



# Sustainable expansion of forestry and wood processing in Laos and Australia



## Key details

### Location

Laos

### Duration

Start Jul 2025

End Aug 2030

### Budget

AUD 3,179,399

### Commissioned organisation

Griffith University

### Partners

Australian National University; National University of Laos; The University of Melbourne; Department of Forestry, Laos

### Project Leadership

Dr Bill Leggate

### ACIAR Research Program Manager

Dr Nicholas Hogarth

### Program

Forestry

### Project code

FST/2023/153

## Research need

**This project aims to expand sustainable, profitable and inclusive wood processing based upon plantations in Laos and Australia to increase household and national incomes while generating social and environmental benefits.**

The Government of Lao PDR has identified the forestry plantation sector and associated wood processing industry as presenting significant opportunities to alleviate poverty, improve livelihoods, increase tree cover and achieve climate change mitigation objectives.

However, like many Southeast Asian countries, Laos has experienced substantial deforestation. A well-targeted and managed plantation forestry expansion can contribute to increasing forest cover and provide environmental, social and economic benefits in Laos.

As global demand for wood products increases, a sustainable expansion of this sector will allow smallholders in Laos to capitalise on the country's high plantation productivity and proximity to major markets.

This project builds on previous projects that have delivered significant impacts, including improvements to forestry policy and legislation, enhanced wood processing techniques, the establishment of commercial veneer production, and sustained capacity building for Lao researchers and practitioners. It is intended as the capstone in a series of wood-processing research investments, enhancing environmental, social and economic benefits along the whole supply chain from forest growers to export markets.



## The project

This project will be conducted in close consultation with key private sector personnel, industry, government and university stakeholders in Laos and Australia. As such, it will:

- support forest policy, governance, regulation and supply chains as led by Lao practitioners and researchers in the Department of Forestry and National University of Laos
  - assist micro, small and medium enterprises to comply with industry directives, improve production efficiency and promote greater representation in industry associations
  - address technical concerns about Lao timber utilisation, including product performance testing, developing national building codes and assessing the carbon footprint of wood products
  - investigate and demonstrate how to convert rubber trees into various products including engineered wood products compatible with domestic and international markets
  - minimise waste and develop new end-of-service-life options for engineered wood products, ensuring good industrial hygiene and improving occupational health and safety across the supply chain
  - ensure the National University of Laos Wood Technical Research Centre operates as a stand-alone centre providing educational, research, testing, and certification services to support the Lao forest industry over the long term.
- mastering technical challenges in optimising wood product recoveries
  - independent, self-supporting operation of the Wood Technology Research Centre at the National University of Laos
  - more circular economies (reducing waste, reusing and recycling inputs and boosting processing efficiencies)
  - routine industrial hygiene and occupational health and safety protocols
  - increased capacity of Lao researchers and practitioners involved in forest industry policy, ensuring greater independence and resilience in the forestry sector
  - improved gender equality within industry
  - increased plantation area and wood use in construction contributing to climate change mitigation.



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## Expected outcomes

The core outcome sought from this project is expanded wood processing in Laos. Supporting outcomes for expanded wood processing include:

- improved policy, governance and regulation
- strengthened enabling environment for plantation industry expansion, increasing benefits for smallholders and micro, small and medium enterprises
- strengthened understanding and forecasting of global and regional market trends, resource needs and opportunities for Lao forest industries