture, livestock and ecotourism. Decentralization regarding the natural resources in this district has not yet been fully implemented, however, as can be seen from the absence of the role and rights of local people in the current policy framework, and both the villagers and the local authorities are still concerned about the long-term viability of the MJG and DFWMT, as there has not yet been a complete transfer of power³. Therefore,

^{**} Latsamay Sylavong, a Visiting Research Scholar, Center for Southeast Asian Studies, Kyoto University, and former Country Representative of IUCN Lao during 1998-2013.

¹ There are 2 agreements in the participatory approach, one within each village, and the other with all villages in the same village cluster. There is no DFWMT agreement.

² There are 2 regulations for the MJG (the first, for key NTFPs, was prepared in 2008, and the second, as amended, specifically for MJ). There is 1 regulation for the DFWMT. All were carried out through a series of consultations with all the villagers (different groups) at each village, with other villages within a village cluster, and with other village clusters.

³ The MJG is incomplete due to the level at which it has been approved, i.e., only at the district and provincial levels, and not through an agreement or local regulation that would be properly reflected within a legal framework. As per the request by the MJG, the group should be upgraded and take the form of a local association – to match the local CSO decree (PMO, 2009), which has a higher profile that would allow the MJG to negotiate with traders and enjoy a proper network with local authorities.

decentralization regarding natural resources should be taken into account by both the central and local governments and a compromise reached in order to meet both the needs and priorities of the local people and the government's interests in meeting government commitments and achieving national targets.

Key words: decentralization, natural resources, forest and wetland, Laos, Lao

1. Introduction

Decentralization has been introduced globally over the last two decades (Ribot, 1999), especially in developing countries. The government of the Lao PDR has been implementing decentralization since the late 1980s as can be seen in the development of many initiatives and policies that are focused on enhancing the capacity of the central government to transfer authority and responsibilities to local administrations, including with regard to advocating a decentralized approach to forest management (Phouangparisak, P, 2000). This was mostly reflected in the introduction of the New Economic Mechanism (NEM), which constituted a shift away from a centrally planned economy, e.g. UNDP support on “Governance Public Administration Reform (GPAR)” in 1997. Then the SDC added its support in 2003 (in 2 provinces) and expanded this support until phase 3 (2012 to 2015) in 66 districts in 6 provinces to focus on “Support for a better service delivery project” (UNDP, 2012). It then sought support in a new ministry called the “Ministry of Home Affairs”. In addition, the Ministry of Planning and Investment, with UNDP support, has focused on strengthening private investment and mainstreaming the social environment for all investment at all levels under its Poverty Environment Initiatives (UNDP, 2013). In addition, the Water Resources and Environment Administration (WREA) received support from Sida for the “Strengthening Environmental Management” (SEM) project (2 phases), which was then followed by support from Finland with a similar focus on enhancing capacity regarding environmental governance at the center and in key provinces (WREA, 2007). Overall, the right to decision-making still remains with the central government as can be seen in the great focus and the efforts made at the central level, due to the fact that the central government system is still weak in terms of its capacity and ability to coordinate across sectors (Bikash Ranjan Dash, 2004).

During the past two decades, many initiatives relevant to decentralization have been designed mostly to reflect the NEM and meet donor requirements through various projects at both the policy and community levels to support the sustainable use of natural resources and properly enforce conservation regulations, including the development of different institutional arrangements to engage local communities in various types of natural resources management. Recent experiences from recent projects like SUFORD (many provinces and districts) and BCI, which started with Champassack province and is

currently expanding to other southern provinces, are relevant to this decentralization regarding natural resources which aims to achieve the sustainable management of natural production forests (PMO, 2002), protect the forests (PMO, 2010) and the national protected areas (NA, 2007), and alleviate rural poverty through the transfer of responsibility for management, control and decision-making to local communities. These interventions have been implemented and led mostly by the center, but some responsibilities have been transferred to the provincial authorities (Steering Committees are usually chaired by the minister or the provincial governor). It has been found that there are some limits on local authorities' engagement, especially at the village and district levels, due to the institutional complexity of the institutional arrangements and requirements demanded by donors (the WB and ADB, respectively) during the design and implementation of the project, and because of concerns regarding the granting of rights to local groups and people regarding natural resources due to local authorities' accountability with respect to the management of their control over these resources.

In relation to forest resources management, many projects have been carried out in land use planning and land allocation (LUPLA) nationwide with their primary focus being the transfer of rights and the allocation of responsibilities for forest resources to local people. However, these projects have only been employed as a way to reduce the areas where shifting cultivation takes place and opium is cultivated. As LUPLA was conducted at the village level by a technical team (including DAFO) together with the village committee, it did not include all the villagers. Overall, there was an attempt to provide villagers with the legal certainty of being able to access land and use natural resources through a certificate that enabled them to use land on a temporary basis with some restrictions depending on the case; but this has not yet been a success as villagers are still engaged in shifting cultivation, even though there has been an increase in security of tenure (Friederichsen R., Neef A., (2010)). In the case of the NPAs, there are still unclear institutional arrangements in terms of people's rights to make decisions regarding NPA management, as some NPAs⁴ are supervised directly by the Ministry of Defense (MoD) with some technical assistance from the DFRM (MoNRE), due to these NPAs' sensitive location. As a result, the NPA decree and management guidelines (NA, 2007) are not properly followed. Some NPAs are actually designed for development that allows hydropower, mining and road projects⁵. Issues associated with these projects remain unsolved because, one, the current legal framework is not clear regarding the roles and

⁴Phou Khao Khouay and Phou Pha Nang NPAs are under the MoD, and some technical and conservation initiatives in the NPAs in Sai Phou Louang and along the Thai border (Nam Pouy, Dong Khan Thoung) need to consult and receive the approval of the MoD.

⁵ Nakai-Nam Theun NPA (hydropower and mining), Nam Et-Phou Loei (a road cutting through the core protection zone (tiger), Nam Kading NPA (hydropower), Xepiane NPA (road improvement and bauxite mining), Dong Hoa Sao NPA (encroachment of coffee and other rubber plantations), Dong Ampham NPA (rubber plantation concession).

rights of local institutions and communities in natural resources management, and, two, there is uneven law enforcement.

This working paper introduces the drivers behind decentralization and some of the effects of initiatives that allocate rights to natural resources among users at the local level in Pathoumphone district, Champassack province. Pathoumphone district is about 48 km from Pakse, the main town of Champassack province. Its significant characteristic is its complex landscape, which is unlike other areas in remote rural Laos. This includes a rich diversity of forest and wetland ecosystems as well as some historical and cultural importance, together with a high degree of dependence on subsistence farming and fishing for local people's livelihoods, and some trading. Before the creation of the two local institutions in this district, there was some tension between the central and provincial government offices, on the one hand, and large international companies, on the other, in terms of decision-making processes on development projects, as well as conflicts over the use of the area's natural resources. Rubber plantations, human settlement, agriculture expansion, the over-harvesting of forest products and, more recently, mining (peat land and bauxite), and road construction (Route 8B from Pathoumphone to Sanamxay district) across the Xepian national protected areas have caused considerable change to the forest and wetlands in this district due to the problem of their being unsustainable, as can be seen by the fragmentation of the forest and the large decline in some forest products, like rattan, cardamom and berberine, due to over harvesting for sale without a management system that is based on harvesting permits (IUCN, 2007).

To address some of the pressures from this impact on the natural resources, the provincial and district authorities supported and approved the creation of the MJG and the DFWM. As a result, the appearance of the areas in the district where the forests and wetlands are managed through the two local groups is remarkable. The MJG has been continuing and replicating this work in other nearby villages without funding support since late 2009, and the DFWMT,⁶ together with village heads as members and the villagers, and with great support from the village cluster, continues to lead and take part in wetland management by following the agreements and regulations made within the village. It should be made clear that both institutional arrangements were the outcomes of the debate concerning the transfer of rights and power to local institutions, especially local communities like the Mak Jong management group.

This paper also looks at how this fits into the current efforts of the Government of the Lao PDR in its "Sam Sang policy" or "three-build_Party decentralization", which aims

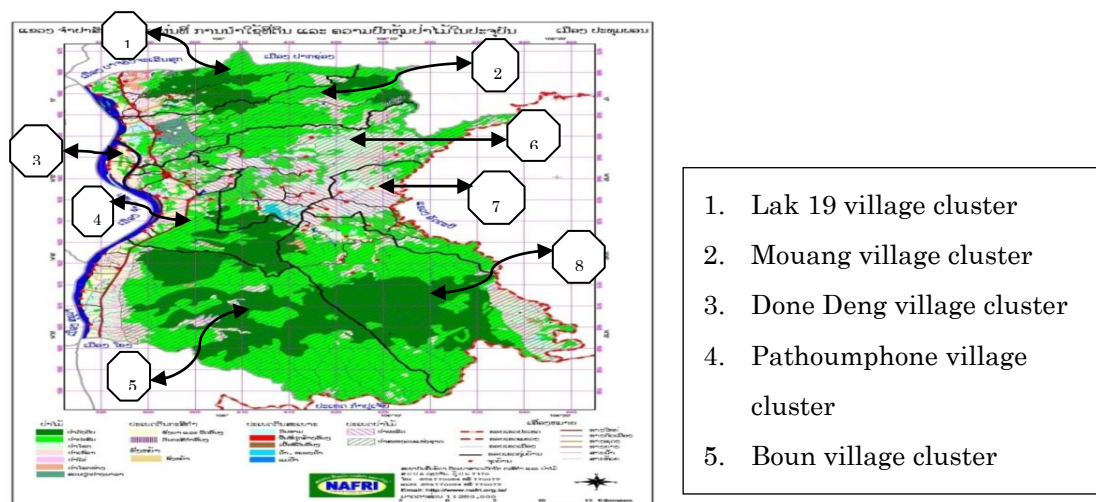
⁶Some funding support for the DFWMT from the IUCN Mekong Water Dialogue (MWD) for some priority activities concerning the implementation of the Ramsar Convention, including the opportunity for dialogue within the DFWMT with villages and all the village clusters.

to build up villages as development units, create districts as strong integration units for planning in all its aspects, and establish provinces as strategic units. The Sam Sang policy has been implemented since October 2012, following the outcome of the 9th Party Assembly, and up to now 108 focal development villages in 51 districts,⁷ including Vientiane, the capital, have been selected as pilot sites. Other relevant previous policies and strategies are also addressed in this paper.

2. Location and Framework

2.1 Location

Pathoumphone district consists of rainfed lowland with flat land in the west, which is part of the Champassack plain and along the Mekong river, large wetlands (unique peat swamp habitat) to mountain forests in the east, and a large portion of two national protected areas (NPA) (Dong Hoa Sao in the north and Xepiane NPA in the south, 22.42% and 52.79% of the total area, respectively), and provincial production forests. Pathoumphone district covers an area of 287,038 ha., and is composed of 8 village clusters (see Map 1) with 75 villages and a total population of 51,683 inhabitants, of which 26,358 are females (NAFRI, 2007).



Map 1: Administrative map and land use and forest cover,
Pathoumphone District, NAFRI (2007)

Mak Jong (MJ) (*Scapium Macropodium* – the family of *Sterculiaceae*) is a unique species that is important for the local economy as it is used as a traditional Chinese medicine for sore throats and in drinks and desserts for local consumption. In the Lao PDR, the species is only found in three districts of Southern Laos (Pathoumphone (30

⁷ KPL Lao New Agency <http://www.kpl.net.la/english/news/newsrecord/2013/Feb/04.2.2013/edn1.htm>

villages), Khong district of Champassack (7 villages), and Sanamxay district of Attapeu province (10 villages)) and in districts in Sekong or Saravane. MJ can also be found in Thailand, Cambodia and Malaysia (IUCN, 2008). Issues associated with MJ are related to competitive harvesting as evidenced by the large number of Mak Jong trees being cut down (2000 trees in 2008)⁸, immature fruit collection, an uncontrolled system of harvest permits that was put in place for both locals and outsiders, and an insecure system within the district for monitoring the trade in MJ at a fair price.

The Bung Kiat Ngong (BKN) wetland in Pathoumphone district has been one of two Ramsar sites established since the Lao PDR acceded to the Convention on Wetlands in 2010. It is composed of different wetland types, including swamps, lakes, peat land, marshes, and forests on the edge of the wetland, together with the cultural and historical site of Phou Asa. This wetland is home to a rich biodiversity of fish and aquatic plants that local people have used to maintain their livelihoods. Currently, the Siamese crocodile and the water bird population – the area is a migration point for the Sarus crane – are under pressure (IUCN, 2003). The main issues related to BKN wetland management are conflicts over the use of the resources of the wetland among the local communities (e.g. over-fishing, the ownership of the natural fishponds (holes), and the expansion of paddy fields into the wetlands) and with outsiders (peat land extraction, burning grasses to allow for fishing, and illegal fishing). The local authorities found that these issues occurred because there was a lack of clear responsibility among the institutions responsible for the management of the wetlands, a lack of coordination between different sectors and stakeholders, and a high degree of competition when designing initiatives and developments for the site.

In this case study, two local institutions from the IUCN project have been selected: the Livelihood and Landscape Strategy Project (LLS) and the Mekong Water Dialogue Project (MWD). These were established in the same district. There are 11 villages under the MJG, which was set up in 2008 on the basis of the interests of the villages in the areas MJ covered (Pathoumphone, 2008), and there were 12 villages under the DFWM in 2011 (all villages inside the Ramsar boundary). Three villages are involved in both institutions - Ban Kiat Ngong, Ban Sanote and Ban Thopsok (see Table 1). The MJG covers 3 village clusters (most of the villages are from the Sanote and Nam Om village clusters; there is only 1 village in the Pathoumphone village cluster) with a total population of about 6,370 inhabitants, while the DFWM covers 3 village clusters (Sanote, Phapho and Saming) with a total population of 10,367 inhabitants (see Table 2). 4 villages in the Sanote and Saming village clusters do not have a direct boundary with the Ramsar site.

⁸ This figure was reported by the Vice District Governor during a meeting on the number of MJ trees cut down each year.

Table 1: Composition of villages, village clusters and the population of the MJG, Pathoumphone district (update from IUCN, 2009 and SUFORD, 2009)

Village name	Village cluster	MJG HHs	MJ Population	Areas allocation	Remark
Ban Kiat Ngong	Sanote	158	960	1,550	Included in DFWMT
Ban Tha Hou	Sanote	85	467	25	
Ban Houay Ko	Sanote	30	165	40	
Ban Thong Pha	Sanote	107	611	840	
Ban Sanote	Sanote	126	689	234	Included in DFWMT
Ban Thopsok	Sanote	83	541	100	Included in DFWMT
		589	3,433	2,789	
Ban Nam Om	Nam Om	153	802	420	
Ban Nabone	Nam Om	96	489	3,200	
Ban Somsouk	Nam Om	98	420	3,630	
Ban Lao Nha	Nam Om	99	591	208	
		446	2,302	7,458	
Ban Na Kok	Pathoumphone	108	635	130	
		108	635	130	
Total		1,143	6,370	10,377	

Note: 3 villages are in both the MJG and the DFWMT

Table 2: Composition of villages, village clusters and the population of the DFWM, Pathoumphone district (update from IUCN, 2009)

Village name	Village cluster	DFWMT HHs	MJ Population	Areas allocation	Remark
Ban Kiat Ngong	Sanote	158	960		
Ban Sanote	Sanote	126	689		No direct boundary
Ban Thopsok	Sanote	83	541		
Ban Phommaleuk	Sanote	128	680		
Ban Nathong	Sanote	102	522		No direct boundary
		597	3,392		
Ban Pahlay	Phapho	309	1,427		
Ban Phapho	Phapho	339	1,628		
Ban Phakkha	Phapho	124	778		
Ban Nong Mak Ek	Phapho	100	658		
		872	4,491		
Ban Kaelae	Saming	151	952		
Ban Saming	Saming	173	1,124		No direct boundary

Ban Thongxay	Saming	79	408		No direct boundary
		403	2,484		
Total		1,872	10,367	3,264.94	

Note: 4 villages under the DFWMT do not have a direct boundary with the Ramsar site but they have the right to be included on the basis of traditional practice.

2.2 Study Framework

Figure 1 below indicates the basic flow of the analysis of the case study. This includes the process that was involved in the establishment of the institutions, the legal framework, and the impact of the two institutions on the decentralization regarding the natural resources of the area. This is based on a review of the literature, the author's engagement in the project's implementation, and observations based on the village cluster and district's notes during their meetings and discussions with various stakeholders.

The analysis looks at the changes that are based on the framework principles in the institutional arrangements after the groups' creation and the implications these changes had for management practice, together with the possible linkages that they had to the ecological (forest and wetland) situation and people's livelihoods (see Figure 1). The framework applied to the case study (Karauchi et al. 2008) included (1) rights to decision-making - to assess how local groups have power over the resources necessary to implement, enforce and manage conflict, (2) accountability - how the local groups influence decision-makers so that they are responsive to the rights and needs of the local groups, and how they support law enforcement, and (3) the capacity of the local institutional groups - their ability to implement and maintain their power and rights regarding the natural resources in the area.

In relation to the Pathoumphone case study, accountability and the capacity to deal with natural resources management are equally important and are inter-related. However, in order to get local people to be active participants, accountability is the first priority. This requires a transparent and effective mechanism that is associated with a sharing of the profits raised from the revenue that accrues from people's management of the natural resources in the area. In addition, the issue of local institutions' and individuals' capacity is a prerequisite for the success of decentralization, as this helps people to follow through on their accountability and implement decisions, taking their local knowledge and capacity in the area into account. On the other hand, the rights to decision-making regarding natural resources are still new, and it is beyond the capacity of local authorities and individuals at present to implement and enforce their decisions, as such implementation and enforcement currently follows rules laid out by a traditional hierarchy and traditional practice. Therefore, a clear institutional arrangement and legal

framework are needed to support local decisions and allow people to fulfill their roles and meet their responsibilities.

Figure 1. Case Study Framework



3. Process of Institutional Establishment and the Legal Framework

3.1 Issues related to the creation of the two local institutions

The institutional arrangement of the two management groups was mostly established and applied on the basis of the existing administrative divisions in the Laos PDR, i.e. the four levels of the province, the district, the village cluster, and the village. However, some of the roles and mandates for each group are based on regulations and agreements reached within the village, and between villages in the same village cluster. The village cluster⁹ was selected by the village heads within the cluster to provide support to village members. The district authority has an oversight role in the implementation of both the institutions and various projects, including supporting the groups' formation, agreements, regulations, the adoption of their work plans, and monitoring their progress.

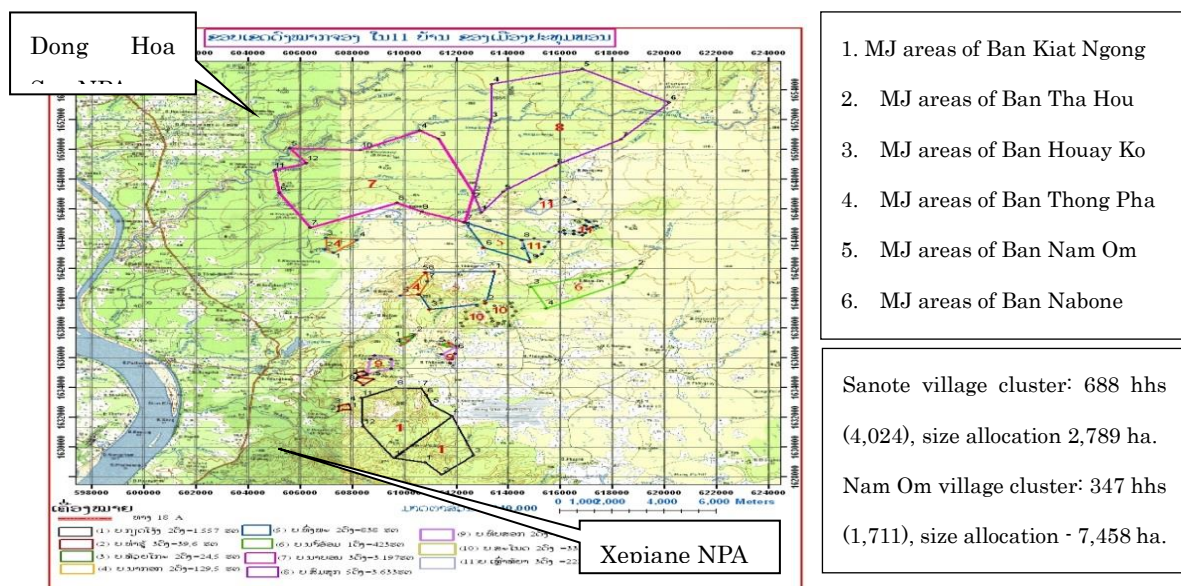
There are some differences regarding roles and mandates between the MJG (Pathoumphone, 2008; and 2009) and the DFWM (Pathoumphone, 2010). In the MJG, each village has formed its MJG team, which is composed of four units: conflict resolution, monitoring, administration, and finance, with trading groups being optional (see Figure 2). About 89 percent of the households in all 11 villages are MJG members. Each MJG village has to report to its village cluster, especially during the monthly meeting, in addition to making reports as part of its routine reporting system. The provincial authority was assigned to the District Authority to lead the MJG directly. The district governor or his deputy has a direct oversight role with respect to all three village clusters, which he or she carries out with the support of the district technical

⁹ Village clusters were created in 2004 based on the 2001 Guidelines by the Committee for Planning and Cooperation. They act as ad-hoc administrative bodies and do not have full official functions as teams or offices like the Taseng before (or the sub-district)

team. This shows the positive impact and influence of the transfer of power to the district authority, the MJG, the village cluster,¹⁰ and the villages.

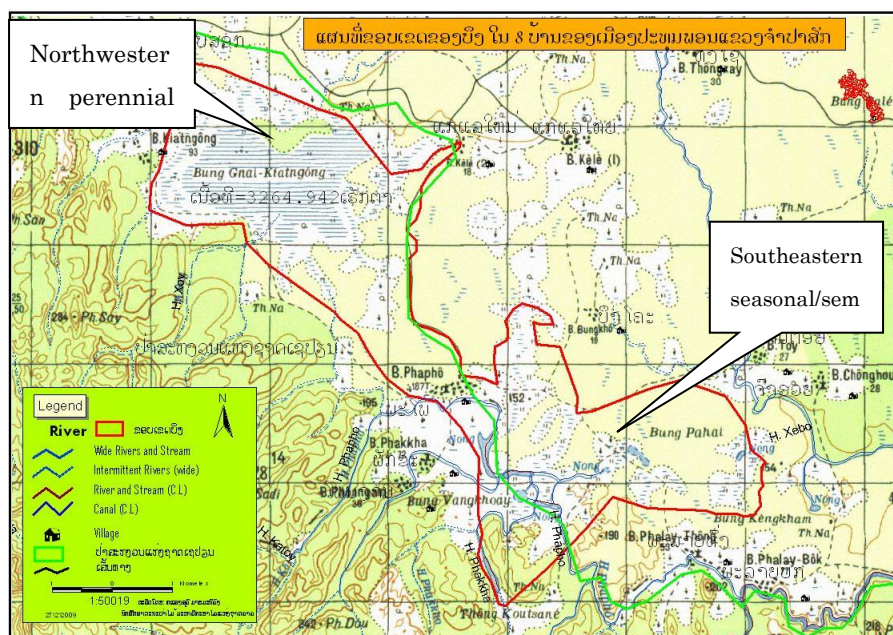
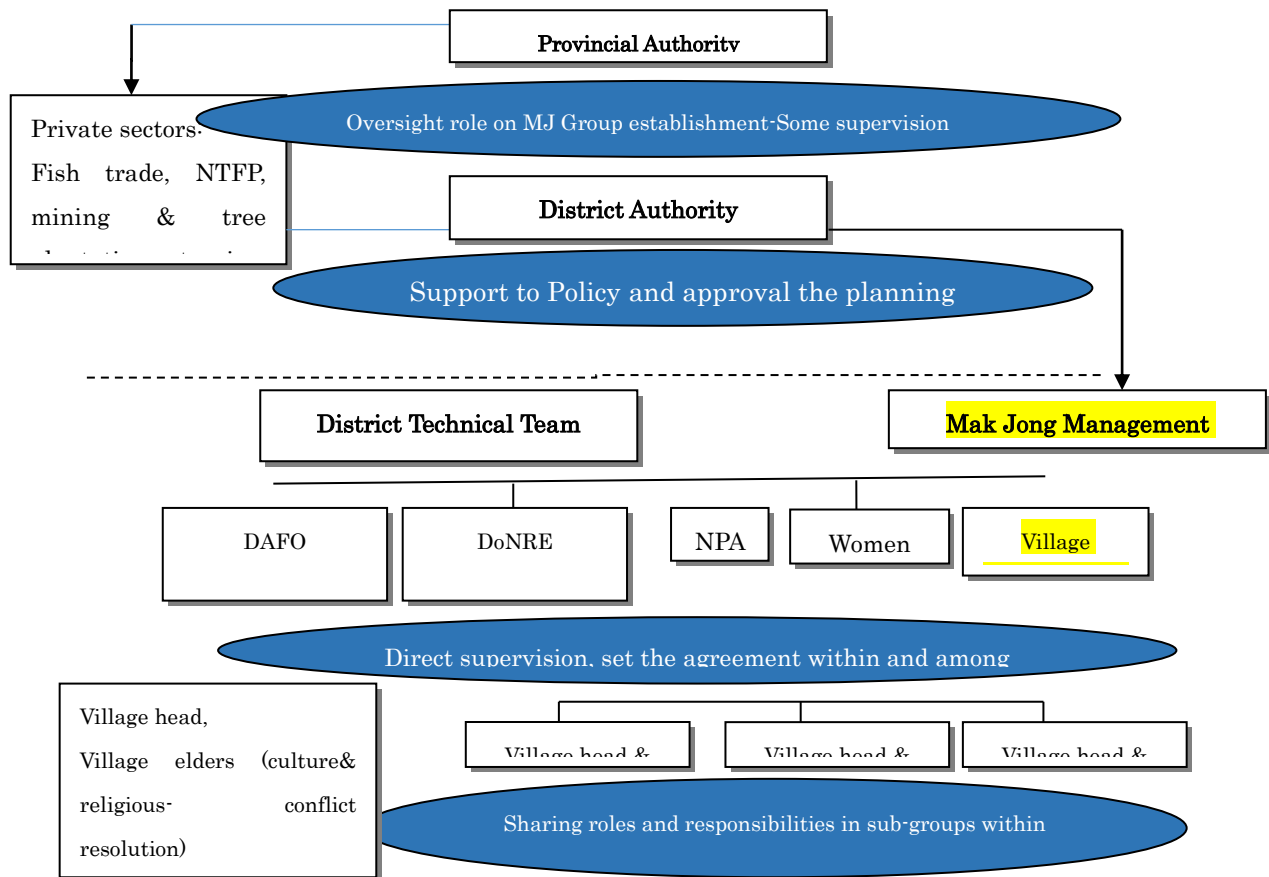
The DFWM was officially formed as an operational unit for the management of the Ramsar site. Representatives of the three village clusters are included in the DFWM, although there is no direct representation from the villages themselves (see Figure 3). The DFWM worked with all 12 villages through the village clusters on the implementation of the Ramsar Convention. In addition, the DFWM has other reporting lines, such as to the Provincial Steering Committee and the National Ramsar Secretariat (central level), which serves as the secretary for the National Ramsar Steering Committee and is the national focal point for the international secretariat of the Ramsar Convention.

Map 2: Allocation areas of MJ forest to 11 villages (Pathoumphone, 2009)



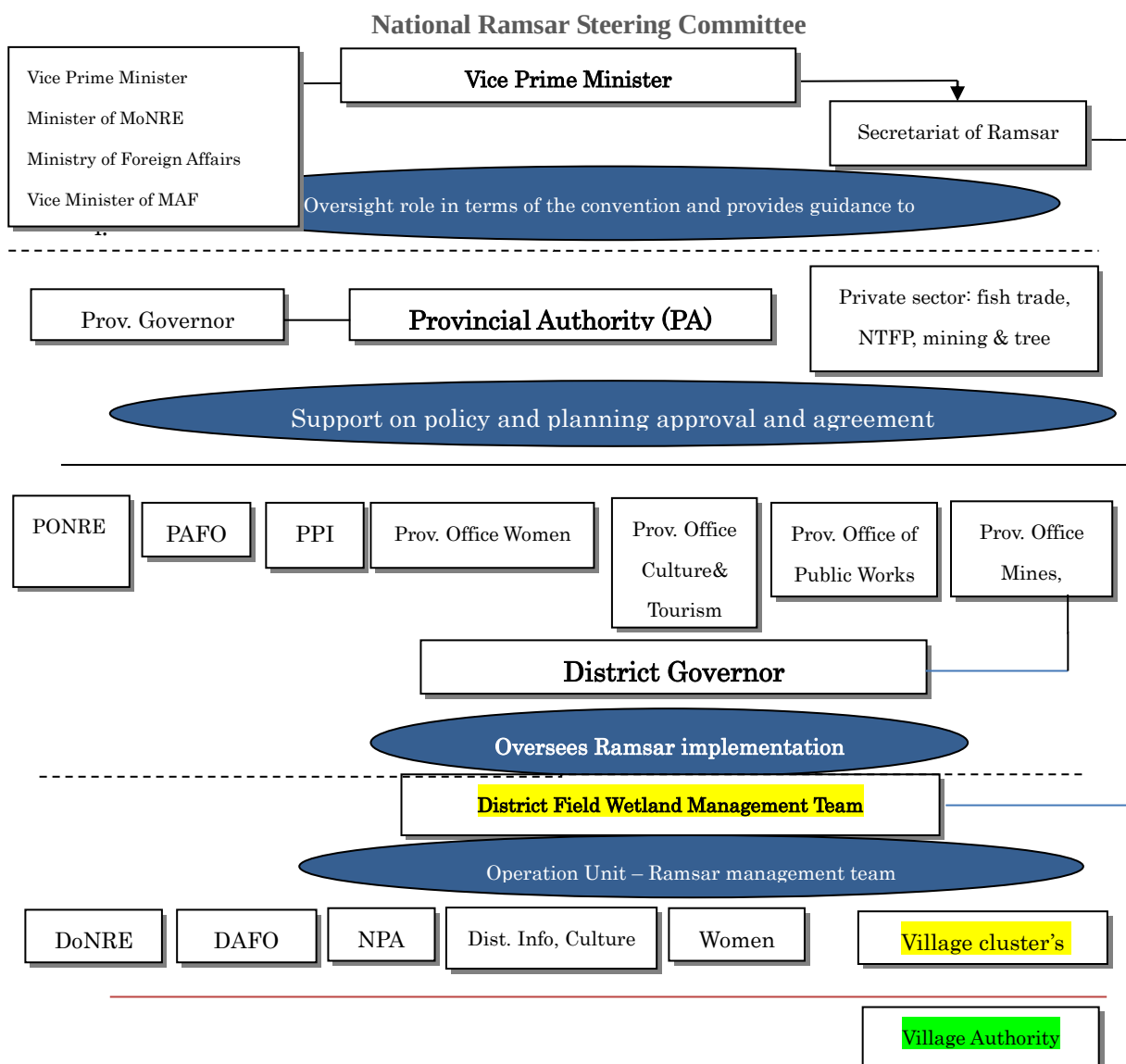
¹⁰ For the MJG at the village level, the village cluster heads are key to the functioning of the MJG (see Fig. 2) in its work with its members.

Figure 2: Organisation chart of MJ Group in Pathoumphone district



Map 3: Boundary of 12 villages in the Ramsar site, Pathoumphone district (RIS, 2010), (WREA, 2009), and Pathoumphone (2010)

Figure 3: Organisational chart of the DFWM in Pathoumphone district



2.2 Institutional arrangements for managing the forest and wetland resources in Pathoumphone District

This section reviews the key policy instruments related to both the forests and wetlands and the regulations for the two local groups in Pathoumphone district. The focus is only on some of the most recent and influential aspects, and is based on notes from discussions and debates at various events and meetings.

2.2.1 The Mak Jong community-based management group (MJG):

In 2008, IUCN Lao, an organization working on the Livelihood and Landscape Project

with the district authority, made an effort to develop the multi-village MJ Group (11 villages with MJ in and near their settlement that was managed according to traditional practice) with the objective of enhancing local institutions to protect the forest through sustainable harvesting with income generation for the villagers, the village authority and the district. The total area of forest that was allocated to the MJG villages covers about 10,377 ha. (see Map 2).¹¹ In this area there are about 689 mature MJ trees and about 500 young MJ trees, which are expected to be able to be harvested for a period of 3 years (Survey 2009). This information about the young MJ trees indicates that expansion plans for the MJ forest and forest connectivity can naturally be rehabilitated if there is enough collaboration with the MJG.

In the MJG, there are two regulations. The first concerns the management of the collection and purchase of key NTFPs, including MJ, berberine, cardamom and wild honey (Pathoumphone, 2008).¹² The second is an amendment or an addition that is specific to MJ (Pathoumphone, 2009). Under forest law (NA, 2007) and wildlife law (NA, 2007b), all villagers are allowed to collect all NTFPs for their own consumption, but not for commercial purpose. The collection of MJ is an exceptional case, due to the trade that follows the harvesting of its fruits. There is evidence of MJ trees being cut down just for their fruit as a result of the severe competition that exists among the villagers during the harvest time, and market demand. Therefore, a local management group needed to be created, together with a management system, in order to ensure a sustainable income, and the sharing of benefits and profits among the villagers.

In practice, both MJ regulations follow the forest and wildlife protection laws (including customary law and traditional practice) as can be seen in the rights granted to all to collect forest products in a sustainable manner. Local agreements were prepared by the local authorities, which allowed the people involved to obtain a better understanding of their roles and mandates and put them into practice. This included the formation of teams for the forest allocation survey, a sub-village monitoring group, participation in various surveys that drew on people's local knowledge, collective agreements on the timeline for the harvest so that people could gather good, mature products by informing group members and outsiders about joining the harvest in an appropriate manner, the monitoring of illegal practices before and during the harvest, and the establishment of a trading system to monitor traders, inform people about prices and reach agreements with the MJG to ensure that the revenue was collected as agreed and then shared among the different units as a reward for their efforts in managing the forest.

¹¹ Pathoumphone district, 2008: Mak Jong Survey Report, the Livelihood and Landscape Strategy Project (LLS), supported by IUCN and PAFO

¹² Both MJ regulations (2008 and 2009), only available in Lao, were prepared by the MJG villages and approved by the District and Provincial Governor of Champassack

In the amendment or additional regulation, which was specific to the MJG, the village trade sub-group was included so that it could support the MJG at the village level to record the quantities of drying MJ of each grade for each household and individual, contact traders on prices, prepare trading agreements, and then distribute revenues to different members and units as per the agreement. In this regulation, outsiders can join the harvest after registering and agreeing to sell their MJ to the village trading unit, which charges a small fee on behalf of the MJG. Each individual collector can keep some MJ for their own consumption (3 to 5 kgs. each time). All traders and middleman can only purchase MJ from the village trading unit after an agreement has been made with the MJG, after which they can then get a paper for their transportation from the MJG or village authority upon a payment that includes any additional fees for the MJG. The village trading unit needs to inform their members regularly about the MJ price given by the traders, uses a proper scale and reports to members each time it sells MJ.

Each village holds a certain amount of funds as a village development fund (VDF), the use of which depends on the decision of the village head and the village committee. In the case of Somsouk village in 2009, the village authority decided to use the VDF to give poor households an advance during the early harvesting period so that they were willing to go through the proper procedure in order that they could obtain a better price. During that time, many villages did not make this decision as they were afraid of the risks, or it was beyond their authority to make such a decision.

Overall, the MJG works well. Villagers appreciate the benefits of the forest allocation concerning the management of their affairs, and they are very active and responsive to the mandates and responsibilities that have been assigned to them under the regulations and agreements that have been approved both among the villagers, and with other villages in the same village cluster. Once the allocated MJ forest areas have been protected and managed sustainably, the ecosystem of the MJ forest has improved, and this has also affected the surrounding forest.

2.2.2 The District Field Wetland Management team (DFWM):

The DFWM was officially established after the Lao PDR ratified the Ramsar Convention. The DFWM is composed of representatives from different sectors at the district level (see Figure 3), including representatives from 3 village clusters. The village clusters play an important role on behalf of their villages in protecting villages' interests. The Ramsar site regulation¹³ was prepared through a participatory process of

¹³The Ramsar regulation was managed by the DFWM with all 12 villages and approved by the Champasack governor

discussions, and it was agreed among 12 villages from 3 village clusters, 4 of which do not have a boundary with the Ramsar site but are included due to customary practice regarding the use of these wetlands. Overall, the regulation provides conditions for the utilization of the wetlands not only for the 12 Ramsar villages but also for outside villages. This is due to the connectivity of the large wetland area.

In principle, local villagers in the Ramsar site have agreed to identify three protected zones of about 265.5 ha. as strict conservation zones (see Map 3), 8 small areas as seasonal zones (14.5 ha.), and two sites of 4.7 ha. as conservation areas with a specific conservation focus (Champassack, 2010). The three protected zones cover about 8.51% of the total area, and the remaining areas have been identified in the Ramsar settlement as customary management zones for villages to attain sustainability under the concept of 'wise use.' The participatory approach of the Ramsar regulation was mostly based on people's local knowledge, especially regarding the strict and seasonal zones.

In the regulation, there is a restriction on any conversion of the land or forest in the Ramsar site under Article 6. The DFWM found it quite difficult to enforce the law due to its unclear role and also because it was beyond their authority in terms of their development activities, particularly with regard to peat extraction and other concessions. With respect to specific wetlands and the Ramsar site, there is an unclear institutional arrangement regarding responsibilities for management and law enforcement, although such arrangements are specified in other laws and regulations (NA, 1996; NA, 2003; NA, 2007a, NA, 2007b).

In Part VII of the regulation, local villagers are allowed to use the natural resources in the area for consumption, e.g. regarding NTFP collection. Timber use is allowed in the management zone if a handsaw is used, but one needs to get permission from the authorities concerned. The situation is similar in the case of the customary zones. Villagers are also allowed to harvest NTFPs and timber in a sustainable way if a request is made by an individual or a village and then approved by the authorities concerned. Thus, there are some concerns on the part of both the local authorities and the villagers concerning the system or criteria for approval with regard to local consumption in terms of quantities and people's ability to control NTFPs and timber harvesting for household use in the management and customary zones. In relation to the approval process, authorities are still unclear about what rights they have and what quantities are attached to those rights.

Local authorities at both the provincial and district levels agreed on the current Ramsar site boundary, but there are some concerns about the location of many villages in the

large wetland connected to the BKN Ramsar site. Therefore there is a need to consider some villages as buffer zone villages, and include them and other villages in an educational awareness program on the wetland, the Ramsar convention and the site's management.

2.2.3 Issues debated under arrangements within the institutional and legal framework

The Mak Jong multi-village management group (MJG)

During the early stage of the establishment of the MJ multi-village management group, it was difficult to get several officials and individuals to agree and approve support for the creation of the MJG. The project team was discussed in work with village heads and the village clusters, then the authorities led the process during further discussions with the District Authority. The issues of concern were the allocation of forest land to the villages for them to manage, as the villagers always referred to the fact that local groups have insufficient and limited roles and mandates regarding the overall development and administration of the forest product management group. This argument was solved due to pressure arising from the great decline in the number of MJ trees in the area as a result of the severe competition during the harvesting of the fruit within the village, and with other villages and outsiders who also have the right to collect NTFPs, together with the issue of the lack of local people's responsibility or ownership when it came to the harvesting of MJ and other NTFPs.

Allocation of the forest:

Even though the MJG has been allocated rights to the forest, as they can harvest MJ fruits and receive fees as revenue for the village, the village cluster and the district, and it is very active in undertaking its responsibilities, such as monitoring, patrolling, and participating in various surveys and rehabilitation plans for the MJ forests, they still feel insecure about the future of the forest as the transfer of power is incomplete. Some concerns raised by the representatives of the MJG of Nam Om and Thong Pha villages relate to applying or expanding MJG practice to include other forest products, such as looking to rehabilitate the natural forest through berberine, rattan, Nhang trees for resin (the *Dipterocarpus* species), and wild honey. Villagers have made efforts to protect the forest, starting with MJ as one species, but it is also worthwhile for them to derive more benefits. In this way, the forests will be protected.

- MJG members mentioned that the forests near the allocated forests can be rehabilitated (including MJ and other NTFPs) by using their local knowledge (natural rehabilitation) and through collaboration among the relevant villages; however, this also needs long-term MJG viability together with a legal framework.

Outside villagers joining the MJ fruit harvest, following customary practice and the Forestry Law:

Following the MJG agreement, outsiders can participate in the MJ harvest after receiving information about the schedule for the harvest. They are happy to go through the agreed process to register with the village committee, pay some fees and sell all their MJ fruits to that particular village. However it is still quite difficult for the MJG to fully follow or monitor outsiders concerning the fees they need to pay, in part because of the issue of MJ's long-term viability. Recently, some villagers have reported that some outsiders went to collect MJ in other non-MJG villages, and this affects the agreement, the regulation and the efforts of the MJG when it comes to managing their forest in the future.

- The Sanote village cluster recommended expanding the network - to share more information and knowledge, to improve conflict management and disseminate information more widely to other non-MJG villages. They would like to upgrade the MJG into an MJ or an NTFPs Association to achieve a proper profile and status for negotiating and networking with the private sector so that they can engage in sustainable and long-term trade with NTFPs.

MJ trading and the link to fee collection and its future for sustainable financing:

Even though traders and middlemen can participate and buy MJ if they follow the regulation, they are required to follow a procedure, including making a request and agreeing on a price with the local authorities and the MJG before they can enter into an agreement with the MJG. The MJG or village trade unit will then provide an official permit for transportation. However, some MJG members still complained that some of the traders that had been selected by the district authority and province did not follow the regulations properly. This affects the revenue of the village, the village cluster and the district.

- Villagers asked the district and the province to talk with traders about following the system and supporting the MJ procedures for income generation.

The District Field Wetland Management team (DFWM)

Overall, the regulation for the Ramsar site management was created using a participatory approach, and was endorsed by all the villages as the Ramsar site settlement. This legal instrument was also based on other laws and regulations,

especially customary practice. However, the policies and regulatory framework were soon discovered to be insufficient. For instance, there was an unclear institutional arrangement for the wetland (not Ramsar), from the central to the local level, and for the linkage to the implementation of the Ramsar Convention. There was also no clear framework for public consultation, especially for decision-making on concessions and the large scale infrastructure related to the Ramsar site and its surrounding forests.

Relationship between the agreement and customary practice:

According to my observations, and based on discussions with the village authority and the villagers, the villagers appreciated having this regulation so that they could reach an agreement on the areas that were to be allocated to each village, especially when it came to solving conflicts between the villages over fishing during the dry season. However, the issues with outside villagers on fishing during the wet season remain unsolved due to the lack of boundaries, especially for the strict and seasonal zones, as most people still follow customary law, which allows them to fish in the flooded areas and leave their cattle in the wetlands.

- The BKN village head raised his concern over the strict and seasonal zones during the rainy season. There is a need to put a specific mark on the ground for protection, to establish the seasonal zones (breeding season), to put up boards at important places with an explanation to improve people's understanding, and to monitor and patrol. In addition, the Sanote village cluster recommended that the district authority and the DFWMT disseminate the Ramsar regulation to all nearby villages.

Village boundaries between Bueng Kiat Ngong and the other villages:

There has been an argument between Ban Kiat Ngong (a big, old village in terms of its area and population) and other small villages around BKN after the allocation of forest land in 1992, as this allocation was conducted in consultation mainly with BKN. Since that time, a large portion of the wetlands has been allocated to BKN, and BKN's villagers have started to stake their claim and ownership over the wetlands by tightening their rights to block other surrounding villages from fishing and growing rice on the edge of the wetland near their village (this is especially so for Phommaleuk). There has been a lot of stress and tension between BKN and other villages as the LU allocation was officially approved by the district but it did not fully accord with the rights flowing from customary practice, for instance, on the issue of stealing fish from fish holes during the dry season, burning grass in the wetlands for new pasture, fishing in the deep pool, as had been agreed. These conflicts continued during the pre-accession preparatory process for the Ramsar Convention, especially regarding the review of the boundaries, the new agreements on village boundaries and the Ramsar boundary. At

the same time, the village cluster had already been established and there was a great opportunity to get the villagers to manage these conflicts through the village cluster's meetings. This was summarized by the issues that were debated in the various meetings before and during the recent boundary demarcation.

- All three village clusters of the DFWMT mentioned the need to reconsider the boundary of the Ramsar site as some key villages may need to be included in a buffer zone, and to include representatives of non-Ramsar sites in the site's management, in educational campaigns and in consciousness-raising. The reasons are due to the Ramsar site connectivity to the larger wetland area and also to avoid any negative impact from use of the wetlands outside the Ramsar site.

Peat excavation carried out by a private company

Peat was extracted in 2006 by a Vietnamese company for use as an organic fertilizer for its rubber plantation in the province. Some of the peat extracted was also sold by the company (IUCN, 2011). The concession for the peat land was granted by the province. The excavated areas were not rehabilitated, and several large, invisible holes were left in the northern part of BKN (Ramsar site). This was judged to be caused by the development, and it had a negative effect on the villagers' cattle. Villagers from Ban Kiat Ngong, other villagers, the village cluster and the district were unhappy because not enough information was shared, and the profits from the peat had not been distributed fairly with the locals. They were also aware of the effects of the peat excavation on the change in the water tables. As the peat concession is still valid along the terms agreed to and granted by the province, the company wanted to continue with the extraction. The villagers reported this to the line authorities since they were aware of the company's preparations to excavate in 2011 on the Ramsar site, and the extraction was then halted due to influence exerted by the village cluster and the District Committee.

Provincial plan for the construction of a flood gate

The construction of a flood gate was included in the Provincial Agriculture and Forestry Office's plan a long time ago. This was linked to the purpose of releasing flood water during the rainy season, and to the creation of more rice fields during the dry season. BKN villagers raised their concerns about this project as they thought that it might change the ecosystem of the wetlands or have a negative effect on their rights to use the land. Based on BKN's concerns, the district authority then proposed that the province conduct an economic assessment before building the gate.

4. Outcomes of the analysis of decentralization after the creation of the two local groups in Pathoumphone

Since the creation of the two local institutions in Pathoumphone, the key outcomes of the analysis that have been identified as important, non-cash, immaterial benefits resulting from the decentralization regarding the area's natural resources, were highlighted under the study framework as follows.

4.1 Mak Jong multi-village management group (MJG):

The MJG at the village level not only played a significant role in managing the allocation of the forest for the MJ harvest. They were also aware of the current status and values of other key NTFPs in their areas of responsibility, even though the current arrangement is only for MJ fruits, a seasonal income generator.

Effectiveness: MJG enhanced their organizational capacity, and the villagers became more confident in dealing with issues within their village, and with other villages, the village cluster and traders. This included improvements that became apparent in better coordination and collaboration. The villagers appreciated being MJG members, as they now had clear boundaries that clarified their responsibility to monitor and patrol the area. This is evident in the fact that there is no evidence of MJ trees being cut down in the forests since 2008, as well as in the villagers' increasing desire to share responsibility.

MJG appreciated the support and close supervision of both the village cluster and the district, but it also needs, one, a link or network with high-decision-makers for feedback and support to up-grade MJG practices and achievements, and, two, support with both law enforcement and the group's links with the private sector.

Responsiveness: Through a series of educational, consciousness-raising and outreach programs, MJG members became more active in managing their forests, strictly followed regulations and systems of penalties, as can be seen in their regular reports on individual cases and conflict management, and paid more attention to protecting other NTFPs.

Nam Om village and BKN heads mentioned that there is a need to have a strong link with the national protected area's management and tourism team for more collaboration on increasing awareness and outreach programs for the MJG and other non-MJG villages in order to replicate this experience and build strong

co-management of the NPA.

Participation: Beside the formation of the MJ village units and the preparation of the regulation and other agreements, villagers were active in providing support to the surveys and forest allocation activities by using their traditional knowledge and conducting strict patrols on the basis of their agreements. Some concerns over land concessions and other initiatives that occurred in their areas were discussed during the village cluster's meetings.

BKN Villagers and the Sanote village cluster head asked the district to establish a proper system to share or disseminate the outcomes of all surveys and activities to increase their understanding and improve future participation. Some women's representatives expressed concern about their request to the MJG to create added value through MJ processed products. Therefore, there is a need to include women's representation at the MJG management level.

Local revenue maximization: The capacity of the local authority and the villagers was increased, as they were able to debate processing and trade to get more income for the local villagers and the authority. Figure 4 shows the inter-relationship between the different units in the MJG at the village level, and with other levels, like other MJG villages, the village cluster, the district and the traders.

In addition, the MJG at Somsouk village in the Nam Om village cluster decided to set up a village trading unit in 2009 to encourage villagers to add value to their products before selling by, for example, drying, grading, packaging and negotiating the price for different grades with the traders. They also made the decision to use the village development fund to provide loans to poor villagers to take part in the processing and thus get more income. The results showed that MJG Somsouk village earned more income (nearly four times that of the village development fund that they had used over 5 weeks¹⁴), and they were then able to share the benefits among MJG members, the village units, the village authority, the village development fund, the village cluster, and the district. This was replicated by other villages after the MJG disseminated information to other MJG villages (IUCN, 2009). However, there was not a unanimous agreement on the sharing of the benefits, as the majority of MJG members asked for an equal share from the large profits, which was not agreed by a minority of members, especially by the monitoring team. However, it was agreed by the majority and then approved by the district authority.

¹⁴ They used 16 million Kips of their village development fund and received pure profits of 67 million Kips during the 5 week period) - see the meeting report of the MJG meeting from the LLS project (2009) – link to the IUCN website.

One interesting result was that women in the MJG asked how they could learn how to make MJ juice and tea bags¹⁵ to add value to the MJ fruits and increase their skills. In response to their request, the project provided a training and exchange study tour to Uborn in Thailand, where they were able to prepare MJ juice for several provincial and district events. However, adding value to MJ final products has not happened due to a lack of interest and investment by the private sector and support from both the district and provincial authorities.

The Ban Somsouk village head raised his concern about their rights over the use of the village development fund and in dealing with traders and middlemen as their roles remained unclear and they had not received full support from the district for many reasons.

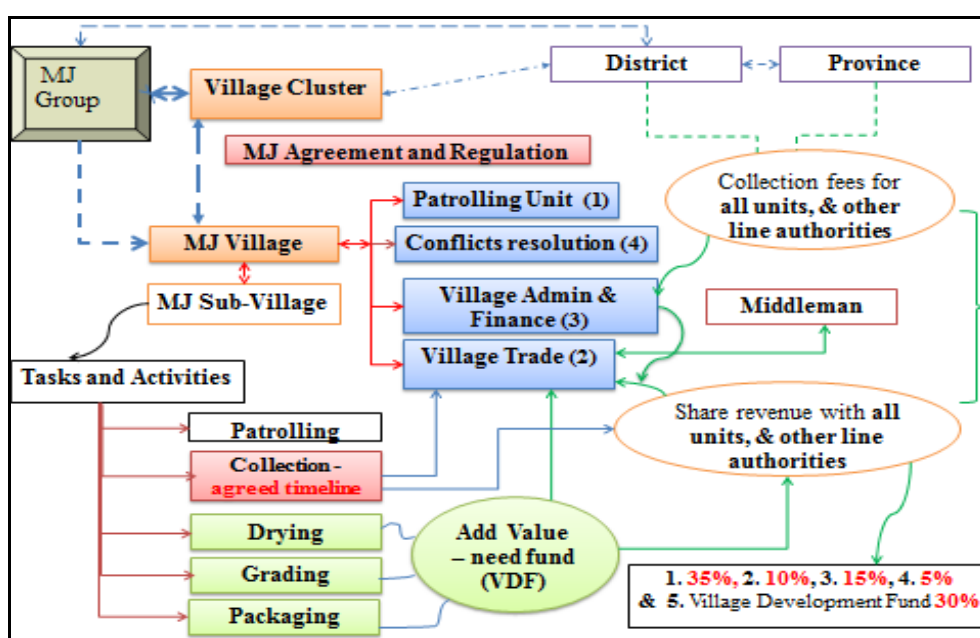


Figure 4: MJG functions at the village level with its link to the processing process, collection of fees and sharing of revenues within the MJG, with the village cluster and with the district

4.2 The District Field Wetland Management team (DFWM):

The Provincial Ramsar Steering Committee (PRSC), an upper level and direct line supervisor of the District Field Wetland Management Team (DFWM) played a significant role not only in developing mechanisms for the institutional set-up at the level of the district and the village clusters, but also in communicating with central

¹⁵ They became aware of MJ finished products from Uborn in Thailand while arrangements were being made for the LLS study tour.

authorities like the secretariat of the National Ramsar committee, which serves as the main office of the Ramsar Convention in the Lao PDR and provides a direct link and line of reporting to the Ramsar Secretariat Office. This process has been on-going and evolving since the PRSC was officially nominated in 2011. After BKN was ratified as a Ramsar site, its profile increased and more tourists visited, and there was increased income from fishing due to DFWM's zone management and conflict management.

Effectiveness: Villagers strongly supported the preparation of the regulation for the Ramsar site. They took ownership of their wetlands as identified under different zones with specific objectives under the concept of "wise use purpose". They actively discussed the wetland boundaries for each village as is indicated by the debates over the boundary demarcation for the Ramsar site. Local villagers (Phommaleuk village and other small villages near BKN) claimed their customary rights over their village boundaries with BKN (a large village) after the allocation of forest land in 1992. Since the setting up of the DFWM, the boundary conflicts between the villages have been resolved, particularly with respect to the stealing of fish from the fish holes during the dry season, and the villages have respected the regulation and the agreements. One successful outcome from people's participation during the preparation for the regulation, was the villagers' agreement on the daily fish catch and the size of the fish that could be caught. This was an agreement that was followed by most of the villagers.

Village heads mentioned that they are not included in the DFWM, and that they need to have regular discussions on the Ramsar regulation and other relevant policies and laws through meetings, training or special events to refresh and increase their understanding and competence.

Responsiveness: Villagers reported to the village clusters on unsound and illegal practices and on anything that might impact the wetland for further discussion with the aim of finding a solution to the problem. Recently, they raised their concerns over the peat extraction and reported on these to the line authorities. The extraction was stopped because of the reaction of the local villagers on the Ramsar site. They were also concerned about the protected and seasonal zones during the rainy season, as these were quite difficult to control and monitor because fishing is an open-access activity which is based on customary rights and does not follow the boundaries that have been delineated for these zones (Pathoumphone, 2010). In relation to the expansion of the rice fields, villagers raised their concerns about the design for a new ditch to block or drain the water. This required the authorities concerned to carefully prepare a proper design for the ditch and engage in a process of consultation.

The DFWMT raised their concerns on the need for transparency and public participation in any initiatives related to the Ramsar site during their official

meetings with the Provincial and National Ramsar Steering Committees, as can be seen in their increased demands to be able to use the land, forests and wetland for other purposes.

Participation: The local authority and villagers participated in all activities and initiatives related to the protection of the wetlands and the rehabilitation and improvement of their livelihoods, including, one, actively engaging in village cluster meetings to report any incidents and, two, restoring the wetlands by replanting aquatic plants¹⁶ (Kok Seng).

In order to have active local participation in the implementation of the Ramsar Convention, representatives from all the villages should be DFWM members, and other relevant surrounding villages should also be added and their participation encouraged¹⁷ (or at least they should be involved in the educational awareness program) in order that their understanding be improved and that there should be no negative impact on the Ramsar site.

Local revenue maximization: Tourism is one source of income for villagers in the BKN wetlands, however current tourism activities were not distributed widely among the communities due to a limited number of households having elephants or being engaged in homestays. This requires further integration and better collaboration with tourism operators, the national protection areas (MoNRE, 2012), and support from the district. The women's group recognized the value of the wetlands in their area and were concerned about the expansion of the rice fields and the use of chemical fertilizers. Therefore, they asked for funds so that an investment could be made in making organic fertilizer and growing organic vegetables as these would bring in more income for local groups in the Ramsar site.

The district authority realized the need, one, to link with the private sector, small scale entrepreneurs and other sectors like the tourism sector and the NPA to achieve sustainable financing in wetland management, and, two, to increase local institutional capacity in these areas.

To sum up, the kind of decentralisation regarding natural resources that is described in this case study can lead to an increase in the efficiency of local authorities and communities. In particular, local participation lends most to the process as people are then aware of their priorities and needs, and they can define the services that reflect

¹⁶ *Kok seng* is a local aquatic plant, its leaves and branches can be used for hiding fishing holes during the dry season and birds' nests.

¹⁷ This was raised by the BKN village head with the DFWMT in the village cluster meeting on the final agreement on the Ramsar boundary.

their needs in their programs and plans, and through this process they can utilize limited resources and maximize revenue. The analysis of the impact of decentralization regarding natural resources on the two local institutions could not make a clear comparison between the two institutions due to the short timeline and the lack of time for an in-depth assessment study on decision-making, accountability and capacity. However, there was some success in terms of decentralization regarding natural resources as driven by the NEM process and local requests for long-term sustainable forest and wetland management.

Rights to decision-making: The MJG is aware of their rights based on their mandates, but they are not completely confident, because they always have to consult the village cluster both because the cluster is their direct line supervisor and for support. It was discovered that the MJG felt that there were limitations and not enough information was being shared at the district and provincial levels. As mentioned earlier, the DFWM is mostly composed of government officials and there is direct supervision from the district. This makes it a bit different from the MJG. However, the engagement of the village heads in the decision-making process was found to be quite limited, as also mentioned earlier, because they are not included in the DFWM as members. Overall, the village clusters played an important role as they used monthly meetings with the district and the province to support both local institutions.

Since there are overlapping responsibilities in the multiple agencies involved at the local level, and limited inter-agency coordination (at the provincial level), both local institutions' members were concerned with their rights when dealing with law enforcement (especially regarding illegal activities) and regarding the issue of the mechanism for sharing information and decision-making regarding development in their areas.

Accountability: The MJG played their role as they organized a regular monthly meeting with different village units and villagers as members before the village cluster meeting on the issues and conflicts related to the MJG in their areas. With support from the village cluster, they also played a role in negotiating with middlemen and the private sector for a fair price and in supporting the village trading unit to set up mechanisms related to MJ trading at the village level. The DFWM and village authorities were actively engaged in the series of events related to the Ramsar pre-accession process and other processes during implementation (preparation of the Ramsar regulation, the management plan, meetings, the launch of the Ramsar site, and the celebration of World Wetlands Day). Villagers in the Ramsar site informed their line authorities on anything that might impact the site.

The MJG members (Ban Nam Om and Thopsok) were uncertain as to the future

of the MJ management group due to the legal status of the MJG as can be seen from the fact that some decisions on forest and land conversion for other purposes were made by the province and/or the district without the MJG being informed. Based on discussions with the two local groups, there were limited funding opportunities for them to mobilize (processing NTFPs and fish products before trading) and maximize revenue, and the village committees were uncertain about their role in the use of the village development funds.

Capacity: Villagers of both local groups acquired skills, improved their techniques and collective actions within the villages and their management capacity in their operational units, and gained marketing/business skills and knowledge of ecology as they participated in various surveys, an educational awareness program, and other meetings with the village clusters and other technical teams. In both local groups, women's capacities have increased as they actively participated in the learning process and events, including taking the lead on the issue of the processing of MJ products, the preparation of organic fertilizer, and the growing of organic vegetables.

Nearly all the village heads informed the project that they had limited capacity in both groups, especially in the DFWM, regarding Ramsar site management as they found this a new area that was linked to an international convention. Even though the village clusters were active on behalf of their members, they were not fully confident about presenting their ideas, debating or making arguments at high-level meetings or public meetings even when discussing issues that they were well acquainted with. Both local institutions' members sought an enhancement of their capacities regarding administrative and financial matters, and more engagement by women and children's groups. According to my observations, there is a great need to increase collaboration and the engagement of local associations (CSOs and INGO) in support of the local decisions of these two groups.

5. Conclusion

Over the last two decades, the government of the Lao PDR has set an agenda of decentralization in order to meet MDG goals and achieve the several national targets that have been set in NSEDP¹⁸, FS2020¹⁹, and other relevant international conventions (CBD, Ramsar, CITES and WH, and others). The recent decentralization has been practiced with the aim of transferring responsibilities first to the provinces and then to the district and village levels (GoL, 2000) with more of a focus on public administration

¹⁸ NSDEP Goals – GDP rate at least 8% annually, achieve MDG goals by 2015, and graduate from being an LDC by 2020

¹⁹ FS2020 target to achieve 70% of forest cover by 2020

services reform. As has been seen, this has been carried out in a few provinces that have been randomly selected as pilot areas in a rough and improper process of consultation and participation. Until now, some efforts at decentralization have been established, as can be seen in the development of various policies and strategies at the central level, and the expansion of the scope of planning was increasingly seen to be more focused on management tools for preparation (planning) along the lines of the framework for decentralization in order that all levels of the administration be engaged in the process, with a strong emphasis on the provincial level, although this varied among the provinces. Overall, the planning process was not applied consistently, as has been seen in the Sam Sang where the process started without the introduction of a law and with limits on the extent to which the regulation was disseminated publicly. About 108 focal development villages in 51 districts of all 18 provinces were selected (including the capital, Vientiane) as pilot sites under this directive²⁰. However it seems that power still remains at the central level as can be seen in the notice released after October 2012 (the review of the Sam Sang implementation) where Vientiane was selected as a pilot area for the implementation of this policy and tasks and responsibilities were still distributed among various ministries in Vientiane during the preparation for the implementation of the Sam Sang.

In this working paper, an analysis of the introduction and development process of the two local institutions in Pathoumphone district was conducted in relation to decentralization regarding natural resources. I found that decentralized governance regarding natural resources has satisfied the framework principles to some extent. In the case of the MJG, there has been some progress in decentralization from the provincial authority in assigning a direct oversight role to the district level for the MJG and then on to the village clusters with regards to sharing some responsibilities. In reality, Pathoumphone district was not fully confident or competent when taking these decisions, and they performed their role on the basis of a transfer of functions, as can be seen in the fact that they always consulted the provincial authority before taking a decision. In the case of the DFWMT, decentralization has not yet been implemented, as most decisions were taken by the provincial authority or at the central level (the provincial and national Ramsar Steering Committees or the national Ramsar Secretariat Office).

This initiative is likely to get better, as improvements can be seen in the effectiveness of, and increase in, horizontal practice between the two local institutions in this district in the process of transferring responsibilities and some rights regarding natural resources governance. As can be seen from the results of this case study, early successes resulted from the agreements and regulation made by both institutions. This resulted in a clear division of roles, responsibilities and powers at each level, and a mechanism of

²⁰ Vice President's speech, KPL Lao News Agency, 04 Feb 2013.

accountability between the local authority and the communities (a clear benefit sharing system). However, there are still some concerns (listed below) and recommendations from this analysis of the creation of the local institutions in relation to the decentralization regarding natural resources in the case study.

Some questions arose as being pertinent during observations, the outcomes of discussions with the village clusters and the district, and discussions among and with the local villagers concerning the decentralization regarding natural resources in this district. They are as follows:

- The long-term viability of the MJG toward a complete transfer power or a proper registration as an MJ Association, and the DFWMT, with the inclusion of more village representatives who can take a leading role in the management of the wetlands and the implementation of the Ramsar Convention;
- The type of system and incentive mechanism in place for the active engagement of and increased responsiveness on the part of the local communities, especially by including them in the decision-making process regarding any initiatives in their area;
- As decentralization is a government priority, should the village authority and the villagers receive direct funding to mobilize on their priorities and needs and establish a monitoring system by the village cluster and the district?
- Institutional capacity building at the grassroots level, villages and village clusters should also be a priority for decentralization as can be seen in the high priority given and clear links to the recent Sam Sang.

This working paper was focused so as to address some of these questions. The question of the transfer of powers to govern natural resources to village or local institutions not having been completely addressed, there is the need for support from a legal framework. However, the achievements of the MJ and DFWM groups can be used as a starting point that provides some success stories for decentralization regarding natural resources and contributes to some extent to the national goals of increasing forest cover (GoL, 1988) and alleviating poverty (GoL, 2003). This can also provide an alternative way to stabilize shifting cultivation and reduce the over-extraction of forest products, through, in particular, a form of participatory natural resources management that links food security, nutrition and community development. Overall, there is a great need to consider sustainable financing (refer to the third question) as an incentive for the input and efforts of local communities in managing the natural resources surrounding their villages with a focus on strengthening a local institution's capacity regarding administration, planning, and budgeting or a financing system. However, with decentralization regarding natural resources in the case of Pathoumphone, the Lao PDR is in quite an early stage in terms of its institutional

arrangements and skills in managing natural resources, and it still needs support from high-level officials and a legal framework to be able to evolve further.

Acknowledgements

I acknowledge the feedback and suggestions from participants at the meetings at CSEAS, including the colloquium on the 30th October, 2013, and the Asia Park Congress in Sendai on 15 November, 2013, where I had the opportunity to present an early version of this working paper. I would like to thank Professor Kono Yasuyuki and Associate Professor Nathan Badenoch for their suggestions and criticism of this working paper, and Associate Professor Ando Kazuo for his support and the opportunity to make the field trips to Miyama-cho and the Chii Village Group Development Association and learn about decentralisation on natural resources. My thanks also go to Vilavong Vannalath, the IUCN field coordinator for the Livelihood Landscape Project and the Mekong Water Dialogue Project, who is based in the province, and others, like his IUCN colleagues and the district and provincial officials, for providing project reports and information about the processes behind the arranging of the project, including meeting notes. My thanks also go to the people of the MJG and MFWM villages, Pathoumphone district, who gave me the opportunity to learn about the process behind the transfer of power, their culture, and sustainable forest and wetland management activities, and also to the Director of the Chii Village Group Development Association, his team and the villagers for the meeting and information provided during the field missions.

References

- Agrawal, A. and J. Ribot. 2000. Analyzing decentralisation: A Framework with South Asian and West African Environmental cases. Working paper no.1, <http://dlc.dlib.indiana.edu/documents/dir0/00/00/04/40/dlc-00000440-01/agrawalribot440.pdf>.
- Bikash Ranjan Dash, 2004. Presentation at Bratislava Conference on 20th April, 2004. Public Administration Reform (PAR) & Decentralisation in LAO PDR: Problems and Prospects, website: europeandcis.undp.org/uploads/public/file/8C_Bikash%20Dash_ppt.ppt
- Friederichsen, M., and Neef A. 2010. Variations of Late Socialist Development: Integration and Marginalisation in Northern Uplands of Vietnam and Laos. *European Journal of Development Research* (2010) 22, 564-581. Doi: 10.1057/ejdr.2010.23.
- IUCN, 2003. Field trip report for Ramsar Information Sheet preparation by Alvin Lopez during the Mekong Wetland Biodiversity Project.
- IUCN, 2008. Progress report: Livelihoods from flooded forest fisheries. Livelihoods and Landscape project. Pathoumphone District, Lao PDR 21 January – 16 February, 2008. Unpublished project report.

- IUCN, 2009. Brief meeting report with MJG in Somsouk on MJ trade and processing (in Lao)
- IUCN, 2011. Baseline report: Bueng Kiat Ngong wetlands, Pathoumphone, Champassack province, Lao PDR. Series: Mekong Region Water Dialogues Series Publication. Finland, Ministry of Foreign Affairs.
- IUCN. 2011. Ramsar Profile: to assess infrastructure and capacity needs for Bueng Kiat Ngong Wetlands, Pathoumphone, Champassack, Lao PDR. 68 p. IUCN Laos, ANA Sales, JP; Overseas Environmental Cooperation Center (OECC), JP.
- Karauchi Y., Vina L.A., Badenoch N., Fransen L. 2008. Decentralisation of Natural Resources Management: Lessons from Southeast Asia: Case Studies under REPSI
- GoL. 1988. Vision of MAF until Year 2020. MAF.Vientiane, Lao PDR
- GoL. 2000. Instruction and Advisory of the Prime Minister regarding the policies to building the province to become the strategic unit, the district as budget planning unit and the village as the implementation unit
- GoL. 2003. National Growth and Poverty Eradication Strategy, Government of Lao PDR, Vientiane.
- MoNRE. 2012. *Decision regarding the Organisation and Activities of the Department of Forest Resource Management*, Vientiane, Lao PDR. No. 3121/MoNRE dated 18 May 2012.
- National Assembly of Lao PDR (NA). 1996. Law on Water and Water Resources. No. 02/NA dated 11 October 1996
- National Assembly of Lao PDR (NA). 1997. Environment Protection Law No. 02/NA dated 03 April 1999
- NA, 2003. Land Law No. 04/NA dated 21 October 2007
- National Assembly of Lao PDR (NA). 2007 (a). Forestry Law No. 06/NA dated 24 Dec 2007
- National Assembly of Lao PDR (NA). 2007 (b). Wildlife Law No. 07/NA dated 24 Dec 2007
- NAFRI, 2007. Land Use Planning for Pathoumphone District.
- Pathoumphone District, 2008 (a). Regulation of the management of harvesting and trading of NTFPs (mak jong, berberine, cardamom and honey in Pathoumphone district, Champassack province. No: 05/ Pathoumphone dated 30 June 2008 (in Lao)
- Pathoumphone District, 2008 (b): Mak Jong survey Report, the Livelihood and Landscape Strategy Project (LLS) supported by IUCN and PAFO
- Pathoumphone District. 2009. Amendment regulation for MJ forest management, collection and trade in Pathoumphone district, Champassack province. No 619/Pathoumphone dated 02 April 2009 (in Lao)
- Pathoumphone District. 2010. Regulation on the management of Bueng Kiat Ngong No. 88/ Pathoumphone, dated 01 February 2010 (in Lao)
- Phouangparisak P. 2000. *A National advocacy for a holistic and decentralized approach to forest management in Lao PDR*, Vientiane, Lao PDR. Available from

- http://www.fao.org/documents/show_cdr.asp?url.file=/DOCREP/003/X6898E/X6898E00.htm, accessed March 2005.
- Prime Minister's Office (PMO). 2002. Prime Minister Office No 59, May, 2002. Decree on Sustainable Management of Production Forest areas. Vientiane, Lao PDR
- Prime Minister's Office (PMO). 2009. Prime Minister Office. 2009. Decree on Association. No 115/PM dated 29 April 2009
- Prime Minister's Office (PMO). 2010. Prime Minister Office No 333, June, 2010. Decree on Protection Forests. Vientiane, Lao PDR
- Takuchi K., Brown R.D., Washitani I., Tsunekawa A., Yokohari M. *Satoyama, The Traditional Rural Landscape of Japan*. 2001.
- Ribot J. C. 2005. Democratic decentralization through a natural resource lens.
- UNDP. 2012. Governance Public Administration Reform (Phase II and III): Decentralized participatory governance and service delivery reform project
- UNDP. 2013. Poverty Environment Initiatives Phase 2 inception workshop.
- WREA. 2009. Ramsar Information Sheet. http://www.ramsar.org/pdf/sitelist_order.pdf
- WREA (2007): Strategic Environmental Project Phase II: Integrated Spatial Planning for Sustainable Development: Guidelines