

# NGP Study Tour - Laos 2016 - Think Piece

*Integrating multiple land uses for improved  
livelihoods and landscape resilience*





# Laos - a war background

***Laos is the most heavily bombed nation in history.***

***Eight bombs a minute were dropped on average during the Vietnam war between 1964 and 1973 - more than the amount used during the whole of World War Two.***

“Given our history here, I believe that the United States has a moral obligation to help Laos heal,” said US President Barack Obama on a visit to Laos in September this year, a first for any sitting US president. Some \$90m (£68m) will be spent over three years for the removal of cluster bombs and other unexploded ordnances (UXO).

This history was America’s secret and devastating bombing of Laos during the Vietnam War in the 1960s and 70s.

About 30% of the bombs dropped failed to explode; mine-clearing agencies estimate that about 288m cluster munitions and about 75m unexploded bombs were left across Laos after the war ended.

The biggest impact is in the rural areas of Laos, where the unexploded munitions (UXO) mean that in some areas people are unable to cultivate their fields or build infrastructure like roads or drainage.

Several agencies work in Laos to clear these unexploded munitions, Halo Trust’s CEO James Cowan said the US President’s announcement will have a profound effect on the people of Laos.

“It will help them live and farm in safety on their land, as well as creating opportunities for development and infrastructure,” he said.

During our study tour to Laos we will also see how Stora Enso has worked alongside local communities, to clear UXO as part of their plantation development, enabling farmers to access land that was previously too dangerous for them to cultivate.



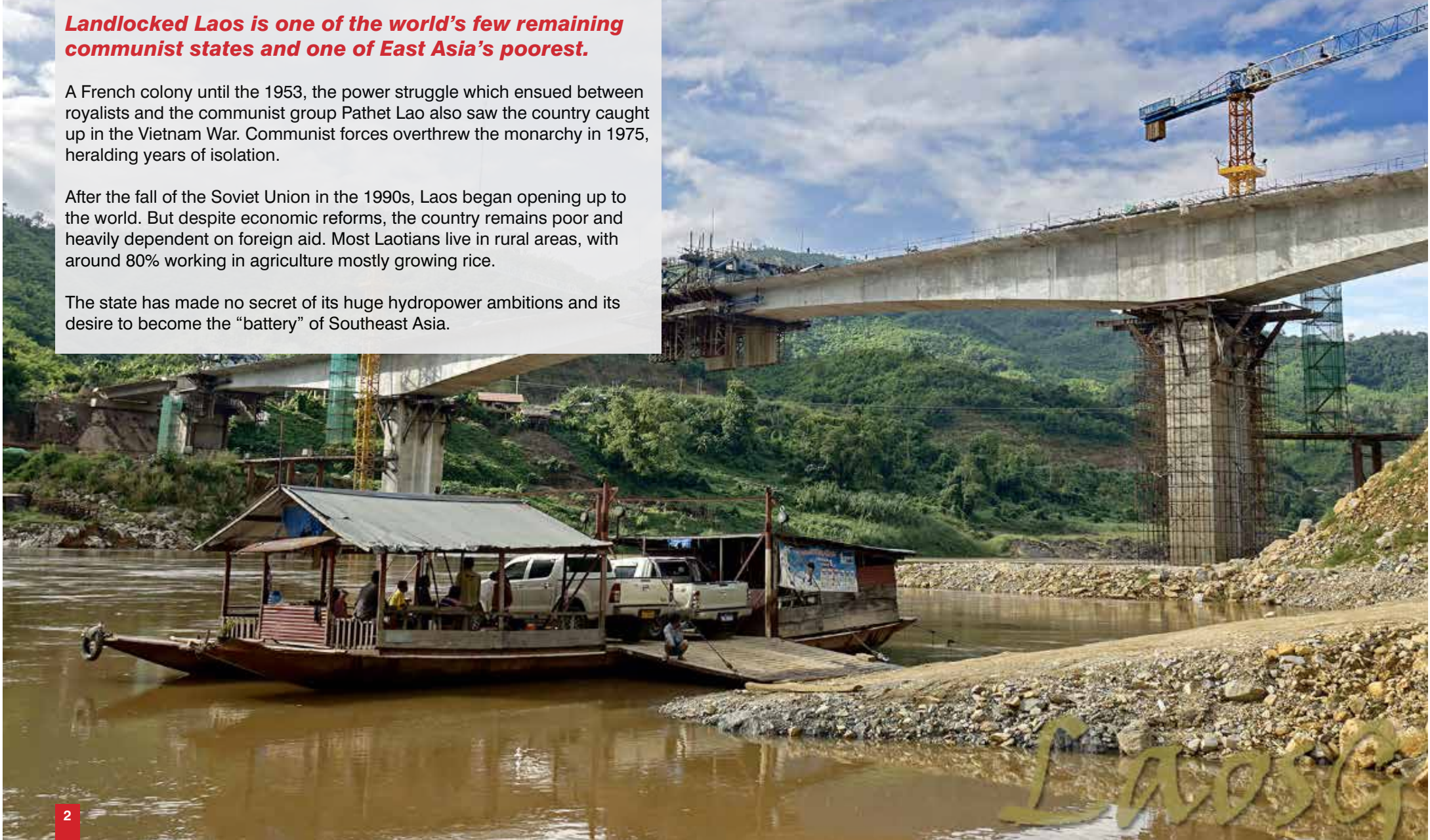
# Laos - a general background

***Landlocked Laos is one of the world's few remaining communist states and one of East Asia's poorest.***

A French colony until the 1953, the power struggle which ensued between royalists and the communist group Pathet Lao also saw the country caught up in the Vietnam War. Communist forces overthrew the monarchy in 1975, heralding years of isolation.

After the fall of the Soviet Union in the 1990s, Laos began opening up to the world. But despite economic reforms, the country remains poor and heavily dependent on foreign aid. Most Laotians live in rural areas, with around 80% working in agriculture mostly growing rice.

The state has made no secret of its huge hydropower ambitions and its desire to become the "battery" of Southeast Asia.





# Asking Questions

***Good questions can stimulate, provoke, inform, inspire, focus thinking, and give purpose to actions.***

***Questions are the best way to gain deeper insights and develop more innovative solutions.***

If asking questions is such a powerful way of learning, why do we stop asking questions or even if we do ask questions, ***why don't we listen to the response?***

- Some people assume they already know the answer. They stick to their beliefs and are certain about their assumptions.
- Some people are afraid that by asking questions they will look stupid or uninformed. They may be concerned that if asking questions it will introduce uncertainty into an issue.
- Some people may simply be in too much of a hurry to take the time to ask questions and to really listen to the response.

None of us has all the answers to an issue, we do not even know all of the questions.

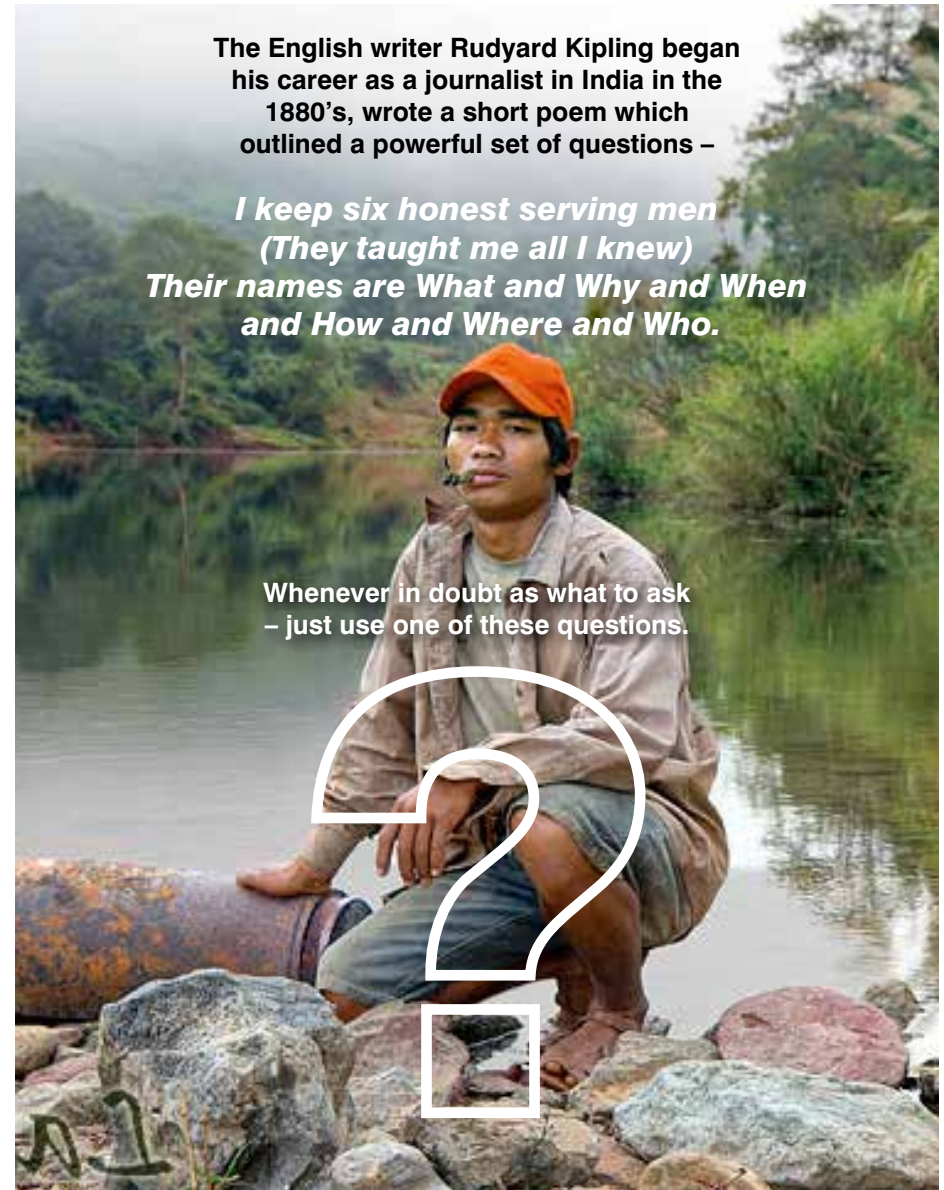
Only by asking questions and seeking different opinions can we begin to understand complex issues. The NGP study tours offer a unique opportunity to ask lots of questions and to hear lots of different answers and lots of different possible solutions.

The aim of this think piece is to help you think about what some of those questions might be, to hopefully stimulate more questions and ultimately to assist in you gaining a wider understanding of the issues. During the study tour the main questions in this think piece will form the background for the group work we will do, and by the end of the week we will together have begun to develop some answers.

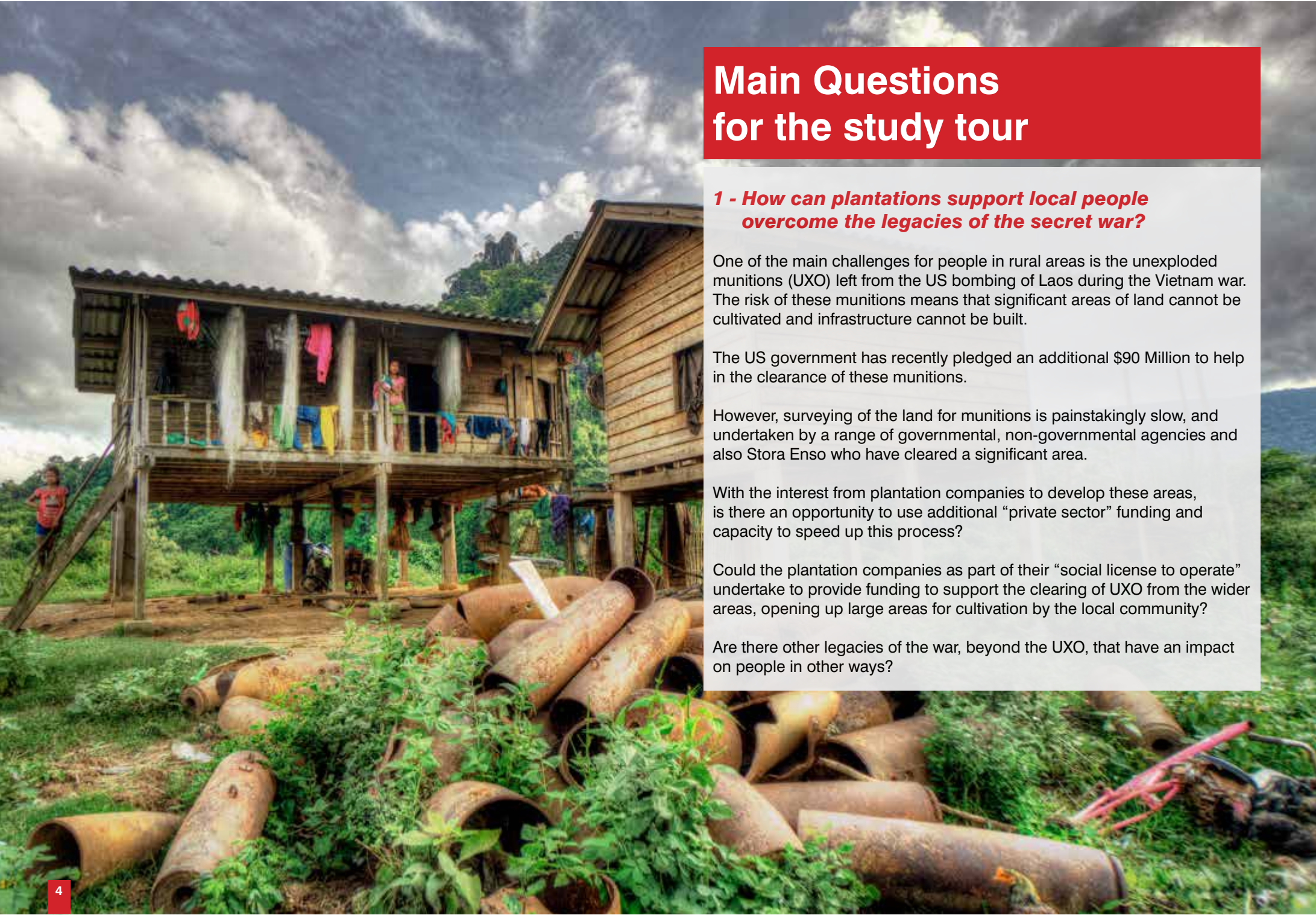
The English writer Rudyard Kipling began his career as a journalist in India in the 1880's, wrote a short poem which outlined a powerful set of questions –

***I keep six honest serving men  
(They taught me all I knew)  
Their names are What and Why and When  
and How and Where and Who.***

Whenever in doubt as what to ask  
– just use one of these questions.







# Main Questions for the study tour

## ***1 - How can plantations support local people overcome the legacies of the secret war?***

One of the main challenges for people in rural areas is the unexploded munitions (UXO) left from the US bombing of Laos during the Vietnam war. The risk of these munitions means that significant areas of land cannot be cultivated and infrastructure cannot be built.

The US government has recently pledged an additional \$90 Million to help in the clearance of these munitions.

However, surveying of the land for munitions is painstakingly slow, and undertaken by a range of governmental, non-governmental agencies and also Stora Enso who have cleared a significant area.

With the interest from plantation companies to develop these areas, is there an opportunity to use additional “private sector” funding and capacity to speed up this process?

Could the plantation companies as part of their “social license to operate” undertake to provide funding to support the clearing of UXO from the wider areas, opening up large areas for cultivation by the local community?

Are there other legacies of the war, beyond the UXO, that have an impact on people in other ways?



## 2 - How can plantations create livelihoods and socio-economic opportunities for local people?

Two of the four principles of New Generation Plantations are that sustainable plantations are:

- Developed through effective stakeholder involvement process
- Contribute to economic growth and employment.

Is the role of the plantation companies in Laos to simply create employment, or can they work in “Creating Shared Value”?

**Creating Shared Value** is a business management strategy focused on companies creating measurable business **value** by identifying and addressing social problems and ecological challenges that intersect with their business.

What does creating shared value look like in Laos? A key problem of joint concern is clearly the UXO, but can the company create additional value by clearing larger areas than they need just for their plantations? Can Stora support the farmers to develop economically and sustainably and so reduce poverty in rural areas.

Is there a role for Forest Management Certification? For example, can FSC act as an audited management standard of sustainability and provide assurance of how the company works with local communities?

Alastair Monument – FSC’s Asia Pacific Regional Director – said that FSC’s “New Approaches Initiative to Smallholders Certification” is designed to transform the system in order to meet the reality and concerns of small producers, indigenous peoples and traditional forest communities, in a spirit of partnership and achieving common goals.

In Laos, there have been four FSC certificates, with a total FSC-certified area of 176,918 hectares, including Stora and group certificates of smallholders, some producing rattan. With the help of WWF, and renewals of orders for rattan baskets from the Swiss retailer Coop, FSC is working to grow the supply and demand for sustainable timber products. Looking forward, we expect to have more smallholders and rattan producers certified in the coming years, and hopefully establish a model for other countries in the region.

Are certification schemes like FSC the answer - Is there enough consumer demand for certified products to provide a “market pull?” What are the costs for the small holder producer to be certified?





### 3 - How do we make wise use of land for food, wildlife & plantations?

Our normal perception of plantations is of thousands of hectares of a single crop or tree species; for example oil palm or eucalyptus. Is there any wildlife or biodiversity in these areas? What are the opportunities and challenges of increasing biodiversity within these large plantation blocks? In Laos the challenge is to create a diverse mosaic of landscapes and land uses, which is resilient to pressures such as climate change and economic fluctuations.

The two other NGP principles of sustainable plantations are:-

- Maintain Ecosystem Integrity
- Protect and Enhance High Conservation Values

How do we decide on the trade off between the economies of scale of large scale plantations and the need to create variety of habitats for biodiversity and to find space for local communities to intercrop with food crops?

This challenge is summed up as Land Sharing vs Land Sparing. Land sharing aims to integrate goals of crop production and biodiversity and wildlife protection on the same piece of land, whereas land sparing aims to separate intensive crop production from protected ecosystems at the larger scale

A key question is who decides which is the best option and how is “best” measured?

In many circumstances raising the sharing vs sparing conundrum is the start of the dialogue. There often isn't a neat answer; and what that answer is can vary not just from site to site but also from year to year as communities develop and change. However, it is important that all stakeholders have the opportunity to contribute to this dialogue, and that the mechanisms for doing so are transparent.





#### **4 - How to manage land tenure and land use planning for landscape resilience and the benefit of local people?**

On a recent study tour in Chile, a community leader of the Mapuche, one of Chile's indigenous peoples, called on the companies not just to work with the communities but to work from the communities.

All land in Laos is owned by the State, and there are range of policies and governance mechanisms that control development and land use planning in each district.

If local communities don't "own" the land on which they live and farm, can they negotiate fairly with a large company which maybe agreeing deals direct with the government at various levels.?

If a company does want to work fairly, with whom does it negotiate – the local people, regional council or central government?

Unclear land tenure is increasingly seen as a major risk factor to international companies and to large scale development projects such as plantations and mining. There is growing awareness that a lack of clarity and transparency in land tenure simply increases the risk of failure and unforeseen consequences for all involved.





## In search for answers

In some regions it can seem the challenges of a long-term sustainable landscape approach are neverending and sometimes it is worth looking around the world for examples of small holders successfully participating in forest and plantation development.

That's why in NGP we bring people from so many different parts of the world, and with so many different experiences and background. Across much of America, Africa and Europe there are many examples of groups of small forest owners working together to supply large international forest product companies, such as Stora Enso.

What are the commonalities and differences between the various realities and schemes across regions and countries? Can NGP help to share the best practices of these small holders working successfully together and bring them to countries like Laos?

**The science fiction writer William Gibson once said  
“The future is already here. It’s just not evenly distributed.”**

Perhaps other groups of small holders have already answered some of the challenges of the communities in Laos? Hopefully, during this study tour you will not only ask lots of questions but also share your knowledge, insight and experience.

**We may already have the answers to these challenges  
– because we just don't know  
– perhaps because we haven't asked the right people  
the right questions...**



# Stora Enso in Laos



Stora Enso has a trial plantation in Laos that combines tree-growing with food production. Our focus on sustainability includes community engagement and helping local villagers by creating safe farming land. During 2015 Stora Enso continued to develop a trial plantation encompassing 3 900 hectares of plantations, of which 2 332 are planted with eucalyptus. Stora Enso Laos has approximately 140 employees.

Stora Enso's responsibility model in Laos is built from the ground up. Before planting any trees, the plantation area must be cleared of all unexploded bombs. As other plantation companies in Laos are not yet doing this, Stora Enso is a real pioneer in establishing safe territories and helping local communities who are still suffering from the aftereffects of the Vietnam War.

For the local villagers, the plantations offer the possibility to grow food safely. But it has other benefits, too. Compared to the traditional shifting cultivation, the rice yields are better. When local communities have a safe place to grow food, there is less need to clear new ground by burning native forest, and so the impact on local biodiversity is reduced.

In Laos, our focus is on supporting the communities who work with us. Our technical staff makes regular visits to partner communities to establish and maintain open dialogues with villagers. The company also organises excursions that enable farmers to meet and visit other farmers, discuss local issues, and exchange their ideas and experiences in relation to the agroforestry model we are promoting in Laos. This engagement also enables farmers to bring up their concerns directly with the company.

As part of the related land compensation scheme, Stora Enso has set up a village development fund which aims to distribute benefits fairly and equally amongst villagers, and to further support local development and livelihoods. Most of the funding allocated in 2015 was directed to infrastructure projects such as electricity and water supply connections, road upgrading, and purchases of livestock to enhance food security. These projects have been designed together with the villagers according to their needs and requirements, in line with Stora Enso's guidelines.







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