Building Up a Nationwide Land Concession Inventory in Lao PDR – Overview on Analytical Results

Washington, Land and Poverty Conference 2013

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Based on work by:
Andreas Heinimann, Oliver Schoenweger, Michael Epprecht
Background and Introduction
Development of land concessions & leases over the last decade
PM Order Nr 13 “Concession Moratorium”

Lao People’s Democratic Republic
Peace Independence Democracy Unity Prosperity

Prime Minister No 13 /PM

Vientiane Capital City, dated 11 June 2012

Order

On: Cessation of Consideration and Permission for New Investment Projects for Mineral Exploration and Plantations of Rubber Tree and Eucalyptus Nation-wide

To: - All the Ministers and Presidents of Equivalent Authorities.
- The Mayor of Vientiane Capital City and all Provincial Governors throughout the country.
Concessions and Leases in the Lao PDR

Taking Stock of Land Investments

Oliver Schönweger
Andreas Heinimann
Michael Epprecht
Juliet Lu
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2012

Available on-line: www.decide.la
Results
Inventory overview: Origin of investors
Inventory overview: Origin of investors

Deals per Investor Type

Area (ha) per Investor Type

Vietnam: 28%
Joint Venture: 7%
China: 18%
Lao PDR: 17%
Thailand: 7%
Japan: 3%
South Korea: 2%

Area (ha) per Investor Type

Domestic: 1,705
Foreign: 797
Joint Venture: 140

65%

123,673
181,477
794,383
72%
Inventory overview: Sectors
Inventory overview: Sectors

Deals per Sector

- Primary sector: 1,291
- Secondary sector: 829
- Tertiary sector: 520

Area (ha) per Sector

- Primary sector: 995,005
- Secondary sector: 77,557
- Tertiary sector: 26,966
Inventory overview: Primary sector

- Agriculture: 300 deals, 200,000 ha
- Forestry: 300 deals, 300,000 ha
- Mining: 600 deals, 600,000 ha

Agriculture: 100,000 ha, 200,000 ha, 300,000 ha, 400,000 ha, 500,000 ha, 600,000 ha
Context of Investment: Accessibility
Contexts of Investment: Poverty

Average poverty rate in Concession areas

<table>
<thead>
<tr>
<th>Industry</th>
<th>Poverty Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forestry</td>
<td>37.5%</td>
</tr>
<tr>
<td>Mining</td>
<td>32.5%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>28.5%</td>
</tr>
<tr>
<td>Manufacturing/Processing</td>
<td>24.5%</td>
</tr>
<tr>
<td>Wholesale/Trade</td>
<td>20.5%</td>
</tr>
<tr>
<td>Tourism</td>
<td>16.5%</td>
</tr>
<tr>
<td>Construction</td>
<td>12.5%</td>
</tr>
<tr>
<td>Services</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

National Poverty Rate: 15.0%
Contexts of Investment: Poverty

Average poverty rate in Concession areas

National Poverty Rate

Villages in Land Concessions/Leases and Poverty Incidence

Poverty Incidence
- Higher (poorer) than average national poverty incidence
- Lower (better off) than average national poverty incidence

Poverty Incidence:
- < 10%
- 10% - 20%
- 20% - 30%
- 30% - 40%
- 40% - 50%
- 50% - 60%
- 60% - 70%
- 70% - 80%
- > 90%

Map produced by CDE/GRID 2012 with support from UBC and ULMUZ
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Contexts of investment: Land cover
Contexts of investment: Land cover
Summary and Outlook
Summary

• The National Land Concesssion Inventory is the first comprehensive database on dimension and context of land investments in Laos.

• Land investments are not primary in marginal regions (in terms of poverty & accessibility).

• There are indications that a considerable share of the land granted for leases and concessions was formerly devoted to small-scale agriculture with serious potential implications for the livelihoods of the Lao PDR’s highly land-dependant local population.

• The “strength” of the Lao PDR’s regulatory institutions will determine the balance between benefits provided and potential negative impacts by land investment projects from a sustainability perspective.

• The inventory provides an entry-point for informed decision-making and can serve wider participation of stakeholders by providing information and knowledge on land-based investments.