

REDD Readiness Progress Fact Sheet

COUNTRY: Lao PDR

October, 2012

1. R-PP Preparation and FCPF Readiness grant

- \$200K FCPF REDD Readiness Preparation Proposal (R-PP) Grant was requested by the Government of Lao PDR (GoL) and the Grant Agreement was signed in October 2009.
- R-PP was submitted for consideration by FCPF PC at PC7 (November, 2010), a revised version of the R-PP was submitted to the FCPF Secretariat in February 2011. Fund was mostly disbursed and closed in 2011.
- Lao PDR selected as a FIP (Forest Investment Program) pilot country in June 2010. An investment plan was developed and endorsed by the FIP sub-committee (January 2012).
- R-PP Assessment note was reviewed and approved by management on October 1, 2012
- Expected date for grant signature is Q 2 FY13.

2. National REDD Readiness Management Arrangements

A new Ministry of Natural Resources and Environment (MONRE) was formed in June 2011. The mandate of MONRE, especially the newly formed Department of Forest Resource Management (DFRM) relative to REDD+ were spelled out in a PM Decree in November 2011. DFRM has responsibility for REDD+ implementation in Protection and Conservation Forests. The Department of Forestry (DoF) within the Ministry of Agriculture and Forestry (MAF) also has territorial responsibility for REDD+ implementation in Production forest and in non-state forest areas under village management. These responsibilities were spelled out in a PM Decree in June 2012. At the moment, both ministries are working on piloting REDD+ implementation in their respective territories. Overarching coordination responsibilities for REDD+ management across Ministries rests with the National Environmental Committee and the Bank is seeking clarification with regard to management of the national carbon registry, national policy and legal framework development, benefit sharing and oversight of the carbon market.

A high level discussion (National Environment Committee chaired by the Deputy Prime Ministers and consisted of Ministers of all line ministries as members) to discuss the establishment of the national REDD+ office and roles between MAF and MoNRE is expected to be held by end of November. In the interim, it was agreed by both ministries at the technical level that DoF will lead the national REDD+ coordination with active participation from DFRM (MoNRE) including the implementation of the FCPF Readiness Preparation Grant of \$3.6 million allocated to Lao PDR.

3. Stakeholder Consultations and Communication

Extensive consultations were held during R-PP development and sub-national REDD+ discussions with stakeholders were held in June to August 2012. Additional consultations will begin once the grant agreement is signed and the SESA preparation is underway.

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4. REDD Strategy Preparation

Will be undertaken once the grant agreement is signed in Quarter 2 of FY 13.

5. Implementation Framework

Will be undertaken once the grant agreement is signed in Quarter 2 of FY 13.

6. SESA

TORs for SESA and ESMF have been developed and reviewed by the Bank Regional Safeguards Secretariat (RSS). Recommended revisions are being incorporated.

7. Development of a Reference Scenario

Will be developed based on discussions with the government and other bilateral donors during the project implementation.

8. MRV

Bi-lateral development partners, notably GIZ, SNV, JICA, and Finland, continue to assist the Lao Government in building capacity in forest monitoring, forest mapping, and community-based approaches for carbon mapping.

Lao PDR is part of the USAID-funded LEAF program (Lowering Emissions in Asia's Forests), which is building capacity and strengthening regional collaboration in forest monitoring and the piloting of techniques that can be applied in the national REDD+ readiness process. The Lao LEAF inception workshop took place in June 2012.

9. Other

Grant agreement is being prepared by the country lawyer and expected to be signed during Q2 of FY 13.